108TH CONGRESS
1ST SESSION

H. R. 1950

AN ACT

To establish the Millennium Challenge Account to provide increased support for certain developing countries; to authorize the expansion of the Peace Corps; to authorize appropriations for the Department of State for fiscal years 2004 and 2005; to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2004 and 2005; and for other purposes.

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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 ''Millennium Challenge Account, Peace Corps Expansion, and Foreign Relations Authorization Act of 2003''.

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

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

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

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

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

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

(5) DIVISION E.—Assistance for Viet Nam.

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

Sec. 1. Short title.
Sec. 2. Organization of act into divisions; table of contents.
Sec. 3. Definitions.
Sec. 4. Special rules for applying Buy American Act.

DIVISION A—MILLENNIUM CHALLENGE ACCOUNT

TITLE I—GENERAL PROVISIONS

Sec. 101. Short title.
Sec. 102. Definitions.
Sec. 103. Sunset.

TITLE II—MILLENNIUM CHALLENGE ASSISTANCE

Sec. 201. Findings; statement of policy.
Sec. 202. Authorization of assistance.
Sec. 203. Eligibility and related requirements.
Sec. 204. Millennium Challenge Compact.
Sec. 205. Suspension and termination of assistance.
Sec. 206. Annual report.
Sec. 207. Participation of certain United States businesses.
Sec. 208. Authorization of appropriations; related authorities.

TITLE III—MILLENNIUM CHALLENGE CORPORATION

Sec. 301. Millennium Challenge Corporation.
Sec. 302. Chief Executive Officer.
Sec. 303. Board of Directors.
Sec. 304. Interagency coordination.
Sec. 305. Powers of the corporation; related provisions.
Sec. 306. Transparency and accountability of the corporation.
Sec. 307. Detail of personnel to the corporation; other authorities and limitations.
Sec. 308. Millennium Challenge Advisory Council.
Sec. 309. Millennium Challenge Seed Grants.
Sec. 310. Clarification of role of USAID.

TITLE IV—PROVISIONS RELATING TO UNITED STATES ECONOMIC ASSISTANCE

Sec. 401. Definition.
Sec. 402. Framework for assistance.
Sec. 403. Report relating to impact and effectiveness of assistance.

DIVISION B—REAUTHORIZATION AND EXPANSION OF THE PEACE CORPS

TITLE X—GENERAL PROVISIONS

Sec. 1001. Short title.
Sec. 1002. Definitions.
Sec. 1003. Findings.

TITLE XI—AMENDMENTS TO PEACE CORPS ACT; RELATED PROVISIONS

Sec. 1101. Advancing the goals of the Peace Corps.
Sec. 1102. Reports and consultations.
Sec. 1103. Special volunteer recruitment and placement for certain countries.
Sec. 1104. Global infectious diseases initiative; coordination of HIV/AIDS activities.
Sec. 1105. Peace Corps National Advisory Council.
Sec. 1106. Readjustment allowances.
Sec. 1107. Programs and projects of returned Peace Corps volunteers and former staff.
Sec. 1108. Declaration of policy.
Sec. 1109. Peace Corps in Sierra Leone.
Sec. 1110. Authorization of appropriations.

DIVISION C—DEPARTMENT OF STATE AUTHORIZATION ACT, FISCAL YEARS 2004 AND 2005

Sec. 101. Short title.

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

Subtitle A—Department of State

Sec. 111. Administration of foreign affairs.
Sec. 112. United States educational and cultural programs.
Sec. 113. Contributions to international organizations.
Sec. 114. International commissions.
Sec. 115. Migration and refugee assistance.
Sec. 116. Voluntary contributions to international organizations.
Sec. 117. Voluntary contributions for international peacekeeping activities.
Sec. 118. Grants to the Asia Foundation.

Subtitle B—United States International Broadcasting Activities

Sec. 121. Authorizations of appropriations.

TITLE II—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES

Subtitle A—United States Public Diplomacy

Sec. 201. Findings and purposes.
Sec. 202. Public diplomacy responsibilities of the Department of State.
Sec. 203. Annual plan on public diplomacy strategy.
Sec. 204. Public diplomacy training.
Sec. 205. United States Advisory Commission on Public Diplomacy.
Sec. 206. Library program.
Sec. 207. Sense of Congress concerning public diplomacy efforts in sub-Saharan Africa.

Subtitle B—Basic Authorities and Activities

Sec. 221. United States policy with respect to Jerusalem as the capital of Israel.
Sec. 222. Modification of reporting requirements.
Sec. 223. Report concerning efforts to promote Israel's diplomatic relations with other countries.
Sec. 224. Reimbursement rate for certain airlift services provided by the Department of Defense to the Department of State.
Sec. 225. Sense of Congress regarding additional United States consular posts.
Sec. 226. Validity of United States passports for travel to countries receiving United States foreign assistance.
Sec. 227. GAO assessment of security capital cost sharing.
Sec. 228. Authority to issue administrative subpoenas.
Sec. 229. Enhancing refugee resettlement and maintaining the United States commitment to refugees.
Sec. 230. The Colin Powell Center for American Diplomacy.
Sec. 231. Interference with protective functions.
Sec. 232. Issuance of consular identification cards by foreign missions.

Subtitle C—Educational and Cultural Authorities

Sec. 251. Establishment of initiatives for predominantly Muslim countries.
Sec. 252. Database of American and foreign participants in exchange programs.

Sec. 253. Report on inclusion of freedom and democracy advocates in educational and cultural exchange programs.
Sec. 254. Sense of the Congress concerning educational and cultural exchange program for foreign journalists.
Sec. 255. Sense of Congress regarding Korean Fulbright programs.
Sec. 256. Authorizing East Timorese scholarships for graduate study.
Sec. 257. Public safety awareness in study abroad programs.

Subtitle D—Consular Authorities

Sec. 271. Machine readable visas.
Sec. 272. Processing of visa applications.
Sec. 273. Staffing at diplomatic missions.
Sec. 274. Allocation of resources for embassies and consulates.
Sec. 275. Notice to United States embassies abroad regarding children who are the subject of international child abduction and guidelines relating to sanctuary for such children.
Sec. 276. Inadmissibility of aliens supporting international child abductors and relatives of such abductors.
Sec. 277. Architectural integrity of United States embassies, consulates, and other diplomatic buildings.

TITLE III—ORGANIZATION AND PERSONNEL OF THE DEPARTMENT OF STATE

Sec. 301. Fellowship of Hope Program.
Sec. 302. Claims for lost pay.
Sec. 303. Ombudsman for the Department of State.
Sec. 304. Repeal of recertification requirement for senior foreign service.
Sec. 305. Report concerning status of employees of State Department.
Sec. 306. Home leave.
Sec. 307. Increased limits applicable to post differentials and danger pay allowances.
Sec. 308. Regulations regarding retirement credit for government service performed abroad.
Sec. 309. Minority recruitment.
Sec. 310. Meritorious step increases.
Sec. 311. Treatment of territories and possessions as part of the geographic United States for purposes of transfer allowances.

TITLE IV—INTERNATIONAL ORGANIZATIONS

Subtitle A—Basic Authorities and Activities

Sec. 401. Raising the cap on peacekeeping contributions.
Sec. 402. Regarding the reentry of the United States in UNESCO.
Sec. 403. UNESCO national commission.
Sec. 404. Organization of American States (OAS) emergency fund.
Sec. 405. United States efforts regarding the status of Israel in the Western European and Others Group at the United Nations.

Subtitle B—United States International Leadership

Sec. 431. Short title.
Sec. 432. Findings.
Sec. 433. Establishment of a democracy caucus.
Sec. 434. Annual diplomatic missions on multilateral issues.

Sec. 435. Leadership and membership of international organizations.
Sec. 436. Increased training in multilateral diplomacy.
Sec. 437. Promoting assignments to international organizations.
Sec. 438. Implementation and establishment of office on multilateral negotiations.
Sec. 439. Synchronization of United States contributions to international organizations.

TITLE V—UNITED STATES INTERNATIONAL BROADCASTING ACTIVITIES

Subtitle A—Basic Authorities and Activities

Sec. 501. Mideast Radio and Television Network, Inc.
Sec. 502. Improving signal delivery to Cuba.
Sec. 503. Report concerning efforts to counter jamming of broadcasts of Radio Marti and TV Marti.
Sec. 504. Pilot program for the promotion of travel and tourism in the United States through United States international broadcasting.
Sec. 505. Radio Free Asia broadcasts into North Korea.
Sec. 506. Prohibition on elimination of international broadcasting in Eastern Europe.
Sec. 507. Contractor requirements.

Subtitle B—Global Internet Freedom

Sec. 521. Short title.
Sec. 522. Findings.
Sec. 523. Purposes.
Sec. 524. Development and deployment of technologies to defeat Internet jamming and censorship.

Subtitle C—Reorganization of United States International Broadcasting

Sec. 531. Establishment of United States International Broadcasting Agency.
Sec. 532. Authorities and functions of the agency.
Sec. 533. Role of the Secretary of State.
Sec. 534. Administrative provisions.
Sec. 535. Broadcasting Board of Governors and International Broadcasting Bureau.
Sec. 536. Transition.
Sec. 537. Conforming amendments.
Sec. 538. References.
Sec. 539. Broadcasting standards.
Sec. 540. Effective date.

TITLE VI—INTERNATIONAL FREE MEDIA ACT OF 2003

Sec. 601. Short title.
Sec. 602. Definitions.
Sec. 603. Findings.
Sec. 604. Statements of policy.
Sec. 605. Coordinator for International Free Media.
Sec. 606. United States Advisory Commission on Public Diplomacy and International Media.
Sec. 607. International Free Media Fund.

Sec. 608. Free media promotion activity of the Broadcasting Board of Governors.

TITLE VII—MISCELLANEOUS PROVISIONS

Subtitle A—Reporting Requirements

Sec. 701. Reports to Committee on International Relations.
Sec. 702. Reports concerning the capture and prosecution of paramilitary and other terrorist leaders in Colombia.
Sec. 703. Reports relating to Magen David Adom Society.
Sec. 704. Report concerning the return of portraits of Holocaust victims to the artist Dina Babbitt.
Sec. 705. Report to Congress on use of vested assets.
Sec. 706. Report concerning the conflict in Uganda.
Sec. 707. Requirement for report on United States policy toward Haiti.
Sec. 708. Report on the effects of Plan Colombia on Ecuador.
Sec. 709. Report on actions taken by Pakistan.
Sec. 710. Report on democracy in the Western Hemisphere.
Sec. 711. Report concerning internal and intra-regional conflicts in the Great Lakes region of Africa.
Sec. 712. Report concerning observer status for Taiwan at the summit of the World Health Assembly.

Subtitle B—Other Matters

Sec. 721. Sense of Congress relating to East Timor, justice, and rehabilitation.
Sec. 722. Sense of Congress concerning human rights and justice in Indonesia.
Sec. 723. Amendment to the International Religious Freedom Act of 1998.
Sec. 724. Sense of Congress with respect to human rights in Central Asia.
Sec. 725. Technical correction to authorization of appropriations for fiscal year 2003 for Center for Cultural and Technical Interchange Between East and West.
Sec. 726. Under Secretary of Commerce for Industry and Security.
Sec. 727. Concerning the spread of weapons of mass destruction.
Sec. 728. International agriculture biotechnology information program.
Sec. 729. Refugee resettlement burdensharing.
Sec. 730. Sense of Congress regarding migration issues between the United States and Mexico.
Sec. 731. Sense of Congress concerning United States assistance to Palestinian refugees.
Sec. 732. United States policy on World Bank Group loans to Iran.
Sec. 733. Sense of Congress relating to Soviet nuclear tests in Kazakhstan.
Sec. 734. Sense of Congress relating to violence against women.
Sec. 735. Sense of Congress concerning the timely issuance of visas for Russian weapons scientists involved in arms control and nonproliferation exchanges with the United States.
Sec. 736. Designation of foreign terrorist organizations.
Sec. 737. Sense of Congress relating to regarding security for Taiwan.
Sec. 738. Sense of Congress in appreciation of the Armed Forces of the United States and regarding restoring stability and security in Iraq.
Sec. 739. Attacks on United States citizens by Palestinian terrorists.
Sec. 740. Sense of Congress and report concerning Wastewater Treatment and the International Boundary and Water Commission, United States and Mexico.

Sec. 741. Sense of Congress regarding allocation of resources for the Department of State as the central authority for the United States under the Hague Convention on intercountry adoption.
Sec. 742. Transfer of Vietnam-era Cessna L–19D Bird Dog aircraft to Army Aviation Heritage Foundation.
Sec. 743. Statement of policy relating to democracy in Iran.
Sec. 744. Sense of Congress regarding the extradition of violent criminals from Mexico to the United States.

DIVISION D—DEFENSE TRADE AND SECURITY ASSISTANCE REFORM ACT OF 2003

TITLE X—GENERAL PROVISIONS

Sec. 1001. Short title.
Sec. 1002. Definitions.
Sec. 1003. References to Arms Export Control Act.

TITLE XI—TERRORIST-RELATED PROHIBITIONS AND ENFORCEMENT MEASURES

Sec. 1101. Eligibility provisions.
Sec. 1102. Weapons transfers to foreign persons in the United States.
Sec. 1103. Coordination of license exemptions with United States law enforcement agencies.
Sec. 1104. Mechanisms to identify persons in violation of certain provisions of law.
Sec. 1105. Comprehensive nature of United States arms embargoes.
Sec. 1106. Transactions with countries supporting acts of international terrorism.
Sec. 1107. Amendments to control of arms exports and imports.
Sec. 1108. High risk exports and end use verification.
Sec. 1109. Concurrent jurisdiction of the Federal Bureau of Investigation.
Sec. 1110. Report on foreign-supplied defense articles, defense services, and dual use goods and technology discovered in Iraq.

TITLE XII—STRENGTHENING MUNITIONS EXPORT CONTROLS

Sec. 1201. Control of items on Missile Technology Control Regime Annex.
Sec. 1202. Certifications relating to export of certain defense articles and services.
Sec. 1203. Notification requirements for technical assistance and manufacturing licensing agreements with NATO member countries, Australia, New Zealand, and Japan.
Sec. 1204. Strengthening defense cooperation with Australia and the United Kingdom.
Sec. 1205. Training and liaison for small businesses.
Sec. 1206. Study and report relating to co-locating munitions control functions of the Departments of State, Defense, and Homeland Security.

TITLE XIII—SECURITY ASSISTANCE AND RELATED PROVISIONS

Subtitle A—Foreign Military Sales and Financing Authorities

Sec. 1301. Authorization of appropriations.
Sec. 1302. Provision of cataloging data and services.
Sec. 1303. Annual estimate and justification for sales program.

Sec. 1304. Adjustment to advance notification requirement for transfer of certain excess defense articles.

Subtitle B—International Military Education and Training

Sec. 1311. Authorization of appropriations.
Sec. 1312. Annual foreign military training reporting.
Sec. 1313. Condition on the provision of certain funds to Indonesia.

Subtitle C—Assistance for Select Countries

Sec. 1321. Assistance for Israel.
Sec. 1322. Assistance for Egypt.

Subtitle D—Miscellaneous Provisions

Sec. 1331. United States War Reserve Stockpiles for Allies.
Sec. 1332. Transfer to Israel of certain defense articles in the United States War Reserve Stockpiles for Allies.
Sec. 1333. Expansion of authorities for loan of material, supplies, and equipment for research and development purposes.
Sec. 1334. Assistance for demining and related activities.
Sec. 1335. Reports relating to Treaty Between the United States and the Russian Federation on Strategic Offensive Reductions.
Sec. 1336. Statement of House of Representatives regarding the Treaty Between the United States and the Russian Federation on Strategic Offensive Reductions.
Sec. 1337. Nonproliferation and Disarmament Fund.
Sec. 1338. Maritime interdiction patrol boats for Mozambique.
Sec. 1339. Report on missile defense cooperation.
Sec. 1340. Iran's program to develop a nuclear explosive device.

TITLE XIV—MISSILE THREAT REDUCTION ACT OF 2003

Sec. 1401. Short title.

Subtitle A—Strengthening International Missile Nonproliferation Law

Sec. 1411. Findings.
Sec. 1412. Policy of the United States.
Sec. 1413. Sense of Congress.

Subtitle B—Strengthening United States Missile Nonproliferation Law

Sec. 1421. Probationary period for foreign persons.
Sec. 1422. Strengthening United States missile proliferation sanctions on foreign persons.
Sec. 1423. Comprehensive United States missile proliferation sanctions on all responsible persons.

Subtitle C—Incentives for Missile Threat Reduction

Sec. 1431. Foreign assistance.
Sec. 1432. Authorization of appropriations.
Sec. 1433. Authorization of technical assistance in missile disarmament.

TITLE XV—PROMOTION OF DEMOCRACY, HUMAN RIGHTS, AND RULE OF LAW IN BELARUS

Sec. 1501. Assistance to promote democracy and civil society in Belarus.
Sec. 1502. Radio broadcasting to Belarus.
Sec. 1503. Sense of Congress relating to sanctions against the Government of Belarus.
Sec. 1504. Multilateral cooperation.
Sec. 1505. Report.
Sec. 1506. Definitions.

TITLE XVI—ISRAELI-PALESTINIAN PEACE ENHANCEMENT ACT OF 2003

Sec. 1601. Short title.
Sec. 1602. Findings.
Sec. 1603. Purposes.
Sec. 1604. Sense of Congress.
Sec. 1605. Recognition of a Palestinian state.
Sec. 1606. Limitation on assistance to a Palestinian state.
Sec. 1607. Authorization of assistance to a Palestinian state.

TITLE XVII—ACCESS FOR AFGHAN WOMEN

Sec. 1701. Short title.
Sec. 1702. Findings.
Sec. 1703. Establishment of Afghan Women's Fund.
Sec. 1704. Assistance to Afghanistan.
Sec. 1705. Requirements relating to United States activities in Afghanistan.
Sec. 1706. Reporting requirements.

TITLE XVIII—MISCELLANEOUS FOREIGN ASSISTANCE PROVISIONS

Sec. 1801. Additional authorities relating to international narcotics control assistance.
Sec. 1802. United States opium eradication program in Colombia.
Sec. 1803. Cooperative Development Program.
Sec. 1804. West Bank and Gaza Program.
Sec. 1805. Annual human rights country reports on incitement to acts of discrimination.
Sec. 1806. Assistance to East Timor.
Sec. 1807. Support for democracy-building efforts for Cuba.
Sec. 1808. Amendment to the Afghanistan Freedom Support Act of 2002.
Sec. 1809. Congo Basin Forest Partnership.
Sec. 1810. Combatting the piracy of United States copyrighted materials.
Sec. 1811. Assistance for law enforcement forces in certain foreign countries.
Sec. 1812. Human Rights and Democracy Fund.
Sec. 1813. Enhanced police training.
Sec. 1814. Promoting a secure and democratic Afghanistan.
Sec. 1815. Grants to the Africa Society.
Sec. 1816. Assistance to Tamil Nadu
Sec. 1817. Transfer of naval vessels to certain foreign countries.
Sec. 1818. Assistance to combat HIV/AIDS in certain countries of the Caribbean region.
Sec. 1819. Report on progress made in modifying the Enhanced HIPC Initiative.

DIVISION E—ASSISTANCE FOR VIET NAM

TITLE XX—CONDITIONS ON INCREASED NONHUMANITARIAN ASSISTANCE TO THE GOVERNMENT OF VIET NAM

Sec. 2001. Bilateral nonhumanitarian assistance.

TITLE XXI—ASSISTANCE TO SUPPORT HUMAN RIGHTS AND DEMOCRACY IN VIET NAM

Sec. 2101. Assistance.

TITLE XXII—UNITED STATES PUBLIC DIPLOMACY

Sec. 2201. Radio Free Asia transmissions to Viet Nam.
Sec. 2202. United States educational and cultural exchange programs with Viet Nam.

TITLE XXIII—UNITED STATES REFUGEE POLICY

Sec. 2301. Refugee resettlement for nationals of Viet Nam.

TITLE XIV—ANNUAL REPORT ON PROGRESS TOWARD FREEDOM AND DEMOCRACY IN VIET NAM

Sec. 2401. Annual report.

SEC. 3. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

(2) DEPARTMENT.—The term ''Department'' means the Department of State.

(3) SECRETARY.—Except as otherwise provided, the term ''Secretary'' means the Secretary of State.

SEC. 4. SPECIAL RULES FOR APPLYING BUY AMERICAN ACT.

(a) ACQUISITIONS OF ARTICLES, MATERIALS, AND SUPPLIES.—With respect to any acquisition under this

Act or any amendment made by this Act of articles, materials, or supplies that are subject to section 2 of the Buy American Act (41 U.S.C. 10a), such section shall be applied to such acquisition by substituting ''at least 65 percent'' for ''substantially all''; or

(b) CONTRACTS FOR CONSTRUCTION, ALTERNATION, OR REPAIR.—With respect to any contract for the construction, alteration, or repair of any public building or public work entered into under this Act or any amendment made by this Act that is subject to section 3 of the Buy American Act (41 U.S.C. 10b), such section shall be applied to such contract by substituting ''at least 65 percent'' for ''substantially all''.

DIVISION A—MILLENNIUM CHALLENGE ACCOUNT

TITLE I—GENERAL PROVISIONS

SEC. 101. SHORT TITLE.

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

SEC. 102. DEFINITIONS.

In this division:

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

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

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

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

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

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

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

(6) MILLENNIUM DEVELOPMENT GOALS.—The term ''Millennium Development Goals'' means the key development objectives described in the United Nations Millennium Declaration, as contained in United Nations General Assembly Resolution 55/2 (September 2000), which aim to eradicate extreme poverty and hunger, achieve universal primary edu-

cation, promote gender equality and empower women, reduce child mortality, improve maternal health, combat HIV/AIDS, malaria, and other infectious diseases, ensure environmental sustainability, and develop a global partnership for development.

SEC. 103. SUNSET.

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

TITLE II—MILLENNIUM CHALLENGE ASSISTANCE

SEC. 201. FINDINGS; STATEMENT OF POLICY.

(a) FINDINGS.—Congress finds the following:

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

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

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

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

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

that would enable them to compete in an open and equitable international economic system.

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

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

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

(C) DEMOCRACY AND THE RULE OF LAW.—Democratic development, political pluralism, and respect for internationally recognized human rights are intrinsically linked to economic and social progress. The ability of

people to participate in the economic and political processes affecting their lives is essential to sustained growth. The rule of law and a commitment to fight corruption is also critical to the development of a prosperous society.

(D) INVESTMENTS IN PEOPLE.—Economic growth and democracy can be sustained only if both men and women have the basic tools and capabilities that foster the opportunity for participation in the economic, social, and political life of their countries. Successful development of countries requires citizens who are literate, healthy, and prepared and able to work.

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

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

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

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

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

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

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

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

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

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

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

SEC. 202. AUTHORIZATION OF ASSISTANCE.

(a) ASSISTANCE.—The President, acting through the Chief Executive Officer of the Millennium Challenge Corporation, is authorized to provide assistance to eligible countries to support policies and programs that advance

the progress of such countries in achieving lasting economic growth and poverty reduction and are in furtherance of the purposes of this title.

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

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

(A) political, social, and economic pluralism;

(B) respect for the rule of law;

(C) anti-corruption initiatives and law enforcement;

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

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

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

(G) a free and independent media.

(2) FOSTERING INVESTMENT IN EDUCATION AND HEALTH INFRASTRUCTURE AND SYSTEMS.—The assistance should foster improved educational

opportunities and health conditions, particularly for women and children, including through—

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

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

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

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

(3) PROMOTING ECONOMIC FREEDOM, BROAD-BASED ECONOMIC GROWTH, AND FOSTERING FREE MARKET SYSTEMS.—The assistance should foster the

institutions and conditions needed to promote free market systems, trade, and investment, including—

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

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

(C) the protection of property rights, including—

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

(ii) the establishment and maintenance of an efficient and integrated legal property system that, among other things, facilitates the ability of the poor, particularly women, to convert physical and intellectual assets into capital, such as utilizing existing practices and customs that allow assets to be documented in a manner that makes the assets widely transferable,

leveragable, and fungible, that allows individuals to hold legal title to their property, and that holds owners accountable for transactions involving their property;

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

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

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

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

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

SEC. 203. ELIGIBILITY AND RELATED REQUIREMENTS.

(a) ASSISTANCE FOR LOW INCOME COUNTRIES.—

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

(A) the country is eligible for assistance from the International Development Association, and the per capita income of the country is equal to or less than the historical ceiling of

the International Development Association for that year, as defined by the International Bank for Reconstruction and Development;

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

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

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

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

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

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

(A) the per capita income of the country is equal to or less than the historical ceiling of the International Development Association for the

fiscal year involved, as defined by the International Bank for Reconstruction and Development;

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

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

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

(b) ASSISTANCE FOR LOWER MIDDLE INCOME COUNTRIES.—

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

(A) is classified as a lower middle income country in the then most recent edition of the

World Development Report published by the International Bank for Reconstruction and Development;

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

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

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

(c) ASSISTANCE FOR SELECTED LOW INCOME COUNTRIES.—

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

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

(B) demonstrates a commitment to meeting the requirements of clauses (i) through (iii)

of subsection (a)(1)(C), as determined by the Chief Executive Officer; but

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

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

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

(d) GENERAL AUTHORITY TO DETERMINE ELIGIBILITY.—

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

(2) CONGRESSIONAL NOTIFICATION.—Not later than 7 days after making a determination of eligibility for a country under paragraph (1), the Chief Executive Officer shall provide notice thereof to the appropriate congressional committees. Such notice

shall include a certification of the determination of the Chief Executive Officer that the country meets the requirements of clauses (i) through (iii) of subsection (a)(1)(C) in accordance with such subsection, subsection (a)(2)(C), subsection (b)(1)(C), or subsection (c)(1)(B), as the case may be.

(e) ELIGIBILITY CRITERIA.—

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

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

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

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

(2) REVISIONS TO CRITERIA AND METHODOLOGY.—If the Chief Executive Officer proposes to

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

(f) FORM OF ASSISTANCE; RECIPIENTS.—

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

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

(A) The national government of the country.

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

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

(D) International organizations and trust funds.

(g) CONGRESSIONAL NOTIFICATION.—The Chief Executive Officer may not make any grant or enter into any contract for assistance for a country under section 202 that exceeds $5,000,000 until 15 days after the date on which the Chief Executive Officer provides notification of the proposed grant or contract to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

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

SEC. 204. MILLENNIUM CHALLENGE COMPACT.

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

(b) ELEMENTS.—

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

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

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

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

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

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

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

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

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

the establishment of the Compact and shall continue for the duration of the Compact.

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

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

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

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

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

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

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

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

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

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

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

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

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

SEC. 205. SUSPENSION AND TERMINATION OF ASSISTANCE.

(a) SUSPENSION OF ASSISTANCE.—

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

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

(B) the elected head of state of the country or any member of the country's highest judicial tribunal has been removed from that office or

forcibly detained through extra-constitutional processes; or

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

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

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

(b) TERMINATION OF ASSISTANCE.—

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

sponsibilities under the Compact or has significantly failed to meet the requirements of this title.

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

SEC. 206. ANNUAL REPORT.

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

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

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

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

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

(B) For each country, the analysis shall—

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

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

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

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

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

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

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

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

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

SEC. 207. PARTICIPATION OF CERTAIN UNITED STATES BUSINESSES.

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

(b) REPORT.—The Chief Executive Officer shall prepare and submit to the appropriate congressional committees an annual report that contains a description of the extent to which the requirement of subsection (a) has been met for the preceding year.

SEC. 208. AUTHORIZATION OF APPROPRIATIONS; RELATED AUTHORITIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the President, acting

through the Chief Executive Officer of the Corporation, to carry out this division (other than title IV) $1,300,000,000 for fiscal year 2004, $3,000,000,000 for fiscal year 2005, and $5,000,000,000 for fiscal year 2006.

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

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

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

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

TITLE III—MILLENNIUM CHALLENGE CORPORATION

SEC. 301. MILLENNIUM CHALLENGE CORPORATION.

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

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

SEC. 302. CHIEF EXECUTIVE OFFICER.

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

(b) COMPENSATION AND RANK.—

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

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

''Chief Executive Officer, Millennium Challenge Corporation.''.

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

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

SEC. 303. BOARD OF DIRECTORS.

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

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

(c) MEMBERSHIP.—

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

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

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

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

(ii) one individual shall be appointed from among a list of individuals submitted

by the minority leader of the House of Representatives;

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

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

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

(d) TERMS.—

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

(2) OTHER MEMBERS.—Each member of the Board described in subsection (c)(1)(B) shall be ap-

pointed for a term of 3 years and may be reappointed for a term of an additional 2 years.

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

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

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

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

(h) COMPENSATION.—

(1) OFFICERS OF FEDERAL GOVERNMENT.—

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

(B) TRAVEL EXPENSES.—Each such member of the Board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under sub-

chapter I of chapter 57 of title 5, United States Code.

(2) OTHER MEMBERS.—

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

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

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

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

SEC. 304. INTERAGENCY COORDINATION.

In carrying out the functions described in this title, and consistent with section 101 of the National Security Act of 1947 (50 U.S.C. 402), the President shall ensure coordination of assistance authorized under title II with foreign economic assistance programs and activities carried out by other Federal departments and agencies.

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

(a) POWERS.—The Corporation—

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

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

(3) may make and perform such contracts, grants, and other agreements with any individual, corporation, or other private or public entity, however designated and wherever situated, as may be

necessary for carrying out the functions of the Corporation;

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

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

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

(7) may hire or obtain passenger motor vehicles;

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

(9) may, with the consent of any Executive agency (as defined in section 105 of title 5, United States Code), use the information, services, facilities,

and personnel of that agency on a full or partial reimbursement in carrying out the purposes of this division; and

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

(b) OFFICES.—

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

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

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

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

activities of the Corporation and the Agency for International Development; and

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

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

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

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

SEC. 306. TRANSPARENCY AND ACCOUNTABILITY OF THE CORPORATION.

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

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

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

(b) LIMITATION ON TOTAL SERVICE.—

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

(2) EXCEPTIONS.—

(A) EXTENSION AUTHORITY.—The Chief Executive Officer may extend the 5-year period under paragraph (1) for up to an additional 3

years, in the case of any particular individual, if the Chief Executive Officer determines that such extension is essential to the achievement of the purposes of this division.

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

(c) REEMPLOYMENT RIGHTS.—

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

(A) is separated from the Corporation—

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

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

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

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

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

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

(2) subchapter III of chapter 53 of such title (relating to General Schedule pay rates),

except that no employee of the Corporation may receive a rate of basic pay that exceeds the rate for level II of the Executive Schedule under section 5313 of such title.

(e) ASSIGNMENT TO UNITED STATES EMBASSIES.—An employee of the Corporation, including an individual

detailed to or contracted by the Corporation, may be assigned to a United States diplomatic mission or consular post, or United States Agency for International Development field mission.

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

(g) RESPONSIBILITY OF CHIEF OF MISSION.—An employee of the Corporation, including an individual detailed to or contracted by the Corporation, and a member of the family of such employee, shall be subject to section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927) in the same manner as United States Government employees while the employee is performing duties in any country or place outside the United States if such employee or

member of the family of such employee is not a national of or permanently resident in such country or place.

(h) ALLOCATION OF FUNDS.—

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

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

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

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

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

(k) APPLICABILITY OF GOVERNMENT CORPORATION CONTROL ACT.—

(1) IN GENERAL.—The Corporation shall be subject to the provisions of chapter 91 of subtitle VI of title 31, United States Code, except that the Corporation shall not be authorized to issue obligations or offer obligations to the public.

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

"(Q) the Millennium Challenge Corporation."

(l) INSPECTOR GENERAL.—

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

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

(3) REIMBURSEMENT AND AUTHORIZATION OF SERVICES.—

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

(B) AUTHORIZATION FOR SERVICES.—Of the amount authorized to be appropriated under section 208(a) for a fiscal year, up to $1,000,000 is authorized to be made available to the Inspector General of the United States Agency for International Development to con-

duct reviews, investigations, and inspections of operations and activities of the Corporation.

(m) COMPTROLLER GENERAL.—

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

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

(3) ACCESS AND RECORDS.—Any evaluation, investigation, or audit shall be conducted at the place or places where pertinent information of the Corporation is normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Corporation and necessary to facilitate the evaluation, investigation, or audit; and full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to such representatives.

All such books, accounts, financial records, reports, files, and other papers or property of the Corporation shall remain in the possession and custody of the Corporation throughout the period beginning on the date such possession or custody commences and ending three years after such date, but the General Accounting Office may require the retention of such books, accounts, financial records, reports, files, papers, or property for a longer period under section 3523(c) of title 31, United States Code.

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

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

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

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

SEC. 308. MILLENNIUM CHALLENGE ADVISORY COUNCIL.

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

(b) FUNCTIONS.—

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

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

(A) evaluate the accomplishments of the Corporation;

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

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

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

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

(c) MEMBERSHIP.—

(1) IN GENERAL.—The Council shall consist of seven individuals, who shall be appointed by the Chief Executive Officer, and who shall be broadly

representative of nongovernmental entities with expertise and interest in international trade and economic development, including business and business associations, trade and labor unions, private and voluntary organizations, foundations, public policy organizations, academia, and other entities as the Chief Executive Officer determines appropriate.

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

(d) COMPENSATION.—

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

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

(B) while away from the member's home or regular place of business on necessary travel, as determined by the Chief Executive Officer, in the actual performance of duties as a member

of the Council, shall be paid per diem, travel, and transportation expenses in the same manner as is provided under subchapter I of chapter 57 of title 5, United States Code.

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

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

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

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

(h) MEETINGS, BYLAWS, AND REGULATIONS.—

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

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

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

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

(2) CONTENTS.—Each report shall contain a summary of the advice and recommendations provided by the Council to the Chief Executive Officer and the Board during the period covered by the re-

port and such recommendations (including recommendations for administrative or legislative action) as the Council considers appropriate to make to the Congress.

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

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

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

SEC. 309. MILLENNIUM CHALLENGE SEED GRANTS.

(a) FINDINGS.—Congress finds the following:

(1) Many countries in the developing world lack the academic and public policy advocacy base essen-

tial to attaining the principal objectives of the Millennium Challenge Account.

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

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

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

(b) ASSISTANCE.—The Chief Executive Officer of the Corporation is authorized to provide assistance in support of nongovernmental organizations (including universities, independent foundations, and other organizations) in low income and lower middle income countries, and, where appropriate, directly to agencies of foreign governments in

low income countries, that are undertaking research, education, and advocacy efforts aimed at promoting democratic societies, human rights, the rule of law, improved educational opportunities and health conditions, particularly for women and children, and economic freedom, including research aimed at improving data related to the eligibility criteria and methodology established by this division with respect to such a country or monitoring and evaluating the impact of assistance provided under this division.

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

SEC. 310. CLARIFICATION OF ROLE OF USAID.

(a) STATUS OF USAID.—The Administrator of the United States Agency for International Development shall report to the President through, and operate under the foreign policy authority and direction of, the Secretary of State. The United States Agency for International Development shall be administered under the supervision and operational direction of the Administrator of the Agency.

(b) FUNCTIONS OF USAID.—The United States Agency for International Development is authorized—

(1) to receive appropriated funds;

(2) to be the United States Government agency primarily responsible for administering sections 103 through 108 (other than section 104A), 214, and 491 of the Foreign Assistance Act of 1961, the ''Child Survival and Health Programs Fund'', and other United States economic assistance as directed in writing by the President or the Secretary of State, or as otherwise provided by law;

(3) to provide assistance to a country currently ineligible for assistance provided under title II in order that it may become eligible for such assistance; and

(4) upon the request of the Chief Executive Officer of the Corporation and with the concurrence of the Administrator of the Agency, to assist in the evaluation, execution, and oversight of Millennium Challenge Compacts described in section 204.

TITLE IV—PROVISIONS RELATING TO UNITED STATES ECONOMIC ASSISTANCE

SEC. 401. DEFINITION.

In this title, the term ''United States economic assistance'' means any bilateral economic assistance, from any budget functional category, that is provided by any depart-

ment or agency of the United States to a foreign country, including such assistance that is intended—

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

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

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

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

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

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

(G) to promote sound environmental practices;

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

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

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

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

SEC. 402. FRAMEWORK FOR ASSISTANCE.

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

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

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

(A) providing assistance to countries that face natural and man-made disasters in order to provide humanitarian relief to the peoples of

such countries, in coordination with refugee programs administered by the Department of State;

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

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

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

(E) assisting other Federal departments and agencies, including the Corporation established under title III, to carry out assistance activities abroad, including providing technical assistance and advice to such departments and

agencies, coordinating its assistance programs with such departments and agencies, and using its field offices to help implement such assistance.

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

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

(4) Other Federal departments and agencies with expertise in international development-related activities, such as the Overseas Private Investment Corporation, the Trade and Development Agency, the Department of Agriculture, the Department of Health and Human Services, and the Centers for Disease Control and Prevention, to the extent such departments and agencies have the authority to

carry out development-related programs, and in coordination with the Department of State and the United States Agency for International Development, should provide expertise in specific technical areas and shall provide assistance, including assistance provided with funds made available from the Corporation to assist United States Government international development activities.

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

(a) REPORT.—Not later than December 31, 2004, and December 31 of each third year thereafter, the President shall transmit to Congress a report which analyzes, on a country-by-country basis, the impact and effectiveness of United States economic assistance furnished under the framework established in section 402 to each country during the preceding three fiscal years. The report shall include the following for each recipient country:

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

were promoted by the assistance. This analysis shall—

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

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

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

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

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

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

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

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

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

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

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

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

DIVISION B—REAUTHORIZATION AND EXPANSION OF THE PEACE CORPS

TITLE X—GENERAL PROVISIONS

SEC. 1001. SHORT TITLE.

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

SEC. 1002. DEFINITIONS.

In this division:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

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

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

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

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

SEC. 1003. FINDINGS.

Congress makes the following findings:

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

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

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

peoples of diverse cultures and systems of government.

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

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

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

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

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

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

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

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

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

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

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

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

TITLE XI—AMENDMENTS TO PEACE CORPS ACT; RELATED PROVISIONS

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

(a) RECRUITMENT OF VOLUNTEERS.—Section 2A of the Peace Corps Act (22 U.S.C. 2501–1) is amended by

adding at the end the following new sentence: ''As an independent agency, the Peace Corps shall be responsible for recruiting all of its volunteers.''.

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

SEC. 1102. REPORTS AND CONSULTATIONS.

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

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

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

''(1) describing efforts undertaken to improve coordination of activities of the Peace Corps with activities of international voluntary service organizations, such as the United Nations volunteer pro-

gram, and of host country voluntary service organizations, including—

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

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

"(2) describing—

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

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

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

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

''(3) describing in detail the Peace Corps plans, including budgetary plans, to have 14,000 volunteers in service by 2007 while maintaining the quality of the volunteer experience, ensuring the safety and security of all volunteers, and providing for appropriate administrative and other support; and

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

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

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

''(b) CONSULTATIONS ON NEW INITIATIVES.—The Director of the Peace Corps shall consult with the appropriate congressional committees with respect to any major new initiatives not previously discussed in the latest annual report submitted to Congress under subsection (a) or in budget presentations. Whenever possible, such con-

sultations should take place prior to the initiation of such initiatives, or as soon as practicable thereafter.''.

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

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

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

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

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

of title 5, United States Code, and subpart B of part 720 of title 5, Code of Federal Regulations.

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

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

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

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

(A) medical screenings conducted;

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

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

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

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

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

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

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

(b) USE OF RETURNED PEACE CORPS VOLUNTEERS AND FORMER STAFF.—The Director is authorized and strongly urged to utilize the services of returned Peace

Corps volunteers and former Peace Corps staff who have relevant language and cultural experience and may have served previously in countries with substantial Muslim populations, in order to open or reopen Peace Corps programs in such countries.

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

(a) INITIATIVE.—

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

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

104A, 104B, and 104C of the Foreign Assistance Act of 1961.

(b) COORDINATION OF HIV/AIDS ACTIVITIES.—

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

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

(c) DEFINITIONS.—In this section:

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

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

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

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

SEC. 1105. PEACE CORPS NATIONAL ADVISORY COUNCIL.

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

(1) in subsection (b)(2)—

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

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

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

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

(2) in subsection (c)(2)—

(A) in subparagraph (A)—

(i) in the first sentence—

(I) by striking ''fifteen'' and inserting ''eleven''; and

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

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

(B) by striking subparagraph (B);

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

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

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

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

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

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

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

SEC. 1106. READJUSTMENT ALLOWANCES.

The Peace Corps Act is amended—

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

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

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

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

(b) GRANTS TO CERTAIN NONPROFIT CORPORATIONS.—

(1) GRANT AUTHORITY.—

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

(B) DELEGATION OF AUTHORITY AND TRANSFER OF FUNDS.—The Director may delegate the authority to award grants under subparagraph (A) and may transfer funds authorized under this section subject to the notification procedures of section 634A of the Foreign

Assistance Act of 1961 to the Chief Executive Officer of the Corporation for National and Community Service (referred to in this section as the ''Corporation'').

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

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

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

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

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

meet all appropriate Corporation management requirements, as determined by the Corporation.

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

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

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

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

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

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

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

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

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

(e) FACTORS IN AWARDING GRANTS.—In determining the number of nonprofit corporations to receive grants under this section for any fiscal year, the Peace Corps or the Corporation—

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

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

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

(g) FUNDING.—

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

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

(h) CRISIS CORPS.—

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

(2) INCREASE IN NUMBER OF CRISIS CORPS ASSIGNMENTS.—The Director, in consultation with the

governments of host countries and appropriate non-governmental organizations, shall increase the number of available Crisis Corps assignments for returned Peace Corps volunteers to at least 120 assignments in fiscal year 2004, 140 assignments in fiscal year 2005, 160 assignments in fiscal year 2006, and 165 assignments in fiscal year 2007.

SEC. 1108. DECLARATION OF POLICY.

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

SEC. 1109. PEACE CORPS IN SIERRA LEONE.

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

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

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

(3) Sierra Leone is a majority Muslim country.

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

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

SEC. 1110. AUTHORIZATION OF APPROPRIATIONS.

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

DIVISION C—DEPARTMENT OF STATE AUTHORIZATION ACT, FISCAL YEARS 2004 AND 2005

SEC. 101. SHORT TITLE.

This division may be cited as the ''Department of State Authorization Act, Fiscal Years 2004 and 2005''.

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

Subtitle A—Department of State

SEC. 111. ADMINISTRATION OF FOREIGN AFFAIRS.

(a) IN GENERAL.—The following amounts are authorized to be appropriated for the Department under

''Administration of Foreign Affairs'' to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, and for other purposes authorized by law, including public diplomacy activities and the diplomatic security program:

(1) DIPLOMATIC AND CONSULAR PROGRAMS.—

(A) AUTHORIZATION OF APPROPRIATIONS.—For ''Diplomatic and Consular Programs'', $4,187,544,000 for the fiscal year 2004 and $4,438,796,000 for the fiscal year 2005.

(B) PUBLIC DIPLOMACY.—

(i) IN GENERAL.—Of the amounts authorized to be appropriated by subparagraph (A), $320,930,000 for the fiscal year 2004 and $329,838,000 for the fiscal year 2005 is authorized to be appropriated for public diplomacy.

(ii) IMPROVEMENTS IN PUBLIC DIPLOMACY PROGRAMS.—Of the amounts authorized to be appropriated under clause (i) $20,000,000 for the fiscal year 2004 and $20,000,000 for the fiscal year 2005 is authorized to be available for improvements and modernization of public diplomacy pro-

grams and activities of the Department of State.

(iii) TRANSLATION SERVICES.—Of the amounts authorized to be appropriated under clause (i), $4,000,000 for the fiscal year 2004 and $4,000,000 for the fiscal year 2005 is authorized to be available for translation services available to public affairs officers in overseas posts.

(C) WORLDWIDE SECURITY UPGRADES.—Of the amounts authorized to be appropriated by subparagraph (A), $646,701,000 for the fiscal year 2004 and $679,036,000 for the fiscal year 2005 is authorized to be appropriated for worldwide security upgrades.

(D) BUREAU OF DEMOCRACY, HUMAN RIGHTS, AND LABOR.—Of the amounts authorized to be appropriated by subparagraph (A), $20,000,000 for the fiscal year 2004 and $20,000,000 for the fiscal year 2005 is authorized to be appropriated for salaries and expenses of the Bureau of Democracy, Human Rights, and Labor.

(E) RECRUITMENT OF MINORITY GROUPS.—Of the amount authorized to be ap-

propriated by subparagraph (A), $2,000,000 for the fiscal year 2004 and $2,000,000 for the fiscal year 2005 is authorized to be appropriated for the recruitment of members of minority groups for careers in the Foreign Service and international affairs.

(2) CAPITAL INVESTMENT FUND.—For ''Capital Investment Fund'', $157,000,000 for the fiscal year 2004 and $161,710,000 for the fiscal year 2005.

(3) EMBASSY SECURITY, CONSTRUCTION AND MAINTENANCE.—

(A) IN GENERAL.—For ''Embassy Security, Construction and Maintenance'', $653,000,000 for the fiscal year 2004 and $784,000,000 for the fiscal year 2005, in addition to amounts otherwise authorized to be appropriated for such purpose by section 604 of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (as enacted into law by section 1000(a)(7) of Public Law 106–113 and contained in appendix G of that Act; 113 Stat. 1501A–470).

(B) AMENDMENT OF THE NANCE-DONOVAN FOREIGN RELATIONS AUTHORIZATION ACT.—Section 604(a) of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (113 Stat. 1501A–453) is amended—

(i) at the end of paragraph (4) by striking ''and'';

(ii) in paragraph (5) by striking ''$900,000,000.'' and inserting ''$1,000,000,000; and''; and

(iii) by inserting after paragraph (5) the following:

''(6) for fiscal year 2005, $1,000,000,000.''.

(4) REPRESENTATION ALLOWANCES.—For ''Representation Allowances'', $9,000,000 for the fiscal year 2004 and $9,000,000 for the fiscal year 2005.

(5) PROTECTION OF FOREIGN MISSIONS AND OFFICIALS.—

(A) For ''Protection of Foreign Missions and Officials'', $25,000,000 for the fiscal year 2004 and $25,000,000 for the fiscal year 2005.

(B) In addition to amounts authorized to be appropriated by subparagraph (A), there is authorized to be appropriated $30,600,000 for ''Protection of Foreign Missions and Officials'' only to reimburse the City of New York for necessary expenses incurred since 1999 for the protection of foreign missions and officials.

(C) Notwithstanding section 34 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706), the Secretary is authorized to reprogram not more than $5,000,000 of funds otherwise authorized to be appropriated by this section for the purposes of this paragraph.

(6) EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE.—For ''Emergencies in the Diplomatic and Consular Service'', $1,000,000 for the fiscal year 2004 and such sums as may be necessary for the fiscal year 2005.

(7) REPATRIATION LOANS.—For ''Repatriation Loans'', $1,219,000 for the fiscal year 2004 and $1,219,000 for the fiscal year 2005.

(8) PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN.—For ''Payment to the American Institute

in Taiwan'', $19,773,000 for the fiscal year 2004 and $20,761,000 for the fiscal year 2005.

(9) OFFICE OF THE INSPECTOR GENERAL.—For ''Office of the Inspector General'', $31,703,000 for the fiscal year 2004 and $32,654,000 for the fiscal year 2005.

(b) AVAILABILITY OF FUNDS FOR PROTECTION OF FOREIGN MISSIONS AND OFFICIALS.—The amount appropriated pursuant to subsection (a)(5) is authorized to remain available through September 30, 2006.

SEC. 112. UNITED STATES EDUCATIONAL AND CULTURAL PROGRAMS.

(a) IN GENERAL.—Amounts in this section are authorized to be appropriated for the Department of State to carry out educational and cultural programs of the Department of State under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan Number 2 of 1977, the Foreign Affairs Reform and Restructuring Act of 1998, the Center for Cultural and Technical Interchange Between East and West Act of 1960, the Dante B. Fascell North-South Center Act of 1991, and the National Endowment for Democracy Act, and to carry out other authorities in law consistent with such purposes.

(b) EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—For ''Educational and Cultural Exchange Programs'', $393,000,000 for the fiscal year 2004 and $405,000,000 for the fiscal year 2005.

(2) PROGRAMS IN EASTERN EUROPE AND FORMER SOVIET UNION.—Of the amounts authorized to be appropriated under paragraph (1), $150,000,000 for the fiscal year 2004 and $150,000,000 for the fiscal year 2005 is authorized to be available for programs in Eastern Europe and countries of the former Soviet Union.

(3) ACADEMIC EXCHANGE PROGRAMS.—

(A) IN GENERAL.—Of the amounts authorized to be appropriated under paragraph (1), $142,000,000 for the fiscal year 2004 and $142,000,000 for the fiscal year 2005 is authorized to be available for the ''Academic Exchange Programs'' (other than programs described in paragraph (4)).

(B) HIV/AIDS INITIATIVE.—Of the amounts authorized to be available under subparagraph (A), $1,000,000 for the fiscal year 2004 and $1,000,000 for the fiscal year 2005

is authorized to be available for HIV/AIDS research and mitigation strategies.

(C) FULBRIGHT ENGLISH TEACHING ASSISTANT PROGRAM IN KOREA.—Of the amounts authorized to be available by subparagraph (A), $750,000 for the fiscal year 2004 and $750,000 for the fiscal year 2005 is authorized to be available for the Fulbright English Teaching Assistant Program in Korea, which sends United States citizen students to serve as English language teaching assistants at Korean colleges and high schools.

(D) DANTE B. FASCELL NORTH-SOUTH CENTER.—Of the amounts authorized to be available by subparagraph (A), $1,025,000 for the fiscal year 2004 and $1,025,000 for the fiscal year 2005 is authorized to be available for the ''Dante B. Fascell North-South Center''.

(E) GEORGE J. MITCHELL SCHOLARSHIP PROGRAM.—Of the amounts authorized to be available under subparagraph (A), $500,000 for the fiscal year 2004 and $500,000 for the fiscal year 2005 is authorized to be available for the ''George J. Mitchell Scholarship Program'' which provides for one year of postgraduate

study for American scholars at institutions of higher education in Ireland and Northern Ireland.

(4) OTHER EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS.—

(A) IN GENERAL.—Of the amounts authorized to be appropriated under paragraph (1), $110,000,000 for the fiscal year 2004 and $110,000,000 for the fiscal year 2005 is authorized to be available for other educational and cultural exchange programs authorized by law.

(B) INITIATIVES FOR PREDOMINANTLY MUSLIM COUNTRIES.—Of the amounts authorized to be available under subparagraph (A), $35,000,000 for the fiscal year 2004 and $35,000,000 for the fiscal year 2005 is authorized to be available for initiatives for predominantly Muslim countries established under section 251.

(C) TIBETAN EXCHANGES.—Of the amounts authorized to be available under subparagraph (A), $500,000 for the fiscal year 2004 and $500,000 for the fiscal year 2005 is authorized to be available for ''Ngawang

Choephel Exchange Programs'' (formerly known as ''programs of educational and cultural exchange between the United States and the people of Tibet'') under section 103(a) of the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996 (Public Law 104–319).

(D) EAST TIMORESE SCHOLARSHIPS.—Of the amounts authorized to be available under subparagraph (A), $1,000,000 for the fiscal year 2004 and $1,000,000 for the fiscal year 2005 is authorized to be available for ''East Timorese Scholarships''.

(E) SOUTH PACIFIC EXCHANGES.—Of the amounts authorized to be available under subparagraph (A), $750,000 for the fiscal year 2004 and $750,000 for the fiscal year 2005 is authorized to be available for ''South Pacific Exchanges''.

(F) SUDANESE SCHOLARSHIPS.—Of the amounts authorized to be available under subparagraph (A), $500,000 for the fiscal year 2004 and $500,000 for the fiscal year 2005 is authorized to be available for scholarships for students from southern Sudan for secondary or

postsecondary education in the United States, to be known as ''Sudanese Scholarships''.

(G) SUMMER INSTITUTES FOR KOREAN STUDENTS.—Of the amounts authorized to be available under subparagraph (A), $750,000 for the fiscal year 2004 and $750,000 for the fiscal year 2005 is authorized to be available for summer academic study programs in the United States (focusing on United States political systems, government institutions, society, and democratic culture) for college and university students from the Republic of Korea, to be known as the ''United States Summer Institutes for Korean Student Leaders''.

(H) SCHOLARSHIPS FOR INDIGENOUS PEOPLES OF MEXICO AND CENTRAL AND SOUTH AMERICA.—Of the amounts authorized to be available under subparagraph (A), $400,000 for the fiscal year 2004 and $400,000 for the fiscal year 2005 is authorized to be available for scholarships for postsecondary education in the United States for students from Mexico and the countries of Central and South America who are from the indigenous peoples of the region.

(c) NATIONAL ENDOWMENT FOR DEMOCRACY.—

(1) IN GENERAL.—For the ''National Endowment for Democracy'', $45,000,000 for the fiscal year 2004 and $47,000,000 for the fiscal year 2005.

(2) INITIATIVES FOR PREDOMINANTLY MUSLIM COUNTRIES.—Of the amounts authorized to be appropriated under paragraph (1), $3,000,000 for the fiscal year 2004 and $3,000,000 for the fiscal year 2005 is authorized to be available for the National Endowment for Democracy to fund programs that promote democracy, good governance, the rule of law, independent media, religious tolerance, the rights of women, and strengthening of civil society in countries of predominantly Muslim population within the jurisdiction of the Bureau of Near Eastern Affairs of the Department of State.

(d) CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST.—For the ''Center for Cultural and Technical Interchange between East and West'', $14,280,000 for the fiscal year 2004 and $14,280,000 for the fiscal year 2005.

(e) REAGAN-FASCELL DEMOCRACY FELLOWS.—For the ''Reagan-Fascell Democracy Fellows'', for fellowships for democracy activists and scholars from around the world at the International Forum for Democratic Studies in Washington, D.C., to study, write, and exchange views

with other activists and scholars and with Americans, $1,000,000 for the fiscal year 2004 and $1,000,000 for the fiscal year 2005.

(f) BENJAMIN GILMAN INTERNATIONAL SCHOLARSHIP PROGRAM.—Section 305 of the Microenterprise for Self-Reliance and International Anti-Corruption Act of 2000 (22 U.S.C. 2462 note) is amended by striking ''$1,500,000'' and inserting ''$2,500,000''.

SEC. 113. CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS.

(a) ASSESSED CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS.—There is authorized to be appropriated under the heading ''Contributions to International Organizations'' $1,010,463,000 for the fiscal year 2004 and $1,040,776,000 for the fiscal year 2005 for the Department to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international organizations and to carry out other authorities in law consistent with such purposes.

(b) CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES.—There is authorized to be appropriated under the heading ''Contributions for International Peacekeeping Activities'' $550,200,000 for the fiscal year 2004 and such sums as may be necessary for

the fiscal year 2005 for the Department to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international peacekeeping activities and to carry out other authorities in law consistent with such purposes.

(c) FOREIGN CURRENCY EXCHANGE RATES.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts authorized to be appropriated by subsection (a), there is authorized to be appropriated such sums as may be necessary for the fiscal years 2004 and 2005 to offset adverse fluctuations in foreign currency exchange rates.

(2) AVAILABILITY OF FUNDS.—Amounts appropriated under this subsection may be available for obligation and expenditure only to the extent that the Director of the Office of Management and Budget determines and certifies to the appropriate congressional committees that such amounts are necessary due to such fluctuations.

(d) REFUND OF EXCESS CONTRIBUTIONS.—The United States shall continue to insist that the United Nations and its specialized and affiliated agencies shall credit or refund to each member of the organization or agency concerned its proportionate share of the amount by which

the total contributions to the organization or agency exceed the expenditures of the regular assessed budget of the organization or agency.

SEC. 114. INTERNATIONAL COMMISSIONS.

The following amounts are authorized to be appropriated under ''International Commissions'' for the Department to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international commissions, and for other purposes authorized by law:

(1) INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO.—For ''International Boundary and Water Commission, United States and Mexico''—

(A) for ''Salaries and Expenses'', $31,562,000 for the fiscal year 2004 and $31,562,000 for the fiscal year 2005; and

(B) for ''Construction'', $8,901,000 for the fiscal year 2004 and $8,901,000 for the fiscal year 2005.

(2) INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND CANADA.—For ''International Boundary Commission, United States and Canada'', $1,261,000 for the fiscal year 2004 and $1,261,000 for the fiscal year 2005.

(3) INTERNATIONAL JOINT COMMISSION.—For ''International Joint Commission'', $7,810,000 for the fiscal year 2004 and $7,810,000 for the fiscal year 2005.

(4) INTERNATIONAL FISHERIES COMMISSIONS.—For ''International Fisheries Commissions'', $20,043,000 for the fiscal year 2004 and $20,043,000 for the fiscal year 2005.

SEC. 115. MIGRATION AND REFUGEE ASSISTANCE.

(a) IN GENERAL.—There is authorized to be appropriated for the Department for ''Migration and Refugee Assistance'' for authorized activities, $927,000,000 for the fiscal year 2004 and $957,000,000 for the fiscal year 2005.

(b) REFUGEES RESETTLING IN ISRAEL.—Of the amount authorized to be appropriated by subsection (a), $50,000,000 for the fiscal year 2004 and $50,000,000 for the fiscal year 2005 is authorized to be available for the resettlement of refugees in Israel.

(c) TIBETAN REFUGEES IN INDIA AND NEPAL.—Of the amount authorized to be appropriated by subsection (a), $2,000,000 for the fiscal year 2004 and $2,000,000 for the fiscal year 2005 is authorized to be available for humanitarian assistance, including food, medicine, clothing, and medical and vocational training, to Tibetan refu-

gees in India and Nepal who have fled Chinese-occupied Tibet.

(d) HUMANITARIAN ASSISTANCE FOR DISPLACED BURMESE.—Of the amount authorized to be appropriated by subsection (a), $2,000,000 for the fiscal year 2004 and $2,000,000 for the fiscal year 2005 is authorized to be available for humanitarian assistance (including food, medicine, clothing, and medical and vocational training) to persons displaced as a result of civil conflict in Burma, including persons still within Burma.

(e) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to this section are authorized to remain available until expended.

SEC. 116. VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Department of State for ''Voluntary Contributions to International Organizations'', $342,555,000 (reduced by $25,000,000) for the fiscal year 2004 and $345,000,000 (reduced by $25,000,000) for the fiscal year 2005.

(b) UNITED NATIONS VOLUNTARY FUND FOR VICTIMS OF TORTURE.—Of the amounts authorized to be appropriated under subsection (a), $6,000,000 for the fiscal year 2004 and $7,000,000 for the fiscal year 2005 is au-

thorized to be available for a United States voluntary contribution to the United Nations Voluntary Fund for Victims of Torture.

(c) ORGANIZATION OF AMERICAN STATES.—Of the amounts authorized to be appropriated under subsection (a) $2,000,000 for fiscal years 2004 and 2005 is authorized to be available for a United States voluntary contribution to the Organization of American States for the Inter-American Committee Against Terrorism (CICTE) to identify and develop a port in the Latin American and Caribbean region into a model of best security practices and appropriate technologies for improving port security in the Western Hemisphere. Amounts authorized to be available by the preceding sentence are authorized to remain available until expended and are in addition to amounts otherwise available to carry out section 301 of the Foreign Assistance Act of 1961 (22 U.S.C. 2221).

(d) RESTRICTIONS ON UNITED STATES CONTRIBUTIONS TO UNITED NATIONS DEVELOPMENT PROGRAM.—

(1) LIMITATION.—Of the amounts made available under subsection (a) for each of the fiscal years 2004 and 2005 for United States contributions to the United Nations Development Program an amount equal to the amount the United Nations Development Program will spend in Burma during each

fiscal year shall be withheld unless during such fiscal year the Secretary of State submits to the appropriate congressional committees the certification described in paragraph (2).

(2) CERTIFICATION.—The certification referred to in paragraph (1) is a certification by the Secretary of State that all programs and activities of the United Nations Development Program (including United Nations Development Program—Administered Funds) in Burma—

(A) are focused on eliminating human suffering and addressing the needs of the poor;

(B) are undertaken only through international or private voluntary organizations that have been deemed independent of the State Peace and Development Council (SPDC) (formerly known as the State Law and Order Restoration Council (SLORC)), after consultation with the leadership of the National League for Democracy and the leadership of the National Coalition Government of the Union of Burma;

(C) provide no financial, political, or military benefit to the SPDC; and

(D) are carried out only after consultation with the leadership of the National League for

Democracy and the leadership of the National Coalition Government of the Union of Burma.

SEC. 117. VOLUNTARY CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Department of State for ''Voluntary Contributions for International Peacekeeping'', $110,000,000 for the fiscal year 2004 and $110,000,000 for the fiscal year 2005.

(b) PEACEKEEPING IN AFRICA.—Of the amounts authorized to be appropriated under subsection (a), $40,000,000 for the fiscal year 2004 and such sums as may be necessary for the fiscal year 2005 is authorized to be appropriated for peacekeeping activities in Africa.

SEC. 118. GRANTS TO THE ASIA FOUNDATION.

Section 404 of The Asia Foundation Act (title IV of Public Law 98–164; 22 U.S.C. 4403) is amended to read as follows:

''SEC. 404. There is authorized to be appropriated to the Secretary of State $18,000,000 for the fiscal year 2004 and $18,000,000 for the fiscal year 2005 for grants to The Asia Foundation pursuant to this title.''.

Subtitle B—United States International Broadcasting Activities

SEC. 121. AUTHORIZATIONS OF APPROPRIATIONS.

The following amounts are authorized to be appropriated to carry out United States Government broadcasting activities under the United States Information and Educational Exchange Act of 1948, the United States International Broadcasting Act of 1994, the Radio Broadcasting to Cuba Act, the Television Broadcasting to Cuba Act, and the Foreign Affairs Reform and Restructuring Act of 1998, and to carry out other authorities in law consistent with such purposes:

(1) INTERNATIONAL BROADCASTING OPERATIONS.—

(A) IN GENERAL.—For ''International Broadcasting Operations'', $600,354,000 for the fiscal year 2004 and $612,146,000 for the fiscal year 2005.

(B) ALLOCATION OF FUNDS.—Of the amounts authorized to be appropriated by subparagraph (A), there is authorized to be available for Radio Free Asia $30,000,000 for the fiscal year 2004 and $30,000,000 for the fiscal year 2005.

(C) OFFICE OF GLOBAL INTERNET FREEDOM.—Of the amounts authorized to be appropriated by subparagraph (A), there is authorized to be available for the Broadcasting Board of Governors for the establishment and operations of the Office of Global Internet Freedom under section 524(a) $8,000,000 for the fiscal year 2004 and $8,000,000 for the fiscal year 2005.

(2) BROADCASTING CAPITAL IMPROVEMENTS.—For ''Broadcasting Capital Improvements'', $29,895,000 for the fiscal year 2004 and $11,395,000 for the fiscal year 2005.

(3) BROADCASTING TO CUBA.—For ''Broadcasting to Cuba'', $26,901,000 for the fiscal year 2004 and $27,439,000 for the fiscal year 2005.

TITLE II—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES

Subtitle A—United States Public Diplomacy

SEC. 201. FINDINGS AND PURPOSES.

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

(1) The United States possesses strong and deep connections with the peoples of the world separate from its relations with their governments. These connections can be a major asset in the promotion of United States interests and foreign policy.

(2) Misinformation and hostile propaganda in these countries regarding the United States and its foreign policy endanger the interests of the United States. Existing efforts to counter such misinformation and propaganda are inadequate and must be greatly enhanced in both scope and substance.

(3) United States foreign policy has been hampered by an insufficient consideration of the importance of public diplomacy in the formulation and implementation of that policy and by the underuse of modern communication techniques.

(4) The United States should have an operational strategy and a coordinated effort regarding the utilization of its public diplomacy resources.

(5) The development of an operational strategy and a coordinated effort by United States agencies regarding public diplomacy would greatly enhance United States foreign policy.

(6) The Secretary of State has undertaken efforts to ensure that of the new positions established

at the Department of State after September 30, 2002, a significant proportion are for public diplomacy.

(b) PURPOSES.—It is the purpose of this subtitle to enhance in scope and substance, redirect, redefine, and reorganize United States public diplomacy.

SEC. 202. PUBLIC DIPLOMACY RESPONSIBILITIES OF THE DEPARTMENT OF STATE.

(a) IN GENERAL.—The State Department Basic Authorities Act of 1956 (22 U.S.C. 265 et seq.) is amended by inserting after section 58 the following new section:

"SEC. 59. PUBLIC DIPLOMACY RESPONSIBILITIES OF THE DEPARTMENT OF STATE.

''(a) IN GENERAL.—The Secretary of State shall make public diplomacy an integral component in the planning and execution of United States foreign policy. The Department of State, in coordination with the United States International Broadcasting Agency, shall develop a comprehensive strategy for the use of public diplomacy resources and assume a prominent role in coordinating the efforts of all Federal agencies involved in public diplomacy. Public diplomacy efforts shall be addressed to developed and developing countries, to select and general audiences, and shall utilize all available media to ensure that the foreign policy of the United States is properly ex-

plained and understood not only by the governments of countries but also by their peoples, with the objective of enhancing support for United States foreign policy. The Secretary shall ensure that the public diplomacy strategy of the United States is cohesive and coherent and shall aggressively and through the most effective mechanisms counter misinformation and propaganda concerning the United States. The Secretary shall endeavor to articulate the importance in American foreign policy of the guiding principles and doctrines of the United States, particularly freedom and democracy. The Secretary, in coordination with the Board of Governors of the United States International Broadcasting Agency, shall develop and articulate long-term measurable objectives for United States public diplomacy. The Secretary is authorized to produce and distribute public diplomacy programming for distribution abroad in order to achieve public diplomacy objectives, including through satellite communication, the Internet, and other established and emerging communications technologies.

''(b) INFORMATION CONCERNING UNITED STATES ASSISTANCE.—

''(1) IDENTIFICATION OF ASSISTANCE.—In cooperation with the United States Agency for International Development (USAID) and other public

and private assistance organizations and agencies, the Secretary shall ensure that information concerning foreign assistance provided by the United States Government, United States nongovernmental organizations and private entities, and the American people is disseminated widely and prominently, particularly, to the extent practicable, within countries and regions that receive such assistance. The Secretary shall ensure that, to the extent practicable, projects funded by the United States Agency for International Development (USAID) that do not involve commodities, including projects implemented by private voluntary organizations, are identified as being supported by the United States of America, as American Aid or provided by the American people.

''(2) REPORT TO CONGRESS.—Not later than 120 days after the end of each fiscal year, the Secretary shall submit a report to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate on efforts to disseminate information concerning assistance described in paragraph (1) during the preceding fiscal year. Each such report shall include specific information concerning all instances in which the United States Agency for International

Development has not identified projects in the manner prescribed in paragraph (1) because such identification was not practicable. Any such report shall be submitted in unclassified form, but may include a classified appendix.

''(c) AUTHORITY.—Subject to the availability of appropriations, the Secretary may contract with and compensate government and private agencies or persons for property and services to carry out this section.''.

(b) ESTABLISHMENT OF PUBLIC DIPLOMACY RESERVE CORPS.—

(1) The Secretary of State shall establish a public diplomacy reserve corps to augment the public diplomacy capacity and capabilities of the Department in emergency and critical circumstances worldwide. The Secretary shall develop a contingency plan for the use of the corps to bolster public diplomacy resources and expertise. To the extent necessary and appropriate, the Secretary may recruit experts in public diplomacy and related fields from the private sector.

(2) While actively serving with the reserve corps, individuals are prohibited from engaging in activities directly or indirectly intended to influence public opinion within the United States to the same

degree that employees of the Department engaged in public diplomacy are so prohibited.

(c) FUNCTIONS OF THE UNDER SECRETARY FOR PUBLIC DIPLOMACY.—

(1) Section 1(b)(3) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a(b)(3)) is amended by striking ''formation'' and all that follows through the period at the end and inserting ''formation, supervision, and implementation of United States public diplomacy policies, programs, and activities, including the provision of guidance to Department personnel in the United States and overseas who conduct or implement such policies, programs, and activities. The Under Secretary for Public Diplomacy shall assist the United States Agency for International Broadcasting in presenting the policies of the United States clearly and effectively, shall submit statements of United States policy and editorial material to the Agency for broadcast consideration in addition to material prepared by the Agency, and shall ensure that editorial material created by the Agency for broadcast is reviewed expeditiously by the Department.''.

(2) The Under Secretary for Public Diplomacy, in carrying out the functions under the last sentence

of section 1(b)(3) of the State Department Basic Authorities Act of 1956 (as added by paragraph (1), shall consult with public diplomacy officers operating at United States overseas posts and in the regional bureaus of the Department of State.

SEC. 203. ANNUAL PLAN ON PUBLIC DIPLOMACY STRATEGY.

The Secretary of State, in coordination with all appropriate Federal agencies, shall prepare an annual review and analysis of the impact of public diplomacy efforts on target audiences. Each review shall assess the United States public diplomacy strategy worldwide and by region, including the allocation of resources and an evaluation and assessment of the progress in, and barriers to, achieving the goals set forth under previous plans submitted under this section. On the basis of such review, the Secretary of State, in coordination with all appropriate Federal agencies shall develop and submit, as part of the annual budget submission, a public diplomacy strategy which specifies goals, agency responsibilities, and necessary resources and mechanisms for achieving such goals during the next fiscal year. The plan may be submitted in classified form.

SEC. 204. PUBLIC DIPLOMACY TRAINING.

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

(1) The Foreign Service should recruit individuals with expertise and professional experience in public diplomacy.

(2) Ambassadors should have a prominent role in the formulation of public diplomacy strategies for the countries and regions to which they are assigned and be accountable for the operation and success of public diplomacy efforts at their posts.

(3) Initial and subsequent training of Foreign Service officers should be enhanced to include information and training on public diplomacy and the tools and technology of mass communication.

(b) PERSONNEL.—

(1) In the recruitment, training, and assignment of members of the Foreign Service, the Secretary shall emphasize the importance of public diplomacy and of applicable skills and techniques. The Secretary shall consider the priority recruitment into the Foreign Service, at middle-level entry, of individuals with expertise and professional experience in public diplomacy, mass communications, or journalism, especially individuals with language facility and experience in particular countries and regions.

(2) The Secretary of State shall seek to increase the number of Foreign Service officers proficient in languages spoken in predominantly Muslim countries. Such increase shall be accomplished through the recruitment of new officers and incentives for officers in service.

SEC. 205. UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY.

(a) STUDY AND REPORT BY UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY.—Section 604(c)(2) of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1469(c)(2)) is amended to read as follows:

''(2)(A) Not less often than every two years, the Commission shall undertake an in-depth review of United States public diplomacy programs, policies, and activities. Each study shall assess the effectiveness of the various mechanisms of United States public diplomacy, in light of factors including public and media attitudes around the world toward the United States, Americans, United States foreign policy, and the role of the American private-sector community abroad, and make appropriate recommendations.

''(B) A comprehensive report of each study under subparagraph (A) shall be submitted to the Secretary of

State and the appropriate congressional committees. At the discretion of the Commission, any report under this subsection may be submitted in classified or unclassified form, as appropriate.''.

(b) INFORMATION AND SUPPORT FROM OTHER AGENCIES.—Upon request of the United States Advisory Commission on Public Diplomacy, the Secretary of State, the Director of the United States International Broadcasting Agency, and the head of any other Federal agency that conducts public diplomacy programs and activities shall provide information to the Advisory Commission to assist in carrying out the responsibilities under section 604(c)(2) of the United States Information and Educational Exchange Act of 1948 (as amended by subsection (a)).

(c) ENHANCING THE EXPERTISE OF UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY.—

(1) QUALIFICATIONS OF MEMBERS.—Section 604(a)(2) of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1469(a)(2)) is amended by adding at the end the following: ''At least 4 members shall have substantial experience in the conduct of public diplomacy or comparable activities in the private sector. At least 1 member shall be an American residing abroad. No

member may be an officer or employee of the United States.''.

(2) APPLICATION OF AMENDMENT.—The amendments made by paragraph (1) shall not apply to individuals who are members of the United States Advisory Commission on Public Diplomacy on the date of the enactment of this Act.

SEC. 206. LIBRARY PROGRAM.

The Secretary of State shall develop and implement a demonstration program to assist foreign governments to establish or upgrade their public library systems to improve literacy and support public education. The program should provide training in the library sciences. The purpose of the program shall be to advance American values and society, particularly the importance of freedom and democracy.

SEC. 207. SENSE OF CONGRESS CONCERNING PUBLIC DIPLOMACY EFFORTS IN SUB-SAHARAN AFRICA.

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

(1) A significant number of sub-Saharan African countries have predominantly Muslim populations, including such key countries as Nigeria, Senegal, Djibouti, Mauritania, and Guinea.

(2) In several of these countries, groups with links to militant religious organizations are active among the youth, primarily young men, promoting a philosophy and practice of intolerance and radical clerics are effectively mobilizing public sentiment against the United States.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the Secretary should include countries in sub-Saharan Africa with predominantly Muslim populations in the public diplomacy activities authorized by this Act and the amendments made by this Act.

Subtitle B—Basic Authorities and Activities

SEC. 221. UNITED STATES POLICY WITH RESPECT TO JERUSALEM AS THE CAPITAL OF ISRAEL.

(a) LIMITATION ON USE OF FUNDS FOR CONSULATE IN JERUSALEM.—None of the funds authorized to be appropriated by this Act may be expended for the operation of a United States consulate or diplomatic facility in Jerusalem unless such consulate or diplomatic facility is under the supervision of the United States Ambassador to Israel.

(b) LIMITATION ON USE OF FUNDS FOR PUBLICATIONS.—None of the funds authorized to be appropriated by this Act may be available for the publication of any official government document which lists countries and

their capital cities unless the publication identifies Jerusalem as the capital of Israel.

(c) RECORD OF PLACE OF BIRTH AS ISRAEL FOR PASSPORT PURPOSES.—The first section of ''An Act to regulate the issue and validity of passports, and for other purposes'', approved July 3, 1926 (22 U.S.C. 211a; 44 Stat. 887) is amended by inserting after the first sentence the following: ''For purposes of the issuance of a passport of a United States citizen born in the city of Jerusalem, the Secretary shall, upon the request of the citizen or the citizen's legal guardian, record the place of birth as Israel.''.

SEC. 222. MODIFICATION OF REPORTING REQUIREMENTS.

(a) REPEAL.—Section 805 of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (section 805(a) of division A of H.R. 3427, as enacted into law by section 1000(a)(7) of Public Law 106-113; appendix G; 113 Stat. 1501A-470) (relating to reports on terrorist activity in which United States citizens were killed and related matters) is hereby repealed.

(b) ANNUAL COUNTRY REPORTS ON TERRORISM.—Section 140(b)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100-204; 22 U.S.C. 2656f(b)(2)) is amended—

(1) in subparagraph (D), by striking ''and'' at the end;

(2) in subparagraph (E), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(F) for the reports due through May 1, 2005, information concerning terrorist attacks in Israel, territory administered by Israel, and territory administered by the Palestinian Authority, including—

''(i) a list of all citizens of the United States killed or injured in such attacks during the previous year;

''(ii) the date of each attack and the total number of people killed or injured in each attack;

''(iii) the person or group claiming responsibility for the attack and where such person or group has found refuge or support;

''(iv) to the extent possible, a list of suspects implicated in each attack and the nationality of each suspect, including information on their whereabouts (or suspected whereabouts);

''(v) a list of any terrorist suspects in these cases who are members of Palestinian police or security forces, the Palestine Liberation Organization, or any Palestinian governing body;

''(vi) the status of each case pending against a suspect, including information on whether the suspect has been arrested, detained, indicted, prosecuted, or convicted by the Palestinian Authority or Israel, and if detained and then released, the date of such release, and whether any released suspect was implicated in subsequent acts of terrorism;

''(vii) available information on convictions, releases or changes in the situation of suspects involved in attacks committed prior to December 31, 2003, and not covered in previous reports submitted under section 805(a) of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001; and

''(viii) the policy of the Department of State with respect to offering rewards for

information on terrorist suspects, including any information on whether a reward has been posted for suspects involved in terrorist attacks listed in the report.''.

(c) CONSULTATION.—The Secretary of State shall, in preparing the portion of the annual country reports on terrorism required by subparagraph (F) of section 140(b)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100–204; 22 U.S.C. 2656f(b)(2)), as added by subsection (b), consult and coordinate with all other Government officials who have information necessary to complete that portion of the report. Nothing contained in this subsection shall require the disclosure, on a classified or unclassified basis, of information that would jeopardize sensitive sources and methods or other vital national security interests or jeopardize ongoing criminal investigations or proceedings.

SEC. 223. REPORT CONCERNING EFFORTS TO PROMOTE ISRAEL'S DIPLOMATIC RELATIONS WITH OTHER COUNTRIES.

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

(1) Israel is a friend and ally of the United States whose security is vital to regional stability and United States interests.

(2) Israel currently maintains diplomatic relations with approximately 160 countries. Approximately 30 countries do not have any diplomatic relations with Israel.

(3) The State of Israel has been actively seeking to establish formal relations with a number of countries.

(4) The United States should assist its ally, Israel, in its efforts to establish diplomatic relations.

(5) After more than 50 years of existence, Israel deserves to be treated as an equal nation by its neighbors and the world community.

(b) REPORT CONCERNING UNITED STATES EFFORTS TO PROMOTE ISRAEL'S DIPLOMATIC RELATIONS WITH OTHER COUNTRIES.—Not later than 60 days after the date of the enactment of this Act, the Secretary shall submit a report to the appropriate congressional committees that includes the following information (in classified or unclassified form, as appropriate):

(1) Actions taken by the United States to encourage other countries to establish full diplomatic relations with Israel.

(2) Specific responses solicited and received by the Secretary from countries that do not maintain full diplomatic relations with Israel with respect to

the status of negotiations to enter into diplomatic relations with Israel.

(3) Other measures being undertaken, and measures that will be undertaken, by the United States to ensure and promote Israel's full participation in the world diplomatic community.

SEC. 224. REIMBURSEMENT RATE FOR CERTAIN AIRLIFT SERVICES PROVIDED BY THE DEPARTMENT OF DEFENSE TO THE DEPARTMENT OF STATE.

(a) AUTHORITY.—Subsection (a) of section 2642 of title 10, United States Code, is amended—

(1) by striking ''provided by a component of the Department of Defense to the'' and inserting ''provided by a component of the Department of Defense as follows:

''(1) To the''; and

(2) by adding at the end the following new paragraph:

''(2) To the Department of State for the transportation of armored motor vehicles to a foreign country to meet unfulfilled requirements of the Department of State for armored motor vehicles in that foreign country.''.

(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 2642. Airlift services provided to Central Intelligence Agency and Department of State: reimbursement rate".

(2) The item relating to such section in the table of sections at the beginning of chapter 157 of such title is amended to read as follows:

"2642. Airlift services provided to Central Intelligence Agency and Department of State: reimbursement rate.".

SEC. 225. SENSE OF CONGRESS REGARDING ADDITIONAL UNITED STATES CONSULAR POSTS.

It is the sense of the Congress that to help advance United States economic, political, and public diplomacy interests, the Secretary of State should make best efforts to establish consulates or other appropriate diplomatic presence in: Pusan, South Korea; Medan, Indonesia; and Hat Yai, Thailand.

SEC. 226. VALIDITY OF UNITED STATES PASSPORTS FOR TRAVEL TO COUNTRIES RECEIVING UNITED STATES FOREIGN ASSISTANCE.

The first section of the Act entitled ''An Act to regulate the issue and validity of passports, and for other purposes'', approved July 3, 1926 (22 U.S.C. 211a) is amended by striking ''travelers.'' and inserting ''travelers, and

no such restriction may apply to a country in which the United States is providing assistance authorized by the Foreign Assistance Act of 1961.''.

SEC. 227. SECURITY CAPITAL COST SHARING.

(a) AUTHORIZATION.—The first section of the Foreign Service Buildings Act, 1926 (22 U.S.C. 292) is amended by adding at the end the following new subsection:

''(c) SECURITY CAPITAL COST-SHARING PROGRAM.—(1) The Secretary of State, as the single manager of all buildings and grounds acquired under this Act or otherwise acquired or authorized for the use of the diplomatic and consular establishments in foreign countries, is authorized to establish and implement a Security Capital Cost-Sharing Program to collect funds from each agency on the basis of its total overseas presence in a manner that encourages rightsizing of its overseas presence, and expend those funds to accelerate the provision of safe, secure, functional buildings for United States Government personnel overseas.

''(2) The Secretary is authorized to determine annually and charge each Federal agency the amount to be collected under paragraph (1) from the agency. To determine such amount, the Secretary may prescribe and use a formula that takes into account the number of authorized

positions of each agency, including contractors and locally hired personnel, who are assigned to United States diplomatic facilities and are under the authority of a chief of mission pursuant to section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927).

''(3) The head of an agency charged a fee under this section shall remit the amount of the fee to the Secretary of State through the Intra-Governmental Payment and Collection System or other appropriate means.

''(4) There shall be established on the books of the Treasury an account to be known as the 'Security Capital Cost-Sharing Program Fund', which shall be administered by the Secretary. There shall be deposited into the account all amounts collected by the Secretary pursuant to the authority under paragraph (1), and such funds shall remain available until expended. Such funds shall be used solely for the provision of new safe, secure, functional diplomatic facilities that comply with all applicable legal standards, including those standards established under the authority of the Secure Embassy Construction and Counterterrorism Act of 1999. The Secretary shall include in the Department of State's Congressional Presentation Document an accounting of the sources and uses of the amounts deposited into the account.

''(5) The Secretary shall not collect a fee for an authorized position of an agency of the Federal Government that has been or would be granted a waiver pursuant to section 606(a)(2)(B)(i) of the Secure Embassy Construction and Counterterrorism Act of 1999 (22 U.S.C. 4865(a)(2)(B)(i)).

''(6) In this subsection—

''(A) the term 'agency of the Federal Government'—

''(i) includes the Interagency Cooperative Administrative Support Service; and

''(ii) does not include the Marine Security Guard; and

''(B) the term 'United States diplomatic facility' has the meaning given that term in section 603 of the Secure Embassy Construction and Counterterrorism Act of 1999 (22 U.S.C. 4865 note).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2004.

SEC. 228. AUTHORITY TO ISSUE ADMINISTRATIVE SUBPOENAS.

Section 37 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2709) is amended by adding at the end the following new subsection:

"(d) ADMINISTRATIVE SUBPOENAS.—

"(1) IN GENERAL.—If the Secretary determines that there is an imminent threat against a person, foreign mission, or international organization protected under the authority of subsection (a)(3), the Secretary may issue in writing, and cause to be served, a subpoena requiring—

"(A) the production of any records or other items relevant to the threat; and

"(B) testimony by the custodian of the items required to be produced concerning the production and authenticity of those items.

"(2) REQUIREMENTS.—

"(A) RETURN DATE.—A subpoena under this subsection shall describe the items required to be produced and shall specify a return date within a reasonable period of time within which the requested items may be assembled and made available. The return date specified may not be less than 24 hours after service of the subpoena.

"(B) NOTIFICATION TO ATTORNEY GENERAL.—As soon as practicable following the issuance of a subpoena under this subsection,

the Secretary shall notify the Attorney General of its issuance.

''(C) OTHER REQUIREMENTS.—The following provisions of section 3486 of title 18, United States Code, shall apply to the exercise of the authority of paragraph (1):

''(i) Paragraphs (4) through (8) of subsection (a).

''(ii) Subsections (b), (c), and (d).

''(3) DELEGATION OF AUTHORITY.—The authority under this subsection may be delegated only to the Deputy Secretary of State.

''(4) ANNUAL REPORT.—Not later than February 1 of each year, the Secretary shall submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report regarding the exercise of the authority under this subsection during the previous calendar year.''.

SEC. 229. ENHANCING REFUGEE RESETTLEMENT AND MAINTAINING THE UNITED STATES COMMITMENT TO REFUGEES.

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

(1) The United States has a longstanding tradition of providing refugee assistance and relief through the Department of State's migration and refugee assistance account for refugees throughout the world who have been subjected to religious and other forms of persecution.

(2) A strong refugee resettlement and assistance program is a critical component of the United States' strong commitment to freedom.

(3) The United States refugee admissions program has been in decline for much of the last five years, resulting in a chronic inability of the United States to meet the ceiling on refugee admissions that has been set by the President each year.

(4) Refugee applicants have always undergone rigorous security screenings. The September 11, 2001, terrorist attacks on the United States has rightfully increased the awareness of the need to ensure that all aliens seeking admission to the United States would not endanger the United States.

(5) Private voluntary organizations and nongovernmental organizations (NGOs) have and continue to provide valuable information to State Department officials for refugee processing, and along with Embassy personnel, can be utilized to assist in

the preliminary screening of refugees so that State Department officials can focus to a greater extent on security.

(6) Currently there are 15 million refugees worldwide. In order to meet the ceiling set by the Administration, which has been 70,000 in recent years, a broader cross-section could be considered for resettlement in the United States if the Department of State were to expand existing refugee processing priority categories in a reasonable and responsible manner. Expansion of refugee selection should include the expanded use of both the existing category reserved for refugees of special interest to the United States as well as the existing categories reserved for family reunification.

(b) PURPOSE.—It is the purpose of this section to provide the Department of State with tools to enable it to carry out its responsibilities with greater efficiency with respect to the identification and processing of refugee applicants.

(c) ENHANCEMENT OF REFUGEE IDENTIFICATION AND PROCESSING.—

(1) In addition to traditional agencies currently used in the processing of refugees for admission to the United States, where applicable, the Secretary

shall develop and utilize partnerships with voluntary resettlement organizations that permit such organizations to assist in the identification and referral of refugees.

(2) In addition to traditional agencies currently used in the processing of refugees for admission to the United States, where applicable, the Secretary shall utilize private voluntary organizations with ties to domestic constituencies in the overseas processing of refugees.

(3) In addition to traditional agencies currently used in the processing of refugees for admission to the United States, where applicable, the Secretary shall establish refugee response teams.

(A) ESTABLISHMENT OF REFUGEE RESPONSE TEAMS.—In order to make the processing of refugees more efficient and effective, enhance the quality of refugee resettlement programs, and to augment the capacity of the United States government to identify, process, assist, and counsel individuals for eventual adjudication by the Department of Homeland Security as refugees, where applicable, the Secretary shall establish and utilize the services of Refugee Response Teams, (in this section re-

ferred to as ''RRTs''). RRTs shall be coordinated by the Assistant Secretary of State for Population, Refugees, and Migration, or the Assistant Secretary's designee.

(B) COMPOSITION OF THE RRTS.—RRTs shall be comprised of representatives of non-governmental organizations and private voluntary organizations that have experience in refugee law, policy and programs.

(C) RESPONSIBILITIES OF THE RRTS.—RRTs shall be responsible for—

(i) monitoring refugee situations, with a view toward identifying those refugees whose best durable solution is third country resettlement;

(ii) preparing profiles and documentation for resettlement consideration by the United States Government;

(iii) augmenting or establishing an overseas operation, especially in response to urgent developments requiring quick responses or more staff resources than are available in the existing processing entities;

(iv) assisting with training and technical assistance to existing international

organizations and other processing entities; and

(v) such other responsibilities as may be determined by the Secretary of State.

(D) RESPONSIBILITIES OF THE SECRETARY.—The Secretary shall establish appropriate training seminars for RRT personnel and make use of RRTs in situations where existing mechanisms are unable to identify and process refugees in a timely manner.

(d) PERFORMANCE STANDARDS.—In consultation with private voluntary organizations and NGOs, the Secretary shall establish performance standards to ensure accountability and effectiveness in the tasks carried out in subsection (c).

(e) CONSIDERATION OF VARIOUS GROUPS.—To ensure that there is adequate planning across fiscal years and that both the Department of State's planning and processing operations result in adequate numbers of travel-ready refugees to fulfill the admissions goals set forth in the determinations on refugee admissions required by sections 207(a) and 207(b) of the Immigration and Nationality Act (8 U.S.C. 1157(a) and (b)), the Secretary of State shall work to ensure that—

(1) those refugees in special need, including long-stayers in first countries of asylum, unaccompanied refugee minors, urban refugees, and refugees in women-headed households be given special attention for resettlement processing;

(2) attempts are made to expand processing of those refugees of all nationalities who have close family ties to citizens and residents in the United States, including spouses, unmarried children, or parents of persons lawfully admitted to the United States, regardless of their country of nationality, country of habitual residence, or first country of asylum, as well as grandparents, grandchildren, married sons or daughters, or siblings of United States citizens or other persons lawfully admitted to the United States;

(3) attempts are made to expand the number of refugees considered who are of special concern to the United States; and

(4) expanded access is provided to broader categories of refugees seeking admission to the United States, thus reducing instances of relationship-based misrepresentation by persons who are bona fide refugees but who resort to such misrepresentation merely as a way to be interviewed for refugee status.

(f) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit a report to Congress that includes information concerning the following:

(1) Efforts of the Secretary to utilize NGO's in refugee identification, utilize private voluntary organizations in processing refugees, establish and utilize RRTs, and an explanation of the rationale for not using such organizations and agencies in situations where the Secretary has made such a determination, as described in subsection (c).

(2) Efforts of the Secretary to implement performance standards and measures as described in subsection (d) and the success of NGO's and private voluntary organizations in meeting such standards.

(3) Efforts of the Secretary to expand consideration of various groups for refugee processing as described in subsection (e).

(4) Efforts to ensure that there is planning across fiscal years so as to fulfill the refugee admissions goals set forth by the President in his annual presidential determinations on refugee admissions.

SEC. 230. THE COLIN POWELL CENTER FOR AMERICAN DIPLOMACY.

Title I of the State Department Basic Authorities Act of 1956 is amended by adding after section 59 (22 U.S.C. 2730) the following new section:

"SEC. 60. COLIN POWELL CENTER FOR AMERICAN DIPLOMACY.

''(a) DESIGNATION.—The diplomacy center of the Department of State, located in the Harry S Truman building, is hereby designated as the 'Colin Powell Center for American Diplomacy' (hereinafter in this section referred to as the 'Center').

''(b) ACTIVITIES.—

''(1) SUPPORT AUTHORIZED.—The Secretary of State is authorized to provide by contract, grant, or otherwise, for the performance of appropriate museum visitor and educational outreach services, including organizing conference activities, museum shop services, and food services, in the public exhibit and related space utilized by the Center.

''(2) PAYMENT OF EXPENSES.—The Secretary may pay all reasonable expenses of conference activities conducted by the Center, including refreshments and reimbursement of travel expenses incurred by participants.

''(3) RECOVERY OF COSTS.—Any revenues generated under the authority of paragraph (1) for visitor services may be retained, as a recovery of the costs of operating the Center, and credited to any Department of State appropriation.

''(c) DISPOSITION OF CENTER ARTIFACTS AND MATERIALS.—

''(1) PROPERTY OF SECRETARY.—All historic documents, artifacts, or other articles permanently acquired by the Department of State and determined by the Secretary to be suitable for display in the Center shall be considered to be the property of the Secretary in the Secretary's official capacity and shall be subject to disposition solely in accordance with this subsection.

''(2) SALE OR TRADE.—Whenever the Secretary makes the determination under paragraph (3) with respect to an item, the Secretary may sell at fair market value, trade, or transfer the item, without regard to the requirements of subtitle I of title 40, United States Code. The proceeds of any such sale may be used solely for the advancement of the Center's mission and may not be used for any purpose other than the acquisition and direct care of collections.

''(3) DETERMINATIONS PRIOR TO SALE OR TRADE.—The determination referred to in paragraph (2), with respect to an item, is a determination that—

''(A) the item no longer serves to further the purposes of the Center established in the collections management policy of the Center; or

''(B) in order to maintain the standards of the collections of the Center, the sale or exchange of the item would be a better use of the item.

''(4) LOANS.—The Secretary may also lend items covered by paragraph (1), when not needed for use or display in the Center, to the Smithsonian Institution or a similar institution for repair, study, or exhibition.''.

SEC. 231. INTERFERENCE WITH PROTECTIVE FUNCTIONS.

(a) OFFENSE.—Chapter 7 of title 18, United States Code, is amended by adding at the end the following:

''§ 117. Interference with certain protective functions

''Whoever knowingly and willfully obstructs, resists, or interferes with a Federal law enforcement agent engaged, within the United States or the special maritime territorial jurisdiction of the United States, in the performance of the protective functions authorized by section

37 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2709) or section 103 of the Diplomatic Security Act (22 U.S.C. 4802) shall be fined under this title or imprisoned not more than one year, or both.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''117. Interference with certain protective functions.''.

SEC. 232. ISSUANCE OF CONSULAR IDENTIFICATION CARDS BY FOREIGN MISSIONS.

(a) ISSUANCE OF CONSULAR IDENTIFICATION CARDS.—The Congress finds that foreign governments have been issuing consular identification cards to foreign nationals in the United States for purposes other than those intended by the Vienna Convention on Consular Relations (done at Vienna on 24 April 1963).

(b) ISSUANCE OF CONSULAR IDENTIFICATION CARDS.—The issuance by foreign missions of consular identification cards shall be considered a benefit to a foreign mission under section 203(2) of the State Department Basic Authorities Act of 1956 and shall be regulated by the Secretary in accordance with this section and section 204 of that Act.

(c) AUTHORITY TO ISSUE REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall issue regulations consistent

with this section with respect to the issuance by foreign missions in the United States of consular identification cards to foreign nationals residing in the United States.

(d) CONTENT OF REGULATIONS.—Regulations referred to in subsection (c) shall include the following restrictions and requirements:

(1) NOTIFICATION TO THE UNITED STATES GOVERNMENT.—A foreign mission shall notify the Secretary of State of each consular identification card issued within the United States, including the name and current address within the United States of the recipient of a card.

(2) ISSUANCE TO BONA FIDE CITIZENS OF THE COUNTRY OF ORIGIN.—A foreign mission may issue a consular identification card only to a national of the country represented by the foreign mission. Foreign missions shall establish procedures to verify the nationality of card recipients through either national birth registry systems or voter registration identification systems, and bona fide documents such as a passport issued by the country of origin.

(3) MAINTENANCE OF ACCURATE AND COMPLETE RECORDS.—A foreign mission shall maintain at the mission complete and accurate records of all consular identification cards issued and shall main-

tain an automated record system that contains such records in a manner that can be rapidly accessed to prevent duplicate or fraudulent issuance of such cards.

(4) ADDRESS CHANGE NOTIFICATION REQUIREMENT.—A foreign mission shall require card recipients to notify the foreign mission of any change of address within 30 days after such address change.

(5) ACCESS TO AUDIT RECORDS.—At the request of the Secretary of State, a foreign mission shall make available for audit and review, by the Secretary or the Inspector General of the Department of State, the records of all consular identification cards issued.

(e) FAILURE TO ADHERE TO REGULATIONS.—

(1) If the Secretary of State determines that a foreign mission has issued consular identification cards in violation of the requirements of regulations related to the issuance of such cards by foreign missions and such violation potentially threatens the security of the United States or facilitates fraudulent or criminal acts, the Secretary of State shall notify the government of the country represented by the foreign mission that the foreign mission must suspend the issuance of consular identification cards

until compliance with applicable regulations is established.

(2) If the foreign mission of a country fails to suspend issuance of consular identification cards in accordance with a notification under paragraph (1), the Secretary of State shall direct consular officials in that country to cease the issuance of immigrant or nonimmigrant visas, or both, to nationals of that country until such time as the Secretary of State determines that the foreign mission of that country is in compliance with the requirements of regulations related to the issuance of such cards by foreign missions.

Subtitle C—Educational and Cultural Authorities

SEC. 251. ESTABLISHMENT OF INITIATIVES FOR PREDOMINANTLY MUSLIM COUNTRIES.

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

(1) Surveys indicate that, in countries of predominantly Muslim population, opinions of the United States and American foreign policy among the general public and select audiences are significantly distorted by highly negative and hostile beliefs and images and that many of these beliefs and im-

ages are the result of misinformation and propaganda by individuals and organizations hostile to the United States.

(2) These negative opinions and images are highly prejudicial to the interests of the United States and to its foreign policy.

(3) As part of a broad and long-term effort to enhance a positive image of the United States in the Muslim world, a key element should be the establishment of programs to promote a greater familiarity with American society and values among the general public and select audiences in countries of predominantly Muslim population.

(b) ESTABLISHMENT OF INITIATIVES.—The Secretary of State shall establish the following programs with countries with predominantly Muslim populations as part of the educational and cultural exchange programs of the Department of State for the fiscal years 2004 and 2005:

(1) JOURNALISM PROGRAM.—A program for foreign journalists, editors, media managers, and postsecondary students of journalism which, in cooperation with private sector sponsors to include universities, shall sponsor workshops and professional training in techniques, standards, and practices in the field of journalism to assist the partici-

pants to achieve the highest standards of professionalism.

(2) ENGLISH LANGUAGE TEACHING.—The Secretary shall provide grants to United States citizens to work in middle and secondary schools as English language teaching assistants for not less than an academic year. If feasible, the host government or local educational agency shall share the salary costs of the assistants.

(3) SISTER CITY PARTNERSHIPS.—The Secretary shall expand and enhance sister-city partnerships between United States and international municipalities in an effort to increase global cooperation at the community level. Such partnerships shall encourage economic development, municipal cooperation, health care initiatives, youth and educational programs, disability advocacy, emergency preparedness, and humanitarian assistance.

(4) CIVICS EDUCATION.—The Secretary shall establish a civics education program which shall develop civics education teaching curricula and materials, provide training for teachers of civics, and provide English language teaching materials that are designed to promote civics education. Civics education programs under this paragraph shall place

particular emphasis on the on-site training of educators and the function of the mass media within that society.

(5) YOUTH AMBASSADORS.—The Secretary shall establish a program for visits by middle school students (to the extent feasible) and secondary school students to the United States during school holidays in their home country for periods not to exceed 4 weeks and a program for academic year study in the United States for secondary school students. Participating students shall reflect the economic, geographic, and ethnic diversity of their countries. Activities shall include cultural and educational activities designed to familiarize participating students with American society and values. To the extent practicable, the program involving school holiday visits shall be coordinated with middle and secondary schools in the United States to provide for school-based activities and interactions. The Secretary shall encourage the establishment of direct school-to-school linkages under the programs.

(6) FULBRIGHT EXCHANGE PROGRAM.—The Secretary shall seek to substantially increase the number of awards under the J. William Fulbright Educational Exchange Program to graduate stu-

dents, scholars, professionals, teachers, and administrators from the United States who are applying for such awards to study, teach, conduct research, or pursue scholarship in predominantly Muslim countries. Part of such increase shall include awards for scholars and teachers who plan to teach subjects relating to American studies.

(7) HUBERT H. HUMPHREY FELLOWSHIPS.—The Secretary shall seek to substantially increase the number of Hubert H. Humphrey Fellowships awarded to candidates from predominantly Muslim countries.

(8) LIBRARY TRAINING EXCHANGE PROGRAM.—The Secretary shall develop an exchange program for postgradute students seeking additional training in the library sciences and related fields.

(c) GENERAL PROVISION.—Programs established under this section shall be carried out under the provisions of the United States Information and Educational Exchange Act of 1948 and the Mutual Educational and Cultural Exchange Act of 1961.

SEC. 252. DATABASE OF AMERICAN AND FOREIGN PARTICIPANTS IN EXCHANGE PROGRAMS.

To the extent practicable, the Secretary of State, in coordination with the heads of other agencies that conduct

international exchange and training programs, shall establish and maintain a database listing all American and foreign alumni of such programs in order to encourage networking, interaction, and communication with alumni.

SEC. 253. REPORT ON INCLUSION OF FREEDOM AND DEMOCRACY ADVOCATES IN EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS.

Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall submit to the Congress a report concerning the implementation of section 102 of the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996. The report shall include information concerning the number of grants to conduct exchange programs to countries described in such section that have been submitted for competitive bidding, what measures have been taken to ensure that willingness to include supporters of freedom and democracy in such programs is given appropriate weight in the selection of grantees, and an evaluation of whether United States exchange programs in the countries described in such section are fully open to supporters of freedom and democracy, and, if not, what obstacles remain and what measures are being taken to implement such policy.

SEC. 254. SENSE OF THE CONGRESS CONCERNING EDUCATIONAL AND CULTURAL EXCHANGE PROGRAM FOR FOREIGN JOURNALISTS.

It is the sense of the Congress that the Secretary of State should work toward the establishment of a program for foreign journalists from regions of conflict that will provide professional training in techniques, standards, and practices in the field of journalism.

SEC. 255. SENSE OF CONGRESS REGARDING KOREAN FULBRIGHT PROGRAMS.

It is the sense of the Congress that Fulbright program activities for Korea should—

(1) include participation by students from throughout South Korea, including proportional representation from areas outside of Seoul;

(2) attempt to include Korean students from a broad range of educational institutions, including schools other than elite universities;

(3) broaden the Korean student emphasis beyond degree-seeking graduate students, to include opportunities for one-year nondegree study at United States campuses by pre-doctoral Korean students; and

(4) include a significant number of Korean students planning to move into areas other than advanced research and university teaching, such as

those heading towards careers in government service, media, law, and business.

SEC. 256. AUTHORIZING EAST TIMORESE SCHOLARSHIPS FOR GRADUATE STUDY.

Section 237 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236) is amended by inserting ''graduate or'' after ''at the''.

SEC. 257. PUBLIC SAFETY AWARENESS IN STUDY ABROAD PROGRAMS.

With respect to the Department of State's support for study abroad programs, Congress—

(1) encourages the Bureau of Educational and Cultural Affairs to support public safety awareness activities as part of such programs; and

(2) encourages the Bureau to continue supporting such activities and urges special attention to public safety issues, including road safety.

Subtitle D—Consular Authorities

SEC. 271. MACHINE READABLE VISAS.

Section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (8 U.S.C. 1351 note) is amended by adding at the end the following:

''(4) For each of the fiscal years 2004 and 2005, any amount that exceeds $700,000,000 may be made available only if a notification is submitted

to Congress in accordance with the procedures applicable to reprogramming notifications under section 34 of the State Department Basic Authorities Act of 1956.''.

SEC. 272. PROCESSING OF VISA APPLICATIONS.

(a) IN GENERAL.—It shall be the policy of the Department of State to process each visa application from an alien classified as an immediate relative or as a K–1 nonimmigrant within 30 days of the receipt of all necessary documents from the applicant and the Department of Homeland Security. In the case of an immigrant visa application where the petitioner is a relative other than an immediate relative, it should be the policy of the Department to process such an application within 60 days of the receipt of all necessary documents from the applicant and the Department of Homeland Security.

(b) DEFINITIONS.—In this section:

(1) IMMEDIATE RELATIVE.—The term ''immediate relative'' has the meaning given the term in section 201(b)(2)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1151(b)(2)(A)(i)).

(2) K–1 NONIMMIGRANT.—The term ''K–1 nonimmigrant'' means a nonimmigrant alien described in section 101(a)(15)(K)(i) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(K)(i)).

SEC. 273. STAFFING AT DIPLOMATIC MISSIONS.

At least once every five years and pursuant to a process determined by the President for staffing at diplomatic missions and overseas constituent posts, the Secretary of State shall require each chief of mission to review every staff element under chief of mission authority, including staff from other executive agencies, and recommend approval or disapproval of each staff element. The Secretary of State shall submit an annual report concerning such reviews together with the Secretary's recommendations to the heads of all affected agencies and the Inspector General of the Department of State.

SEC. 274. ALLOCATION OF RESOURCES FOR EMBASSIES AND CONSULATES.

(a) SENSE OF CONGRESS.—It is the sense of the Congress that the Secretary of State should provide such resources, personnel, and training at each United States Embassy and consulate as are adequate to carry out the duties and responsibilities of such posts and to meet the needs of those seeking services at such posts. In particular, given Public Notice 4393 (Federal Register, July 7, 2003) which restricts the number of waivers that can be granted for interviews of nonimmigrant visas, the Secretary of State should provide sufficient resources, particularly in countries that are allies of the United States, to ensure that staff can process visa applications, includ-

ing conducting personal interviews, in a manner that is timely, while complying with all the application requirements, including security concerns.

(b) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit a report concerning the allocation of resources for embassies and consulates to the appropriate congressional committees.

SEC. 275. NOTICE TO UNITED STATES EMBASSIES ABROAD REGARDING CHILDREN WHO ARE THE SUBJECT OF INTERNATIONAL CHILD ABDUCTION AND GUIDELINES RELATING TO SANCTUARY FOR SUCH CHILDREN.

(a) NOTICE OF INTERNATIONAL CHILD ABDUCTION.—The Secretary of State shall establish procedures to ensure that appropriate United States Embassies abroad are notified of the possible presence in that country of any child who has been the subject of international child abduction in violation of the order of a court in the United States.

(b) GUIDELINES FOR SANCTUARY.—The Secretary of State shall promulgate guidelines for the personnel of United States Embassies abroad concerning procedures relating to sanctuary at such facilities for children who are the subject of international child abduction.

SEC. 276. INADMISSIBILITY OF ALIENS SUPPORTING INTERNATIONAL CHILD ABDUCTORS AND RELATIVES OF SUCH ABDUCTORS.

(a) IN GENERAL.—Section 212(a)(10)(C)(ii) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(10)(C)(ii)) is amended—

(1) in subclause (I), by striking the comma at the end and inserting a semicolon;

(2) in subclause (II), by striking ", or" at the end and inserting a semicolon;

(3) by amending subclause (III) to read as follows:

"(III) is a spouse (other than the spouse who is the parent of the abducted child), child (other than the abducted child), parent, sibling, cousin, uncle, aunt, nephew, niece, or grandparent of an alien described in clause (i), is an agent of such an alien, or is a principal employing such an alien as an agent, if such person has been designated by the Secretary of State at the Secretary's sole and unreviewable discretion; or" and

(4) by adding at the end the following:

"(IV) is a spouse of the abducted child described in clause (i), if such person has been designated by the Secretary of State at the Secretary's sole and unreviewable discretion,

is inadmissible until such child is surrendered to the person granted custody by the order described in that clause, and such custodian and child are permitted to return to the United States or such custodian's place of residence.".

(b) IDENTIFICATION OF ALIENS SUPPORTING ABDUCTORS AND RELATIVES OF ABDUCTORS; NOTICE TO CUSTODIAL PARENTS AND GUARDIANS; ANNUAL REPORT; DEFINITIONS.—Section 212(a)(10)(C) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(10)(C)) is amended by adding at the end the following:

"(iv) IDENTIFICATION OF ALIENS SUPPORTING ABDUCTORS AND RELATIVES OF ABDUCTORS.—In all instances in which an alien commits an act described in clause (i), the Secretary of State shall take appropriate action to identify the individuals who are inadmissible under clause (ii).

"(v) NOTICE TO CUSTODIAL PARENTS AND GUARDIANS.—In all instances in which an alien commits an act described in clause (i), the Secretary of State shall, upon request of the person granted custody of the child concerned, inform the person of whether, and when, any individual who is inadmissible under clause (ii) by reason of such act has been issued a visa or otherwise authorized to enter the United States.

"(vi) ANNUAL REPORT.—The Secretary of State annually shall submit to the Committee on International Relations, the Committee on Government Reform, and the Committee on the Judiciary of the United States House of Representatives, and the Committee on Foreign Relations, the Committee on Governmental Affairs, and the Committee on the Judiciary of the United States Senate, a report that provides, with respect to the preceding year, an accounting of the number of cases known to the Secretary of State, disaggregated according to the nationality of the alien concerned—

"(I) in which an authority under this subparagraph was exercised (and with respect to each such case, the specific ground for inadmissibility shall be specified); and

"(II) in which an authority under this subparagraph has not been exercised but in which an alien, after entry of an order by a court in the United States granting custody to a person of a United States citizen child, detained or retained the child, or withheld custody of the child, outside the United States from the person granted custody by that order.

"(vii) DEFINITIONS.—For purposes of this subparagraph—

"(I) the term 'child' means an individual who was a child at the time the individual was detained or retained, or at the time custody of the individual was withheld, as described in clause (i), regardless of the age or marital status of the individual after such time; and

''(II) the term 'sibling' includes a step-sibling or half-sibling.''.

SEC. 277. ARCHITECTURAL INTEGRITY OF UNITED STATES EMBASSIES, CONSULATES, AND OTHER DIPLOMATIC BUILDINGS.

It is the sense of the Congress that, to the greatest extent possible, in the construction and renovation of United States embassies, consulates, and other diplomatic buildings, the Secretary of State shall consider and seek to preserve the architectural integrity and cohesiveness of the neighborhood and environs and minimize any disruption due to the presence of the embassy, consulate, or other diplomatic building.

TITLE III—ORGANIZATION AND PERSONNEL OF THE DEPARTMENT OF STATE

SEC. 301. FELLOWSHIP OF HOPE PROGRAM.

The Secretary of State is authorized to establish in the Department of State an exchange program to be designated the ''Fellowship of Hope Program''. The program shall provide for the exchange and assignment of government employees of designated countries to fellowship positions at the Department of State and reciprocal assignment of civil service and foreign service employees of the

Department as fellows within the governments of foreign countries.

SEC. 302. CLAIMS FOR LOST PAY.

Section 2 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669) is amended—

(1) at the end of subsection (n) by striking the period and inserting ''; and''; and

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

''(o) make administrative corrections or adjustments to an employee's pay, allowances, or differentials, resulting from mistakes or retroactive personnel actions, and to provide back pay and other categories of payments under the Back Pay Act as part of the settlement of administrative claims or grievances filed against the Department.''.

SEC. 303. OMBUDSMAN FOR THE DEPARTMENT OF STATE.

(a) ESTABLISHMENT.—There is established in the Office of the Secretary of State the position of Ombudsman. The position of Ombudsman shall be a career position within the Senior Executive Service. The Ombudsman shall report directly to the Secretary of State.

(b) DUTIES.—At the discretion of the Secretary of State, the Ombudsman shall participate in meetings regarding the management of the Department in order to assure that all employees may contribute to the achieve-

ment of the Department's responsibilities and to promote the career interests of all employees.

(c) CONFORMING AMENDMENT.—Section 172 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2664a) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

SEC. 304. REPEAL OF RECERTIFICATION REQUIREMENT FOR SENIOR FOREIGN SERVICE.

Section 305 of the Foreign Service Act of 1980 (22 U.S.C. 3945) is amended by striking subsection (d).

SEC. 305. REPORT CONCERNING STATUS OF EMPLOYEES OF STATE DEPARTMENT.

Not later than one year after the date of the enactment of this Act, the Secretary of State shall prepare and submit to the appropriate congressional committees a report that analyzes and evaluates the merits of the conversion of employees of the Department of State to excepted service under chapter 21 of title 5, United States Code.

SEC. 306. HOME LEAVE.

(a) REST AND RECUPERATION TRAVEL.—Section 901(6) of the Foreign Service Act of 1980 (22 U.S.C. 4081(6)) is amended by striking ''unbroken by home leave'' both places it appears.

(b) REQUIRED LEAVE IN THE UNITED STATES.—Section 903(a) of the Foreign Service Act of 1980 (22 U.S.C. 4083(a)) is amended by striking ''18 months'' and inserting ''12 months''.

SEC. 307. INCREASED LIMITS APPLICABLE TO POST DIFFERENTIALS AND DANGER PAY ALLOWANCES.

(a) POST DIFFERENTIALS.—Section 5925(a) of title 5, United States Code, is amended by striking ''25 percent'' in the third sentence and inserting ''35 percent''.

(b) DANGER PAY ALLOWANCES.—Section 5928 of title 5, United States Code, is amended by striking ''25 percent'' both places it appears and inserting ''35 percent''.

(c) CRITERIA.—The Secretary shall inform the appropriate congressional committees of the criteria to be used in determinations of appropriate adjustments in post differentials under section 5925 of title 5, United States Code, and danger pay allowances under section 5928 of title 5, United States Code.

(d) STUDY AND REPORT.—Two years after the date of the enactment of this Act, the Secretary of State shall conduct a study assessing the effect of the increases in post differentials and danger pay allowances made by the amendments in subsections (a) and (b) in filling ''hard-

to-fill'' positions. The Secretary shall submit a report of such study to the appropriate congressional committees.

SEC. 308. REGULATIONS REGARDING RETIREMENT CREDIT FOR GOVERNMENT SERVICE PERFORMED ABROAD.

Section 321(f) of the Foreign Relations Authorization Act, Fiscal Year 2003 (5 U.S.C. 8411 note; Public Law 107–228) is amended by striking ''regulations'' and inserting ''regulations, not later than 60 days after the date of the enactment of the Foreign Relations Authorization Act, Fiscal Years 2004 and 2005,''.

SEC. 309. MINORITY RECRUITMENT.

(a) REPORTING REQUIREMENT.—Section 324 of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107–228) is amended by striking ''and April 1, 2004'' and inserting ''April 1, 2004, and April 1, 2005''.

(b) USE OF FUNDS.—The provisions of section 325 of such Act shall apply to funds authorized by section 111(a)(1)(E) of this Act.

(c) CONFORMING AMENDMENT.—Section 325(c) of such Act is amended in the second sentence by striking ''two'' and inserting ''three''.

SEC. 310. MERITORIOUS STEP INCREASES.

Section 406(b) of the Foreign Service Act of 1980 (22 U.S.C. 3966(b)) is amended by striking ''receiving an increase in salary under subsection (a),''.

SEC. 311. TREATMENT OF TERRITORIES AND POSSESSIONS AS PART OF THE GEOGRAPHIC UNITED STATES FOR PURPOSES OF TRANSFER ALLOWANCES.

Notwithstanding any other provision of law, for purposes of transfer allowances for employees of the Department of State under section 5924(2)(B) of title 5, United States Code, the territories and possessions of the United States, the Commonwealth of Puerto Rico, and the Commonwealth of the Northern Mariana Islands, shall be considered part of the geographic United States.

TITLE IV—INTERNATIONAL ORGANIZATIONS

Subtitle A—Basic Authorities and Activities

SEC. 401. RAISING THE CAP ON PEACEKEEPING CONTRIBUTIONS.

Section 404(b)(2)(B) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 is amended by inserting after clause (iv) the following:

"(v) For assessments made during calendar year 2005 and calendar year 2006, 27.10 percent.".

SEC. 402. REGARDING THE REENTRY OF THE UNITED STATES IN UNESCO.

(a) SENSE OF CONGRESS.—As the United States resumes membership in the United Nations Educational, Scientific, and Cultural Organization (UNESCO), the President should—

(1) appoint a United States Representative to the Organization for Economic Cooperation and Development (OECD) who shall also serve as the United States Representative to UNESCO;

(2) take steps to ensure that more Americans are employed by UNESCO, particularly for senior level positions;

(3) request that the Secretary General of UNESCO create a Deputy Director General position for Management or a comparable position with high level managerial and administrative responsibilities to be filled by an American;

(4) insist that any increases in UNESCO's budget beyond the level of zero nominal growth for the 2004–2005 biennium focus primarily on the

adoption of management and administrative reforms; and

(5) request that the Secretary General of UNESCO spend the United States contribution to UNESCO for the last quarter of calendar year 2003 on key education and science priorities of the organization that will directly benefit United States national interests.

(b) ANNUAL ASSESSMENT FOR UNITED STATES PARTICIPATION IN UNESCO.—Of the amounts authorized to be appropriated by section 113(a), such sums as may be necessary for each of the fiscal years 2004 and 2005 are authorized to be available for the annual assessment for United States contributions to the regular budget of the United Nations Educational, Scientific, and Cultural Organization.

SEC. 403. UNESCO NATIONAL COMMISSION.

(a) IN GENERAL.—Section 3 of the Act of July 30, 1946, ''Providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor.'' (22 U.S.C. 287o) is amended to read as follows:

''SEC. 3. (a) In fulfillment of article VII of the constitution of the Organization, the Secretary of State shall

establish a National Commission on Educational, Scientific, and Cultural Cooperation.

''(b) The National Commission shall be composed of not more than 35 members appointed by the Secretary of State in consultation with the National Academy of Sciences, the National Science Foundation, the Secretary of Education, the Secretary of Health and Human Services, and the Secretary of the Interior. Members of the National Commission shall be representatives of nongovernmental organizations, academic institutions, and associations interested in education, scientific, and cultural matters. Periodically, the Secretary shall review and revise the entities represented on the National Commission in order to achieve a desirable rotation in representation. Except as otherwise provided, each member of the National Commission shall be appointed to a term of 3 years. As designated by the Secretary of State at the time of appointment, of the members first appointed one-third shall be appointed for a term of 1 year, one-third shall be appointed for a term of 2 years, and one-third shall be appointed for a term of 3 years. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term

until a successor has taken office. No member may serve more than 2 consecutive terms. The Secretary of State shall designate a chair of the National Commission.

''(c) Members of the National Commission shall serve without pay. For attendance at the annual meeting, each member shall receive travel expenses in accordance with section 5703 of title 5, United States Code.

''(d) The National Commission shall meet at the call of the chair at least annually and such meetings may be through video conferencing or other electronic means. The National Commission shall designate an executive committee from among the members of the commission and may designate such other committees as may be necessary to carry out its duties under this Act.

''(e) Upon request of the National Commission, the Secretary of State may detail any of the personnel of the Department of State to the National Commission to assist it in carrying out its duties under this Act.''.

(b) CONFORMING CHANGES.—Section 2 of the Act of July 30, 1946, ''Providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor.'' (22 U.S.C. 287o) is amended by striking ''One of the representatives'' and all that follows through the end of such section.

SEC. 404. ORGANIZATION OF AMERICAN STATES (OAS) EMERGENCY FUND.

Section 109(b)(3) of Public Law 104–114 (22 U.S.C. 6039(b)(3)) is amended by striking ''should provide not less than $5,000,000'' and inserting ''shall provide for each of the fiscal years 2004 and 2005 not less than $500,000''.

SEC. 405. UNITED STATES EFFORTS REGARDING THE STATUS OF ISRAEL IN THE WESTERN EUROPEAN AND OTHERS GROUP AT THE UNITED NATIONS.

(a) UNITED STATES EFFORTS.—The Secretary of State and other appropriate officials of the United States Government should pursue an aggressive diplomatic effort and should take all necessary steps to ensure the extension and upgrade of Israel's membership in the Western European and Others Group at the United Nations.

(b) REPORT.—Not later than 60 days after the date of the enactment of this Act and semiannually thereafter through September 30, 2005, the Secretary of State shall submit to the appropriate congressional committees a report on the steps taken by the United States pursuant to subsection (a) and progress in achieving the objectives of subsection (a).

Subtitle B—United States International Leadership

SEC. 431. SHORT TITLE.

This subtitle may be cited as the ''United States International Leadership Act of 2003''.

SEC. 432. FINDINGS.

The Congress makes the following findings:

(1) International organizations and other multilateral institutions play a key role in United States foreign policy and serve key United States foreign policy objectives, such as obligating all countries to freeze assets of terrorist groups, preventing the proliferation of chemical, biological, and nuclear weapons, and spearheading the fight to combat the ravages of HIV/AIDS and other infectious diseases.

(2) Decisions at many international organizations, including membership and key positions, remain subject to determinations made by regional groups where democratic states are often in the minority and where there is intensive cooperation among repressive regimes. As a result, the United States has often been blocked in its attempts to take action in these institutions to advance its goals and objectives, including at the United Nations Human Rights Commission (where a representative of Libya

was elected as chairman and the United States temporarily lost a seat).

(3) In order to address these shortcomings, the United States must actively work to improve the workings of international organizations and multilateral institutions, particularly by creating a caucus of democratic countries that will advance United States interests. In the Second Ministerial Conference of the Community of Democracies in Seoul, Korea, on November 10–20, 2002, numerous countries recommended working together as a democracy caucus in international organizations such as the United Nations and ensuring that international and regional institutions develop and apply democratic standards for member states.

(4) In addition, the United States has shortchanged its ability to influence these organizations by failing to obtain enough support for positions that are congruent to or consistent with United States objectives and has not done enough to build expertise in the United States Government in the area of multilateral diplomacy.

SEC. 433. ESTABLISHMENT OF A DEMOCRACY CAUCUS.

(a) IN GENERAL.—The President of the United States, acting through the Secretary of State and the rel-

evant United States chiefs of mission, shall seek to establish a democracy caucus at the United Nations, the United Nations Human Rights Commission, the United Nations Conference on Disarmament, and at other broad-based international organizations.

(b) PURPOSES OF THE CAUCUS.—A democracy caucus at an international organization should—

(1) forge common positions, including, as appropriate, at the ministerial level, on matters of concern before the organization and work within and across regional lines to promote agreed positions;

(2) work to revise an increasingly outmoded system of regional voting and decision making; and

(3) set up a rotational leadership scheme to provide member states an opportunity, for a set period of time, to serve as the designated president of the caucus, responsible for serving as its voice in each organization.

SEC. 434. ANNUAL DIPLOMATIC MISSIONS ON MULTILATERAL ISSUES.

The Secretary of State, acting through the principal officers responsible for advising the Secretary on international organizations, shall ensure that a high-level delegation from the United States Government, on an annual basis, is sent to consult with key foreign governments in

every region in order to promote the United States agenda at key international fora, such as the United Nations General Assembly, United Nations Human Rights Commission, the United Nations Education, Science, and Cultural Organization, and the International Whaling Commission.

SEC. 435. LEADERSHIP AND MEMBERSHIP OF INTERNATIONAL ORGANIZATIONS.

(a) UNITED STATES POLICY.—The President, acting through the Secretary of State and the relevant United States chiefs of mission, shall use the voice, vote, and influence of the United States to—

(1) where appropriate, reform the criteria for leadership and, in appropriate cases for membership, at all United Nations bodies and at other international organizations and multilateral institutions to which the United States is a member so as to exclude nations that violate the principles of the specific organization;

(2) make it a policy of the United Nations and other international organizations and multilateral institutions, of which the United States is a member, that a member state may not stand in nomination or be in rotation for a leadership position in such bodies if the member state is subject to sanctions

imposed by the United Nations Security Council; and

(3) work to ensure that no member state stand in nomination or be in rotation for a leadership position in such organizations, or for membership of the United Nations Security Council, if the member state is subject to a determination under section 620A of the Foreign Assistance Act of 1961, section 40 of the Arms Export Control Act, or section 6(j) of the Export Administration Act.

(b) REPORT TO CONGRESS.—Not later than 15 days after a country subject to to a determination under section 620A of the Foreign Assistance Act of 1961, section 40 of the Arms Export Control Act, or section 6(j) of the Export Administration Act is selected for a leadership post in an international organization of which the United States is a member or a membership of the United Nations Security Council, the Secretary of State shall submit a report to the appropriate congressional committees on any steps taken pursuant to subsection (a)(3).

SEC. 436. INCREASED TRAINING IN MULTILATERAL DIPLOMACY.

(a) TRAINING PROGRAMS.—Section 708 of the Foreign Service Act of 1980 (22 U.S.C. 4028) is amended

by adding after subsection (b) the following new subsection:

''(c) TRAINING IN MULTILATERAL DIPLOMACY.—

''(1) IN GENERAL.—The Secretary shall establish a series of training courses for officers of the Service, including appropriate chiefs of mission, on the conduct of diplomacy at international organizations and other multilateral institutions and at broad-based multilateral negotiations of international instruments.

''(2) PARTICULAR PROGRAMS.—The Secretary shall ensure that the training described in paragraph (1) is provided at various stages of the career of members of the Service. In particular, the Secretary shall ensure that after January 1, 2004—

''(A) officers of the Service receive training on the conduct of diplomacy at international organizations and other multilateral institutions and at broad-based multilateral negotiations of international instruments as part of their training upon entry of the Service; and

''(B) officers of the Service, including chiefs of mission, who are assigned to United States missions representing the United States to international organizations and other multi-

lateral institutions or who are assigned in Washington, D.C. to positions that have as their primary responsibility formulation of policy towards such organizations and institutions or towards participation in broad-based multilateral negotiations of international instruments receive specialized training in the areas described in paragraph (1) prior to beginning of service for such assignment or, if receiving such training at that time is not practical, within the first year of beginning such assignment.''.

(b) TRAINING FOR CIVIL SERVICE EMPLOYEES.—The Secretary shall ensure that employees of the Department of State that are members of the civil service and that are assigned to positions described in section 708(c) of the Foreign Service Act of 1980 (as amended by this subtitle) have training described in such section.

(c) CONFORMING AMENDMENTS.—Section 708 of such Act is further amended—

(1) in subsection (a) by striking ''(a) The'' and inserting ''(a) TRAINING ON HUMAN RIGHTS.—The''; and

(2) in subsection (b) by striking ''(b) The'' and inserting ''(b) TRAINING ON REFUGEE LAW AND RELIGIOUS PERSECUTION.—The''.

SEC. 437. PROMOTING ASSIGNMENTS TO INTERNATIONAL ORGANIZATIONS.

(a) PROMOTIONS.—

(1) IN GENERAL.—Section 603(b) of the Foreign Service Act of 1980 (22 U.S.C. 4003) is amended by striking the period at the end and inserting: ", and shall consider whether the member of the Service has served in a position whose primary responsibility is to formulate policy towards or represent the United States at an international organization, a multilateral institution, or a broad-based multilateral negotiation of an international instrument.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect January 1, 2010.

(b) ESTABLISHMENT OF A MULTILATERAL DIPLOMACY CONE IN THE FOREIGN SERVICE.—

(1) FINDINGS.—

(A) The Department of State maintains a number of United States missions both within the United States and abroad that are dedicated to representing the United States to international organizations and multilateral institutions, including missions in New York, Brussels, Geneva, Rome, Montreal, Nairobi, Vienna, and Paris, which will soon be responsible

for United States representation to UNESCO and OECD.

(B) In offices at the Harry S. Truman Building, the Department maintains a significant number of positions in bureaus that are either dedicated, or whose primary responsibility is, to represent the United States to such organizations and institutions or at multilateral negotiations.

(C) Given the large number of positions in the United States and abroad that are dedicated to multilateral diplomacy, the Department of State may be well served in developing persons with specialized skills necessary to become experts in this unique form of diplomacy.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report—

(A) evaluating whether a new cone should be established for the Foreign Service that concentrates on members of the Service that serve at international organizations and multilateral institutions or are primarily responsible for par-

ticipation in broad-based multilateral negotiations of international instruments; and

(B) provides alternative mechanisms for achieving the objective of developing a core group of United States diplomats and other government employees who have expertise and broad experience in conducting multilateral diplomacy.

SEC. 438. IMPLEMENTATION AND ESTABLISHMENT OF OFFICE ON MULTILATERAL NEGOTIATIONS.

(a) ESTABLISHMENT OF OFFICE.—The Secretary of State is authorized to establish, within the Bureau of International Organizational Affairs, an Office on Multilateral Negotiations to be headed by a Special Representative for Multilateral Negotiations (in this section referred to as the ''special representative'').

(b) APPOINTMENT.—The special representative shall be appointed by the President with the advice and consent of the Senate and shall have the rank of Ambassador-at-Large. At the discretion of the President another official at the Department may serve as the special representative. The President may direct that the special representative report to the Assistant Secretary for International Organizations.

(c) STAFFING.—The special representative shall have a staff of foreign service and civil service officers skilled in multilateral diplomacy.

(d) DUTIES.—The special representative shall have the following responsibilities:

(1) IN GENERAL.—The primary responsibility of the special representative shall be to assist in the organization of, and preparation for, United States participation in multilateral negotiations, including the advocacy efforts undertaken by the Department of State and other United States agencies.

(2) ADVISORY ROLE.—The special representative shall advise the President and the Secretary of State, as appropriate, regarding advocacy at international organizations and multilateral institutions and negotiations and, in coordination with the Assistant Secretary of State for International Organizational Affairs, shall make recommendations regarding—

(A) effective strategies (and tactics) to achieve United States policy objectives at multilateral negotiations;

(B) the need for and timing of high level intervention by the President, the Secretary of State, the Deputy Secretary of State, and other

United States officials to secure support from key foreign government officials for the United States position at such organizations, institutions, and negotiations;

(C) the composition of United States delegations to multilateral negotiations; and

(D) liaison with Congress, international organizations, nongovernmental organizations, and the private sector on matters affecting multilateral negotiations.

(3) DEMOCRACY CAUCUS.—The special representative, in coordination with the Assistant Secretary for International Organizational Affairs, shall ensure the establishment of a democracy caucus.

(4) ANNUAL DIPLOMATIC MISSIONS OF MULTILATERAL ISSUES.—The special representative, in coordination with the Assistant Secretary for International Organizational Affairs, shall organize annual consultations between the principal officers responsible for advising the Secretary of State on international organizations and foreign governments to promote the United States agenda at the United Nations General Assembly and other key international fora (such as the United Nations Human Rights Commission).

(5) LEADERSHIP AND MEMBERSHIP OF INTERNATIONAL ORGANIZATIONS.—The special representative, in coordination with the Assistant Secretary of International Organizational Affairs, shall direct the efforts of the United States Government to reform the criteria for leadership and membership of international organizations as described in section 435.

(6) PARTICIPATION IN MULTILATERAL NEGOTIATIONS.—The special representative, or members of the special representative's staff, may, as required by the President or the Secretary of State, serve on a United States delegation to any multilateral negotiation.

(e) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit a plan to establish a democracy caucus to the appropriate congressional committees. The report required by section 437(c) may be submitted together with the report under this subsection.

SEC. 439. SYNCHRONIZATION OF UNITED STATES CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS.

Not later than 180 days after the date of the enactment of this Act, the President shall submit a plan to the appropriate congressional committees on the implementa-

tion of section 404 of the Foreign Relations Authorization Act of 2003 (Public Law 107–228), (relating to a resumption by the United State of the payment of its full contribution to certain international organizations at the beginning of each calendar year).

TITLE V—UNITED STATES INTERNATIONAL BROADCASTING ACTIVITIES

Subtitle A—Basic Authorities and Activities

SEC. 501. MIDEAST RADIO AND TELEVISION NETWORK, INC.

(a) The United States International Broadcasting Act of 1994 (22 U.S.C. 6201 et seq.) is amended by adding after section 309 the following new section:

"SEC. 310. MIDEAST RADIO AND TELEVISION NETWORK, INC.

''(a) AUTHORITY.—Grants authorized under section 305 shall be available to make annual grants to Mideast Radio and Television Network, Inc. (hereinafter in this title also referred to as 'Mideast Network') for the purpose of carrying out radio and television broadcasting to the Middle East region.

''(b) FUNCTION.—Mideast Network shall provide radio and television programming to the Middle East re-

gion consistent with the broadcasting standards and broadcasting principles set forth in section 303 of this Act.

''(c) GRANT AGREEMENT.—Any grant agreement or grants under this section shall be subject to the following limitations and restrictions:

''(1) The Board may not make any grant to the nonprofit corporation, Mideast Network unless its certificate of incorporation provides that—

''(A) the Board of Directors of Mideast Radio and Television Network, Inc. (hereinafter referred to as 'the Board') shall consist of the members of the Broadcasting Board of Governors established under section 304 and of no other members; and

''(B) the Board shall make all major policy determinations governing the operation of Mideast Network and shall appoint and fix the compensation of such managerial officers and employees of Mideast Network as it considers necessary to carry out the purposes of the grant provided under this title, except that no officer or employee may be paid a salary or other compensation in excess of the rate of pay payable for Level IV of the Executive Schedule under section 5315 of title 5, United States Code.

''(2) Any grant agreement under this section shall require that any contract entered into by Mideast Network shall specify that obligations are assumed by Mideast Network and not the United States Government.

''(3) Any grant agreement shall require that any lease agreement entered into by Mideast Network shall be, to the maximum extent possible, assignable to the United States Government.

''(4) Grants awarded under this section shall be made pursuant to a grant agreement which requires that grant funds be used only for activities consistent with this section, and that failure to comply with such requirements shall permit the grant to be terminated without fiscal obligation to the United States.

''(5) Duplication of language services and technical operations between the Mideast Radio and Television Network, Inc., (including Radio Sawa), RFE/RL, and the International Broadcasting Bureau will be reduced to the extent appropriate, as determined by the Board.

''(d) NOT A FEDERAL AGENCY OR INSTRUMENTALITY.—Nothing in this title may be construed to establish Mideast Network as a Federal agency or instrumen-

tality, nor shall the officers or employees of Mideast Network be considered to be officers or employees of the United States Government.

''(e) AUDIT AUTHORITY.—

''(1) Such financial transactions of Mideast Network, as relate to functions carried out under this section may be audited by the General Accounting 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. Any such audit shall be conducted at the place or places where accounts of Mideast Network are normally kept.

''(2) Representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, papers, and property belonging to or in use by Mideast Network pertaining to such financial transactions as necessary to facilitate an audit. Such representatives shall be afforded full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of Mideast Network shall remain in the custody of Mideast Network.

''(3) Notwithstanding any other provisions of law, the Inspector General of the Department of State is authorized to exercise the authorities of the Inspector General Act with respect to the Mideast Network.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 305 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6204) is amended—

(A) in subsection (a)(5) by striking ''308 and 309'' and inserting ''308, 309, and 310'';

(B) in subsection (a)(6) by striking ''308 and 309'' and inserting ''308, 309, and 310''; and

(C) in subsection (c) by striking ''308 and 309'' and inserting ''308, 309, and 310''.

(2) Section 307 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6206) is amended—

(A) in subsection (a) by striking ''308 and 309'' and inserting ''308, 309, and 310''; and

(B) in subsection (c) by adding ''Mideast Radio and Television Network, Inc.,'' after ''Asia''.

(3) Section 304(g) of the United States International Broadcasting Act of 1994 (22 U.S.C. 6203(g)) is amended by striking ''and Radio Free Asia'' and inserting '', Radio Free Asia, and Mideast Radio and Television Network, Inc.''.

(4) Section 8332(b)(11) of title 5, United States Code, is amended by adding ''Mideast Radio and Television Network, Inc.;'' after ''the Asia Foundation;''.

SEC. 502. IMPROVING SIGNAL DELIVERY TO CUBA.

Section 3 of the Radio Broadcasting to Cuba Act (22 U.S.C. 1465a) is amended—

(1) in subsection (c) by striking the second sentence and inserting ''The Board is authorized to simultaneously utilize other broadcasting transmission facilities, and other frequencies, including the Amplitude Modulation (AM) Band (535 kHz to 1705 kHz), the Frequency Modulation (FM) Band, and the Shortwave (SW) Band.'';

(2) in subsection (c) in the third sentence by striking ''*Provided,* That'' and all that follows before the period at the end;

(3) in subsection (d) by striking the last sentence;

(4) by amending subsection (e) to read as follows:

''(e) Any program of United States Government radio broadcasts to Cuba authorized by this section shall be designated 'Radio Marti program'.''; and

(5) in subsection (f) by striking ''Voice of America''.

SEC. 503. REPORT CONCERNING EFFORTS TO COUNTER JAMMING OF BROADCASTS OF RADIO MARTI AND TV MARTI.

Not later than 30 days after the date of the enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report providing the following information:

(1) Specific steps taken to increase the capabilities of Radio Marti and TV Marti to ensure that broadcasts overcome jamming by the Government of Cuba.

(2) An evaluation and analysis of not less than 10 alternate methods to counter jamming of radio and television broadcasts including the following:

(A) Methods used to broadcast into Iraq involving a C–130.

(B) Methods previously used to transmit into the former Soviet Union and other Soviet bloc countries.

(C) Successful methods employed by non-United States Government entities, such as those used by the Falun Gong to overcome Chinese Government jamming and those recently used by a Cuban exile group to transmit television broadcasts into Cuba.

SEC. 504. PILOT PROGRAM FOR THE PROMOTION OF TRAVEL AND TOURISM IN THE UNITED STATES THROUGH UNITED STATES INTERNATIONAL BROADCASTING.

(a) PILOT PROGRAM.—The Broadcasting Board of Governors, in consultation with the Department of Commerce and other appropriate Federal, State, and local agencies, shall conduct a pilot program for the promotion of travel and tourism in the United States through United States international broadcasting, particularly to regional economies that have been affected by the decrease in tourism following the events of September 11, 2001.

(b) PROGRAMMING.—The pilot program shall devote regular programming to broadcasting information on localities of the United States with the purpose of promoting

travel and tourism to regional economies heavily reliant on such tourism.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Broadcasting Board of Governors shall submit to the appropriate congressional committees a report detailing the actions taken by the Board in carrying out this section.

SEC. 505. RADIO FREE ASIA BROADCASTS INTO NORTH KOREA.

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

(1) North Korea's development of nuclear weapons and missile delivery systems poses one of the gravest security threats to the United States in the world.

(2) The Kim Jong Il regime in North Korea has one of the worst human rights records in the world. On April 16, 2003, the United Nations Commission on Human Rights passed a resolution, ''expressing its deep concern about reports of systemic, widespread and grave violations of human rights'' in North Korea.

(3) In order to ensure its survival, the Kim Jong Il regime makes extensive efforts to control the flow of information in North Korea.

(4) In 2002, a survey found that five of twelve ''elite'' defectors from North Korea had listened to Radio Free Asia.

(5) Radio Free Asia broadcasts only 4 hours each day into North Korea.

(6) Many North Korean citizens lack radios capable of receiving Radio Free Asia broadcasts.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the Broadcasting Board of Governors should ensure that Radio Free Asia increases its broadcasting with respect to North Korea to 24 hours each day.

(c) REPORT TO CONGRESS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State, after consulting with other agencies of the United States Government, shall submit a report, in classified form, on specific measures currently being undertaken and measures necessary, including the provision of adequate radios, to maximize North Korean citizen access to Radio Free Asia and other foreign broadcasts to the Committee on International Relations and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate.

SEC. 506. PROHIBITION ON ELIMINATION OF INTERNATIONAL BROADCASTING IN EASTERN EUROPE.

During the 2 year period beginning on the date of the enactment of this Act, the Broadcasting Board of Governors may not eliminate foreign language broadcasting in any of the following languages: Bulgarian, Czech, Estonian, Hungarian, Latvian, Lithuanian, Georgian, Polish, Slovene, Slovak, Romanian, Croatian, Armenian, and Ukrainian.

SEC. 507. CONTRACTOR REQUIREMENTS.

(a) FINDINGS.—The Congress finds that the overriding national security aspects of the international programs of the International Broadcasting Bureau require the assurance of uninterrupted logistic support under all circumstances for the programs. Therefore, it is in the best interests of the United States to provide a preference for United States contractors bidding on these projects.

(b) PREFERENCE FOR UNITED STATES CONTRACTORS.—Notwithstanding any other provision of law, in any case where there are two or more qualified bidders on projects of the International Broadcasting Bureau, including design and construction projects and projects with respect to transmitters, antennas, spare parts, and other technical equipment, all the responsive bids of United

States persons and qualified United States joint venture persons shall be considered to be reduced by 10 percent.

(c) EXCEPTION.—

(1) Subsection (b) shall not apply with respect to any project of the International Broadcasting Bureau when—

(A) precluded by the terms of an international agreement with the host foreign country;

(B) a foreign bidder can establish that the foreign bidder is a national of a country whose government permits United States contractors and suppliers the opportunity to bid on a competitive and nondiscriminatory basis with its national contractors and suppliers, on procurement and projects related to the construction, modernization, upgrading, or expansion of—

(i) its national public radio and television sector,

(ii) its private radio and television sector, to the extent that such procurement or project is, in whole or in part, funded or otherwise under the control of a government agency or authority,

(C) the Secretary of Commerce certifies (in advance of the award of the contract for that project) to the Board of the International Broadcasting Bureau that the foreign bidder is not receiving any direct subsidy from any government, the effect of which would be to disadvantage the competitive position of United States persons who also bid on the project, or

(D) the statutes of a host foreign country prohibit the use of United States contractors on such projects within that country.

(2) An exception under paragraph (1)(D) shall only become effective with respect to a foreign country 30 days after the Secretary of State certifies to the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate what specific actions the Secretary has taken to urge the foreign country to permit the use of United States contractors on such projects.

(d) DEFINITIONS.—For purposes of this section:

(1) The term ''United States person'' means a person that—

(A) is incorporated or otherwise legally organized under the laws of the United States, including any State (and any political subdivision thereof) and the District of Columbia;

(B) has its principal place of business in the United States;

(C) has been incorporated or otherwise legally organized in the United States for more than 5 years before the issuance date of the Invitation For Bids or the Request For Proposals with respect to a project under subsection (b);

(D) has proven, as indicated by prior contracting experience, to possess the technical, managerial, and financial capability to successfully complete a project similar in nature and technical complexity to that being contracted for;

(E)(i) employs United States citizens in at least 80 percent of its principal management positions in the United States;

(ii) employs United States citizens in more than half of its permanent, full-time positions in the United States; and

(iii) will employ United States citizens in at least 80 percent of the supervisory positions on the project site; and

(F) has the existing technical and financial resources in the United States to perform the contract.

(2) The term ''qualified United States joint venture person'' means a joint venture in which a United States person or persons own at least 51 percent of the assets of the joint venture.

(3) The term ''responsive bid'' includes only a bid where the bidder can establish that the United States goods and services content, excluding consulting and management fees, of the bidder's proposal and the resulting contract will not be less than 55 percent of the value of the bidder's proposal and the resulting total contract.

(e) EFFECTIVE DATE.—The provisions of this section shall apply to any project with respect to which the Request For Proposals (commonly referred to as ''RFP'') or the Invitation For Bids (commonly referred to as ''IFB'') was issued after the date of the enactment of this Act.

Subtitle B—Global Internet Freedom

SEC. 521. SHORT TITLE.

This subtitle may be cited as the ''Global Internet Freedom Act of 2003''.

SEC. 522. FINDINGS.

The Congress makes the following findings:

(1) Freedom of speech, freedom of the press, and freedom of association are fundamental characteristics of a free society. The first amendment to the Constitution of the United States guarantees that ''Congress shall make no law . . . abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble.'' These constitutional provisions guarantee the rights of Americans to communicate and associate with one another without restriction, including unfettered communication and association via the Internet. Article 19 of the United Nation's Universal Declaration of Human Rights explicitly guarantees the freedom to ''receive and impart information and ideas through any media and regardless of frontiers''.

(2) All people have the right to communicate freely with others, and to have unrestricted access to news and information, on the Internet.

(3) With nearly 10 percent of the world's population now online, and more gaining access each day, the Internet stands to become the most powerful engine for democratization and the free exchange of ideas ever invented.

(4) The governments of Burma, Cuba, Laos, North Korea, the People's Republic of China, Saudi Arabia, Syria, and Vietnam, among others, are taking active measures to keep their citizens from freely accessing the Internet and obtaining international political, religious, and economic news and information.

(5) The Voice of America and Radio Free Asia, as well as hundreds of news sources with an Internet presence, are routinely being jammed by repressive governments.

(6) Since the 1940s, the United States has deployed anti-jamming technologies to make Voice of America and other United States Government sponsored broadcasting available to people in nations with governments that seek to block news and information.

(7) The United States Government has thus far commenced only modest steps to fund and deploy technologies to defeat Internet censorship.

(8) The success of United States policy in support of freedom of speech, press, and association requires continued efforts to defeat totalitarian and authoritarian controls on news and information over the Internet.

SEC. 523. PURPOSES.

The purposes of this subtitle are—

(1) to adopt an effective and robust global Internet freedom policy;

(2) to establish an office within the Broadcasting Board of Governors with the sole mission of countering Internet jamming and blocking by utilizing available anti-jamming technology;

(3) to expedite the development and deployment of technology to protect Internet freedom around the world; and

(4) to bring to bear the pressure of the free world on repressive governments guilty of Internet censorship and the intimidation and persecution of their citizens who use the Internet.

SEC. 524. DEVELOPMENT AND DEPLOYMENT OF TECHNOLOGIES TO DEFEAT INTERNET JAMMING AND CENSORSHIP.

(a) ESTABLISHMENT OF OFFICE OF GLOBAL INTERNET FREEDOM.—The Broadcasting Board of Governors

shall establish an Office of Global Internet Freedom (hereinafter in this subtitle referred to as the ''Office''). The Office shall develop and implement a comprehensive global strategy to combat state-sponsored and state-directed Internet jamming and persecution of those who use the Internet.

(b) COOPERATION OF OTHER FEDERAL DEPARTMENTS AND AGENCIES.—Each department and agency of the United States Government shall cooperate fully with, and assist in the implementation of, the strategy developed by the Office and shall make such resources and information available to the Office as is necessary to the achievement of the purposes of this subtitle.

(c) COOPERATION WITH DEPARTMENT OF STATE.—The Office shall assist the Secretary of State in preparing portions of the country reports on human rights practices that address Internet accessibility.

(d) REPORT TO CONGRESS.—Nine months after the date of the enactment of this Act, the Broadcasting Board of Governors shall submit to the Congress a report on the status of foreign government interference with Internet use and of efforts by the United States to counter such interference. The report shall list the countries that pursue policies of Internet censorship, blocking, and other abuses; provide information concerning the government

agencies or quasi-governmental organizations that implement Internet censorship; and describe with the greatest particularity practicable the technological means by which such blocking and other abuses are accomplished. In the discretion of the Broadcasting Board of Governors, such report may be submitted in both a classified and nonclassified version. One year after the date of submission of such report, the Office shall submit a second report.

(e) LIMITATION ON AUTHORITY.—Nothing in this subtitle shall be interpreted to authorize any action by the United States to interfere with foreign national censorship in furtherance of legitimate law enforcement aims consistent with the Universal Declaration of Human Rights.

Subtitle C—Reorganization of United States International Broadcasting

SEC. 531. ESTABLISHMENT OF UNITED STATES INTERNATIONAL BROADCASTING AGENCY.

(a) IN GENERAL.—Section 304 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6203) is amended to read as follows:

"SEC. 304. ESTABLISHMENT OF UNITED STATES INTERNATIONAL BROADCASTING AGENCY.

''(a) ESTABLISHMENT.—There is established as an independent agency in the executive branch the United

States International Broadcasting Agency (hereinafter in this Act referred to as the 'Agency').

''(b) BOARD OF GOVERNORS OF THE AGENCY.—

''(1) HEAD OF AGENCY.—The Agency shall be headed by the Board of Governors of the United States International Broadcasting Agency (hereinafter in this Act referred to as the 'Board of Governors').

''(2) AUTHORITIES AND FUNCTIONS.—The Board of Goverors shall—

''(A) carry out the authorities and functions of the Agency under section 305; and

''(B) be responsible for the exercise of all authorities and powers and the discharge of all duties and functions of the Agency.

''(3) COMPOSITION OF THE BOARD OF GOVERNORS.—

''(A) The Board of Governors shall consist of 9 members, as follows:

''(i) Eight voting members who shall be appointed by the President, by and with the advice and consent of the Senate.

''(ii) The Secretary of State who shall also be a voting member.

"(B) The President shall appoint one member (other than the Secretary of State) as Chair of the Board of Governors, subject to the advice and consent of the Senate.

"(C) Exclusive of the Secretary of State, not more than 4 of the members of the Board of Governors appointed by the President shall be of the same political party.

"(4) TERM OF OFFICE.—The term of office of each member of the Board of Governors shall be three years, except that the Secretary of State shall remain a member of the Board of Governors during the Secretary's term of service. The President shall appoint, by and with the advice and consent of the Senate, board members to fill vacancies occurring prior to the expiration of a term, in which case the members so appointed shall serve for the remainder of such term. Any member whose term has expired may serve until a successor has been appointed and qualified. When there is no Secretary of State, the Acting Secretary of State shall serve as a member of the board until a Secretary is appointed.

"(5) SELECTION OF BOARD OF GOVERNORS.—Members of the Board of Governors appointed by the President shall be citizens of the United States

who are not regular full-time employees of the United States Government. Such members shall be selected by the President from among Americans distinguished in the fields of mass communications, print, broadcast media, or foreign affairs.

''(6) COMPENSATION.—Members of the Board of Governors, while attending meetings of the board or while engaged in duties relating to such meetings or in other activities of the board pursuant to this section (including travel time) shall be entitled to receive compensation equal to the daily equivalent of the compensation prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code. While away from their homes or regular places of business, members of the board may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in the Government service employed intermittently. The Secretary of State shall not be entitled to any compensation under this title, but may be allowed travel expenses as provided under this subsection.

''(7) DECISIONS.—Decisions of the Board of Governors shall be made by majority vote, a quorum being present. A quorum shall consist of 5 members.

''(8) IMMUNITY FROM CIVIL LIABILITY.—Notwithstanding any other provision of law, any and all limitations on liability that apply to the members of the Board of Governors also shall apply to such members when acting in their capacities as members of the boards of directors of RFE/RL, Incorporated and Radio Free Asia.

''(c) DIRECTOR.—

''(1) APPOINTMENT.—The Board of Governors shall appoint a Director of the Agency. The Director shall receive basic pay at the rate payable for level III of the Executive Schedule under section 5314 of title 5, United States Code. The Director may be removed through a majority vote of the Board.

''(2) FUNCTIONS AND DUTIES.—The Director shall have the following functions and duties:

''(A) To exercise the authorities delegated by the Board of Governors pursuant to section 305(b).

''(B) To carry out all broadcasting activities conducted pursuant to this title, the Radio Broadcasting to Cuba Act, and the Television Broadcasting to Cuba Act.

''(C) To examine and make recommendations to the Board of Governors on long-term

strategies for the future of international broadcasting, including the use of new technologies.

"(D) To review engineering activities to ensure that all broadcasting elements receive the highest quality and cost-effective delivery services.

"(E) To procure supplies, services, and other personal property to carry out the functions of the Agency.

"(F) To obligate and expend, for official reception and representation expenses, such amounts as may be made available through appropriations.

"(G) To provide for the use of United States Government transmitter capacity for relay of broadcasting by grantees.

"(H) To procure temporary and intermittent personal services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for positions classified above grade GS–15 of the General Schedule under section 5108 of title 5, United States Code.

''(I) To procure for the Agency, pursuant to section 1535 of title 31, United States Code goods and services from other departments or agencies.

''(J) To the extent funds are available, to lease space and acquire personal property for the Agency.

''(d) INSPECTOR GENERAL AUTHORITIES.—

''(1) IN GENERAL.—The Inspector General of the Department of State shall exercise the same authorities with respect to the Agency as the Inspector General exercises under the Inspector General Act of 1978 and section 209 of the Foreign Service Act of 1980 with respect to the Department of State.

''(2) RESPECT FOR JOURNALISTIC INTEGRITY OF BROADCASTERS.—The Inspector General of the Department of State and the Foreign Service shall respect the journalistic integrity of all the broadcasters covered by this title and may not evaluate the philosophical or political perspectives reflected in the content of broadcasts.''.

(b) RETENTION OF EXISTING BOARD MEMBERS.—The members of the Broadcasting Board of Governors appointed by the President pursuant to section 304 of the United States International Broadcasting Act of 1994 on

the day before the effective date of this title and holding office as of that date may serve the remainder of their terms of office as members of the Board of Governors established under section 304(b) of the United States International Broadcasting Act of 1994, as amended by subsection (a) of this section, without reappointment, or if their term has expired may serve until a successor is appointed and qualified.

SEC. 532. AUTHORITIES AND FUNCTIONS OF THE AGENCY.

Section 305 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6204) is amended to read as follows:

"SEC. 305. AUTHORITIES AND FUNCTIONS OF THE AGENCY.

''(a) The Agency shall have the following authorities and functions:

''(1) To supervise all broadcasting activities conducted pursuant to this title, the Radio Broadcasting to Cuba Act, and the Television Broadcasting to Cuba Act.

''(2) To review and evaluate the mission and operation of, and to assess the quality, effectiveness, and professional integrity of, all such activities within the context of the broad foreign policy objectives of the United States and the guiding principles and

doctrines of the United States, particularly freedom and democracy.

''(3) To develop strategic goals after reviewing human rights reporting and other reliable assessments to assist in determining programming and resource allocation.

''(4) To ensure that United States international broadcasting is conducted in accordance with the standards and principles contained in section 303.

''(5) To review, evaluate, and determine, at least annually, after consultation with the Secretary of State, the addition or deletion of language services.

''(6) To make and supervise grants for broadcasting and related activities in accordance with sections 308 and 309.

''(7) To allocate funds appropriated for international broadcasting activities among the various elements of the Agency and grantees, subject to the limitations in sections 308 and 309 and subject to reprogramming notification requirements in law for the reallocation of funds.

''(8) To undertake such studies as may be necessary to identify areas in which broadcasting activi-

ties under its authority could be made more efficient and economical.

''(9) To submit to the President and the Congress an annual report which summarizes and evaluates activities under this title, the Radio Broadcasting to Cuba Act, and the Television Broadcasting to Cuba Act, placing special emphasis on the assessment described in paragraph (2).

''(10) To make available in the annual report required by paragraph (9) information on funds expended on administrative and managerial services by the Agency and by grantees and the steps the Agency has taken to reduce unnecessary overhead costs for each of the broadcasting services.

''(11) To utilize the provisions of titles III, IV, V, VII, VIII, IX, and X of the United States Information and Educational Exchange Act of 1948, and section 6 of Reorganization Plan Number 2 of 1977, as in effect on the day before the effective date of title XIII of the Foreign Affairs Agencies Consolidation Act of 1998, to the extent the Director considers necessary in carrying out the provisions and purposes of this title.

''(12) To utilize the authorities of any other statute, reorganization plan, Executive order, regula-

tion, agreement, determination, or other official document or proceeding that had been available to the Director of the United States Information Agency, the Bureau, or the Board before the effective date of title XIII of the Foreign Affairs Consolidation Act of 1998 for carrying out the broadcasting activities covered by this title.

''(b) DELEGATION OF AUTHORITY.—The Board of Governors may delegate to the Director of the Agency, or any other officer or employee of the United States, the authorities provided in this section, except those authorities provided in paragraph (1), (2), (4), (5), (6), (7), or (9) of subsection (a).

''(c) BROADCASTING BUDGETS.—The Director and the grantees identified in sections 308 and 309 shall submit proposed budgets to the Board. The Board shall forward its recommendations concerning the proposed budget for the Board and broadcasting activities under this title, the Radio Broadcasting to Cuba Act, and the Television Broadcasting to Cuba Act to the Office of Management and Budget.''.

SEC. 533. ROLE OF THE SECRETARY OF STATE.

Section 306 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6205) is amended to read as follows:

"SEC. 306. ROLE OF THE SECRETARY OF STATE.

"To assist the Agency in carrying out its functions, the Secretary of State shall provide such information and guidance on foreign policy and public diplomacy issues to the Agency as the Secretary considers appropriate.".

SEC. 534. ADMINISTRATIVE PROVISIONS.

The United States International Broadcasting Act of 1994 is amended by striking section 307 and inserting the following new section:

"SEC. 307. ADMINISTRATIVE PROVISIONS.

"(a) OFFICERS AND EMPLOYEES.—The Board of Governors may appoint and fix the compensation of such officers and employees as may be necessary to carry out the functions of the Agency. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation shall be fixed in accordance with title 5, United States Code.

"(b) EXPERTS AND CONSULTANTS.—The Board of Governors, as may be provided in appropriation Acts, may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and may compensate such experts and consultants at rates not to exceed the daily rate prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

''(c) ACCEPTANCE OF VOLUNTARY SERVICES.—

''(1) IN GENERAL.—Notwithstanding section 1342 of title 31, United States Code, the Board of Governors may accept, subject to regulations issued by the Office of Personnel Management, voluntary services if such services—

''(A) are to be uncompensated; and

''(B) are not used to displace any employee.

''(2) TREATMENT.—Any individual who provides voluntary services under this section shall not be considered a Federal employee for any purpose other than for purposes of chapter 81 of title 5, United States Code (relating to compensation for injury) and sections 2671 through 2680 of title 28, United States Code (relating to tort claims).

''(d) DELEGATION.—Except as otherwise provided in this Act, the Board of Governors may delegate any function to the Director and such other officers and employees of the Agency as the Board of Governors may designate, and may authorize such successive redelegations of such functions within the Agency as may be necessary or appropriate.

''(e) CONTRACTS.—

''(1) IN GENERAL.—Subject to the Federal Property and Administrative Services Act of 1949 and other applicable Federal law, the Board of Governors may make, enter into, and perform such contracts, grants, leases, cooperative agreements, and other similar transactions with Federal or other public agencies (including State and local governments) and private organizations and persons, and to make such payments, by way of advance or reimbursement, as the Board of Governors may determine necessary or appropriate to carry out functions of the Board of Governors or the Agency.

''(2) APPROPRIATION AUTHORITY REQUIRED.—No authority to enter into contracts or to make payments under this title shall be effective except to such extent or in such amounts as are provided in advance under appropriation Acts.

''(f) REGULATIONS.—The Director may prescribe such rules and regulations as the Board of Governors considers necessary or appropriate to administer and manage the functions of the Agency, in accordance with chapter 5 of title 5, United States Code.

''(g) SEAL.—The Director shall cause a seal of office to be made for the Agency of such design as the Board

of Governors shall approve. Judicial notice shall be taken of such seal.''.

SEC. 535. BROADCASTING BOARD OF GOVERNORS AND INTERNATIONAL BROADCASTING BUREAU.

The Broadcasting Board of Governors and the International Broadcasting Bureau are abolished.

SEC. 536. TRANSITION.

(a) TRANSFER OF FUNCTIONS.—Except as otherwise provided in this subtitle or an amendment made by this subtitle, all functions that on the day before the effective date specified in section 540 are authorized to be performed by the Broadcasting Board of Governors and the International Broadcasting Bureau and any officer, employee, or component of such entities, under any statute, reorganization plan, Executive order, or other provision of law, are transferred to the Agency established under this title effective on that date.

(b) DETERMINATION OF CERTAIN FUNCTIONS.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under this title.

(c) TRANSITION PROVISIONS.—

(1) EXERCISE OF AUTHORITIES.—Except as otherwise provided by law, the Board of Governors may, for purposes of performing a function that is

transferred to the Agency by this title, exercise all authorities under any other provision of law that were available with respect to the performance of that function to the official responsible for the performance of that function on the day before the effective date specified in section 540.

(2) AUTHORITIES TO WIND UP AFFAIRS.—

(A) The Director of the Office of Management and Budget may take such actions as the Director of the Office of Management and Budget considers necessary to wind up any outstanding affairs of the Broadcasting Board of Governors and the International Broadcasting Bureau associated with the functions that are transferred pursuant to subsection (a).

(B) The Director of the Office of Management and Budget may take such actions as the Director of the Office of Management and Budget considers necessary to wind up any outstanding affairs of the Broadcasting Board of Governors and the International Broadcasting Bureau associated with the functions that are transferred pursuant to subsection (a).

(3) TRANSFER OF ASSETS.—Any property, records, unexpended balances of appropriations, allo-

cations, and other funds employed, used, held, available, or to be made available in connection with a function transferred to the Agency by this Act are transferred on the effective date specified in section 540.

SEC. 537. CONFORMING AMENDMENTS.

(a) UNITED STATES INTERNATIONAL BROADCASTING ACT OF 1994.—The United States International Broadcasting Act of 1994 is amended as follows:

(1) Section 308 (22 U.S.C. 6207) is amended—

(A) in subsection (a)—

(i) by striking ''The Board'' and inserting ''The Agency''; and

(ii) in paragraph (1) by striking ''Broadcasting Board of Governors'' and inserting ''Board Governors of the International Broadcasting Agency'';

(B) in subsection (b)—

(i) by striking paragraph (2);

(ii) by striking ''(1)''; and

(iii) by striking ''Board'' both places it appears and inserting ''Agency'';

(C) in subsections (c), (d), (g), (h), and (i) by striking ''Board'' each place it appears and inserting ''Agency'';

(D) in subsection (g)(4) by striking ''International Broadcasting Bureau'' and inserting ''Agency''; and

(E) in subsections (i) and (j) by striking ''and the Foreign Service'' each place it appears.

(2) Section 309 (22 U.S.C. 6208) is amended—

(A) in subsection (c)(1) by striking ''Board'' both places it appears and inserting ''Agency'';

(B) by striking subsection (e);

(C) in subsections (f) and (g) by striking ''Board'' each place it appears and inserting ''Agency''; and

(D) in subsection (g) by striking ''Chairman of the Board'' and inserting ''Agency''.

(3) By striking section 311 (22 U.S.C. 6210).

(4) In section 313 (22 U.S.C. 6212) by striking ''Board'' and inserting ''Agency''.

(5) In section 314 (22 U.S.C. 6213) by striking paragraph (2).

(6) By striking section 315.

(b) CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY (LIBERTAD) ACT OF 1996.—Section 107 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of

1996 (22 U.S.C. 6037) is amended in subsections (a) and (b) by striking ''International Broadcasting Bureau'' each place it appears and inserting ''United States International Broadcasting Agency''.

(c) RADIO BROADCASTING TO CUBA ACT.—The Radio Broadcasting to Cuba Act (22 U.S.C. 1465 et seq.) is amended as follows:

(1) In section 3 (22 U.S.C. 1465a) as follows:

(A) In the section heading by striking ''BROADCASTING BOARD OF GOVERNORS'' and inserting ''UNITED STATES INTERNATIONAL BROADCASTING AGENCY''.

(B) In subsection (a) by striking ''the 'Board')'' and inserting ''the 'Agency')''.

(C) In subsections (a), (d), and (f) by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency''.

(2) In section 4 (22 U.S.C. 1465b) as follows:

(A) In the first sentence by striking ''The'' and all that follows through ''Bureau'' and inserting: ''The Board of Governors of the United States International Broadcasting Agency shall establish within the Agency''.

(B) In the third sentence by striking ''Broadcasting Board of Governors'' and inserting ''Board of Governors of the United States International Broadcasting Agency''.

(C) In the fourth sentence by striking ''Board of the International Broadcasting Bureau'' and inserting ''Board of Governors of the United States International Broadcasting Agency''.

(3) In section 5 (22 U.S.C. 1465c) as follows:

(A) In subsection (b) by striking ''Broadcasting Board of Governors'' and inserting ''Board of Governors of the United States International Broadcasting Agency''.

(B) By striking ''Board'' each place it appears and inserting ''Advisory Board''.

(4) In section 6 (22 U.S.C. 1465d) as follows:

(A) In subsection (a) by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency'' and by striking ''Board'' and inserting ''Board of Directors of the United States International Broadcasting Agency''.

(B) In subsection (b) by striking ''Board'' and inserting ''United States International Broadcasting Agency''.

(5) In section 7 (22 U.S.C. 1465e) by striking ''Board'' in subsections (b) and (d) and inserting ''United States International Broadcasting Agency''.

(6) In section 8(a) (22 U.S.C. 1465f(a)), by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency''.

(d) TELEVISION BROADCASTING TO CUBA ACT.—The Television Broadcasting to Cuba Act (22 U.S.C. 1465aa note) is amended as follows:

(1) Section 243(a) (22 U.S.C. 1465bb) is amended by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency''.

(2) Section 244 (22 U.S.C. 1465cc) is amended as follows:

(A) In subsection (a) by amending the third sentence to read as follows: ''The Board of Governors of the United States International Broadcasting Agency shall appoint a head of the Service who shall report directly to the Board of Governors.''.

(B) In subsection (b) by striking ''Board'' and inserting ''United States International Broadcasting Agency''.

(C) In subsection (c) by striking ''The Board'' and inserting ''The Agency'' and by striking ''Board determines'' and inserting ''Board of Governors of the United States International Broadcasting Agency determines''.

(3) In section 246 (22 U.S.C. 1465dd) by striking ''United States Information Agency'' and inserting ''United States International Broadcasting Agency'' and by striking ''Board'' and inserting ''Board of Governors of the United States International Broadcasting Agency''.

(e) UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948.—The United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1431 et seq.) is amended—

(1) in section 505 (22 U.S.C. 1464a), by striking ''Broadcasting Board of Governors'' each place it appears and inserting ''United States International Broadcasting Agency''; and

(2) in section 506(c) (22 U.S.C. 1464b(c))—

(A) by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency''; and

(B) by striking ''Board'' and inserting ''Agency''.

(f) FOREIGN SERVICE ACT OF 1980.—The Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.) is amended—

(1) in section 202(a)(1) (22 U.S.C. 3922(a)(1)), by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency'';

(2) in section 210 (22 U.S.C. 3930), by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency'';

(3) in section 1003(a) (22 U.S.C. 4103(a)), by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency''; and

(4) in section 1101(c) (22 U.S.C. 4131(c)), by striking ''Broadcasting Board of Governors,'' and inserting ''the United States International Broadcasting Agency,''.

(g) STATE DEPARTMENT BASIC AUTHORITIES ACT OF 1956.—The State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a et seq.) is amended—

(1) in section 23(a) (22 U.S.C. 2695(a)), by striking ''Broadcasting Board of Governors,'' and inserting ''United States International Broadcasting Agency,'';

(2) in section 25(f) (22 U.S.C. 2697(f))—

(A) by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency''; and

(B) by striking ''the Board and the Agency'' and inserting ''their respective agencies'';

(3) in section 26(b) (22 U.S.C. 2698(b))—

(A) by striking 'Broadcasting Board of Governors,'' and inserting ''United States International Broadcasting Agency''; and

(B) by striking ''the Board and the Agency'' and inserting ''their respective agencies''; and

(4) in section 32 (22 U.S.C. 2704), by striking ''Broadcasting Board of Governors'' and inserting ''United States International Broadcasting Agency''.

(h) TITLE 5, UNITED STATES CODE.—

(1) Section 5314 of title 5, United States Code, is amended by adding at the end the following: ''Director, United States International Broadcasting Agency.''.

(2) Section 5315 of title 5, United States Code, is amended by striking ''Director of the International Broadcasting Bureau.''.

SEC. 538. REFERENCES.

Except as otherwise provided in this subtitle or an amendment made by this subtitle, any reference in any statute, reorganization plan, Executive order, regulation, agreement, determination, or other official document or proceeding to the Broadcasting Board of Governors and the International Broadcasting Bureau or any other officer or employee of the Broadcasting Board of Governors or the International Broadcasting Bureau shall be deemed to refer to the United States International Broadcasting Agency or the Board of Governors of the United States International Broadcasting Agency established under this subtitle.

SEC. 539. BROADCASTING STANDARDS.

Section 303(a) of the United States International Broadcasting Act of 1994 (22 U.S.C. 6202(a)) is amended—

(1) in paragraph (6) by striking ''and'';

(2) in paragraph (8) by striking the period and inserting ''; and''; and

(3) by adding after paragraph (8) the following new paragraph:

''(9) seek to ensure that resources are allocated to broadcasts directed at people whose governments deny freedom of expression or who are otherwise in special need of honest and professional broadcasting, commensurate with the need for such broadcasts.''.

SEC. 540. EFFECTIVE DATE.

Except as otherwise provided, this subtitle and the amendments made by this subtitle shall take effect on the last day of the 6-month period beginning on the date of the enactment of this Act.

TITLE VI—INTERNATIONAL FREE MEDIA ACT OF 2003

SEC. 601. SHORT TITLE.

This title may be cited as the ''International Free Media Act of 2003''.

SEC. 602. DEFINITIONS.

In this title, the term ''free media'' means individuals or organizations engaged in the gathering and distribution of news and information free of direct or indirect governmental control.

SEC. 603. FINDINGS.

The Congress makes the following findings:

(1) Freedom of speech and freedom of the press are fundamental human rights enshrined in international law.

(2) The United States has a national interest in promoting these freedoms by supporting free media abroad, which is essential to the development of free and democratic societies consistent with our own.

(3) Free media is undermined, endangered, or nonexistent in many repressive and transitional societies around the world, including in Eurasia, Africa, and the Middle East.

(4) Free media is suppressed by foreign governments by a variety of means, including state censorship, legal restriction, financial pressure, and physical intimidation.

(5) Unprofessional and unethical media that violate widely accepted standards of professional journalism and editorial practice compromises the ability of a free media to contribute to open, fair, and constructive democratic debate.

(6) Unprofessional and unethical media includes media that violate the standards set in the International Covenant on Civil and Political Rights, which includes article 20, section 2 of the Covenant

which states that ''Any advocacy of national, racial, or religious hatred that constitutes incitement to discrimination, hostility, or violence shall be prohibited by law.''.

(7) Individuals lacking access to a plurality of free media are vulnerable to misinformation and propaganda and are potentially more likely to adopt anti-American views.

(8) Foreign governments have a responsibility to actively and publicly discourage and rebut unprofessional and unethical media while respecting journalistic integrity and editorial independence.

(9) Past and continuing United States Government efforts to promote free media through training and technical support have advanced United States national interests by contributing to the promotion of human rights and democracy worldwide.

(10) Support for free media must be an integral part of United States foreign policy, including public diplomacy and United States international broadcasting, and should be coordinated across government agencies and with international, bilateral, and private donor organizations toward achieving the shared goal of developing professional, ethical, diver-

sified, sustainable, independent, indigenous media worldwide.

SEC. 604. STATEMENTS OF POLICY.

It shall be the policy of the United States, acting through the Secretary of State, to—

(1) make the promotion of press freedoms and free media worldwide a priority of United States foreign policy and an integral component of United States public diplomacy;

(2) respect the journalistic integrity and editorial independence of free media worldwide;

(3) use widely accepted standards for professional and ethical journalistic and editorial practices in assessing international media; and

(4) discourage incitement to discrimination, hostility, or violence, based on nationality, race, or religion, as described in article 20, section 2, of the International Covenant on Civil and Political Rights, and develop a strategy to respond to it.

SEC. 605. COORDINATOR FOR INTERNATIONAL FREE MEDIA.

(a) ESTABLISHMENT.—There is established within the Department of State a Coordinator for International Free Media (in this section referred to as the ''Coordi-

nator''). At the discretion of the President another official at the Department of State may serve as the Coordinator.

(b) APPOINTMENT OF COORDINATOR.—The Coordinator shall be appointed by the President, by and with the advice and consent of the Senate.

(c) DUTIES.—The principal duties of the Coordinator shall be the promotion of international press freedoms and free media by—

(1) coordinating United States government policies, programs, and projects concerning international press freedoms and free media;

(2) in consultation with appropriate agencies of the United States Government and national and international organizations, monitoring and assessing the status of free media and government controlled sources of information, including for incitement of national, racial, or religious hatred that constitutes incitement to discrimination, hostility, or violence, as described in article 20 of the International Covenant on Civil and Political Rights;

(3) promoting widely accepted standards of professional and ethical journalism and editorial practices;

(4) discouraging media and government controlled sources of information from advocating na-

tional, racial, or religious hatred that constitutes incitement to discrimination, hostility, or violence consistent with article 20, section 2 of the International Covenant on Civil and Political Rights;

(5) reporting foreign media that advocates national, racial, or religious hatred that constitutes incitement to discrimination, hostility, or violence consistent with article 20, section 2, of the International Covenant on Civil and Political Rights and making available to the public and to the United States Agency for International Broadcasting translations of such media to the extent practicable;

(6) promoting the journalistic integrity and editorial independence of free media worldwide;

(7) advising the President and the Secretary of State regarding matters of international press freedoms and free media;

(8) representing the United States in matters and cases relevant to international press freedoms and free media;

(9) assisting the Secretary of State in preparing the portions of the Department of State country reports on human rights that relate to international press freedoms and free media and incitement to acts of discrimination;

(10) consulting with the Broadcasting Board of Governors and the United States Agency for International Development for the purpose of promoting free media through training of international journalists, producers, editors, and media managers; and

(11) administering the International Free Media Fund (established in section 607) in consultation with the United States Advisory Commission on Public Diplomacy and International Media.

(d) ASSESSMENT FACTORS.—In making an assessment of media within individual countries pursuant to subsection (c)(2), the Coordinator shall take into account—

(1) the number and diversity of media;

(2) access to and consumption of media by populations;

(3) the extent of direct or indirect government ownership, control, or censorship of media outlets;

(4) the financial viability and profitability of free media;

(5) the extent to which journalists, editors, and media managers adhere to widely accepted standards for professional and ethical journalism;

(6) domestic laws addressing press freedoms;

(7) instances in which the media and government-controlled sources of information have incited

discrimination, hostility, or violence consistent with article 20, section 2 of the International Covenant on Civil and Political Rights;

(8) physical threats, intimidation or inappropriate pressure by government on free media;

(9) the number of journalists, editors, producers, and media managers receiving training from programs of the Department of State, the Broadcasting Board of Governors, grantees of the United States Agency for International Development, or other organizations qualified to provide such training; and

(10) the activity of local and international nongovernmental organizations promoting press freedoms and free media and obstacles to their activity.

(e) CONSULTATION REQUIREMENT.—The Coordinator shall consult with United States public affairs officers and other United States foreign mission personnel directly engaged in interacting with indigenous media in carrying out the duties specified in subsection (c).

(f) DETERMINATION.—The Coordinator shall determine, and annually report to the appropriate congressional committees, whether there is a pattern of government-controlled information that constitutes incitement (as described in article 20 of the International Covenant on Civil

and Political Rights) and that endangers United States citizens or nationals, impairs relations between the United States and the foreign government, or constitutes incitement to national, racial, or religious discrimination, hostility, or violence. The Coordinator shall specify the governments engaged in such practices and examples of such incitement and propaganda.

(g) FUNDING.—The Secretary of State shall ensure that the Coordinator has adequate staff and funding for the conduct of investigations, the administration of the International Free Media Fund, necessary travel, and other activities necessary to carry out the provisions of this section.

SEC. 606. UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY AND INTERNATIONAL MEDIA.

(a) ESTABLISHMENT.—Section 604(a)(1) of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1469) is amended to read as follows:

''(1) There is established an advisory commission to be known as the United States Advisory Commission on Public Diplomacy and International Media.''.

(b) DUTIES AND RESPONSIBILITIES.—Section 604(c) of the United States Information and Exchange Act of

1948 (22 U.S.C. 1469) is amended by adding at the end the following:

''(5) The Commission shall—

''(A) advise the Coordinator for International Free Media on issues relating to the promotion of international press freedoms and free media;

''(B) assist the Coordinator for International Free Media in monitoring and assessing the status of free media worldwide;

''(C) consult with the Coordinator on the administration of the International Free Media Fund; and

''(D) make policy recommendations to the President, the Secretary of State, and Congress with respect to matters involving international press freedoms and free media.''.

(c) REFERENCES.—Except as otherwise provided in this section or an amendment made by this section, any reference in any statute, reorganization plan, Executive order, regulation, agreement, determination, or other official document or proceeding to the United States Advisory Commission on Public Diplomacy or any other officer or employee of the United States Advisory Commission on Public Diplomacy shall be deemed to refer to the United

States Advisory Commission on Public Diplomacy and International Media established under this section.

SEC. 607. INTERNATIONAL FREE MEDIA FUND.

(a) ESTABLISHMENT.—There is established an International Free Media Fund (in this section referred to as the ''Fund'') at the Department of State.

(b) PURPOSES.—The purposes of the Fund shall be—

(1) to promote the development of free and independent media worldwide which adhere to widely accepted standards of professional and ethical journalism and editorial practice; and

(2) to complement current efforts by the Department of State, the United States Agency for International Development, the Broadcasting Board of Governors, and other agencies of the United States Government to support free and independent media worldwide.

(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise authorized to be appropriated to carry out the purposes specified in subsection (b), there is authorized to be appropriated to the Fund $15,000,000 for fiscal year 2004. Such amounts are authorized to remain available until expended.

(d) NONAPPLICABILITY OF OTHER LAWS.—Notwithstanding any other provision of law, funds appropriated pursuant to subsection (c) may be used for the purposes of this section.

(e) ADMINISTRATION.—

(1) The Fund shall be administered by the Coordinator in consultation with the Commission.

(2) Activities and assistance financed through the Fund may be carried out through grants, contracts, technical assistance, and material support.

(f) ELIGIBLE ORGANIZATIONS, PROGRAMS, AND PROJECTS.—Amounts in the Fund may be used to carry out activities and provide assistance only for organizations, programs, and projects consistent with the purposes set forth in subsection (b).

(g) PROHIBITIONS.—Amounts in the Fund shall not be used to carry out activities or provide assistance to organizations, programs, or projects which advocate national, racial, or religious hatred that incites discrimination, hostility, or violence consistent with article 20, section 2 of the International Covenant on Civil and Political Rights.

(h) ASSISTANCE CRITERIA.—In administering the Fund, the Coordinator shall take into account—

(1) the importance of providing assistance to organizations, programs, and projects based on their proven or potential contribution to the development of a free media environment worldwide;

(2) the importance of enabling free media to become commercially viable and financially independent in the long term; and

(3) the importance of providing media personnel whose organizations, programs, or projects receive assistance under this section for training in professional and ethical journalism, editorial practices, and media management by the Department of State, the Broadcasting Board of Governors, United States Agency for International Development grantees, or other organizations qualified to provide such training.

(i) ANNUAL REPORTS.—Not later than January 31, of 2005 and in each subsequent year, the Coordinator shall publish an annual report on the activities of the Fund, which shall include a comprehensive and detailed description of the operations, activities, financial condition, and accomplishments under this section for the preceding fiscal year. The reports shall also include an assessment of whether the Fund should also provide loans and

guarantees as an additional means to carry out the purposes of this title.

(j) CONSULTATION REQUIREMENTS.—

(1) The Coordinator shall consult with the State Department official primarily responsible for developing and implementing United States policy with respect to a country prior to carrying out activities or providing assistance for such country through the Fund.

(2) Amounts in the Fund shall be used to carry out activities or provide assistance on the basis of consultations among all relevant United States Government agencies operating in the country and with the approval of the chief of mission.

SEC. 608. FREE MEDIA PROMOTION ACTIVITY OF THE BROADCASTING BOARD OF GOVERNORS.

(a) IN GENERAL.—The Broadcasting Board of Governors shall make support for indigenous free media an integral part of its mission.

(b) AFFILIATES.—The Broadcasting Board of Governors shall submit a report to the appropriate congressional committees on the prospects and strategy for cultivating affiliate relationships with free media in countries targeted for United States international broadcasting.

(c) TRAINING.—The Broadcasting Board of Governors shall enhance foreign journalist training programs in coordination with existing training programs administered by the Department of State and the United States Agency for International Development.

(d) AUTHORIZATION FOR APPROPRIATIONS.—In addition to amounts otherwise authorized to be appropriated, there is authorized to be appropriated $2,500,000 for the fiscal year 2004 and $2,500,000 for the fiscal year 2005 to support free media in countries in which the Broadcasting Board of Governors is decreasing or discontinuing United States international broadcasting activity.

TITLE VII—MISCELLANEOUS PROVISIONS

Subtitle A—Reporting Requirements

SEC. 702. REPORTS TO COMMITTEE ON INTERNATIONAL RELATIONS.

Notwithstanding any other provision of law, for the fiscal years 2004 and 2005, any report required by law or otherwise requested to be submitted by the Secretary of State or the Department of State to any committee of the Congress shall be submitted also to the Committee on International Relations of the House of Representatives.

SEC. 702. REPORTS CONCERNING THE CAPTURE AND PROSECUTION OF PARAMILITARY AND OTHER TERRORIST LEADERS IN COLOMBIA.

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

(1) As reported in the Department of State report Patterns of Global Terrorism 2001, the United Self-Defense Forces of Colombia (also referred to as ''AUC'' or ''paramilitaries'') have been designated as a foreign terrorist organization by the United States primarily because of their increasing reliance on terrorist methods, such as the use of massacres, to purposefully displace segments of the population as retaliation for allegedly supporting the AUC's rival organizations, the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN) of Colombia. According to the report, the paramilitaries also use terrorist tactics to compete for narcotics-trafficking corridors and prime coca-growing terrain.

(2) The Department of State concluded in the 2001 Country Report on Human Rights Practices that despite increased efforts by the Government of Colombia to combat and capture members of paramilitary groups, security forces sometimes illegally collaborate with paramilitaries forces and often fail

to take action to prevent paramilitary attacks which lead to serious abuses of human rights.

(3) In September 2002, Amnesty International, Human Rights Watch, and the Washington Office on Latin America released a report which argued that the Colombian Government had not made substantial progress toward suspending officers implicated in human rights abuses, conducting effective judicial investigations of such abuses, or breaking the persistent links between some units of the Colombian military and paramilitary groups.

(4) In February 2003, the United Nations High Commissioner for Human Rights in Colombia reported that some units of the Colombian Security Forces continued to collude openly with illegal paramilitary groups in operations which resulted in violations of human rights.

(5) The Consolidated Appropriations Resolution, 2003 (Public Law 108–7) made available not less than $5,000,000 to support a Colombian Armed Forces unit which is dedicated to apprehending leaders of Colombian paramilitary organizations.

(b) REPORTS TO CONGRESS.—Not later than 30 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State, after consulting

with internationally recognized human rights organizations pursuant to the procedures required in section 564(b) of the Consolidated Appropriations Resolution, 2003, shall submit a report, in unclassified form (with a classified annex if necessary), on the specific measures that the Colombian authorities are taking to apprehend effectively and prosecute aggressively leaders of paramilitary organizations, to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

(c) CONTENTS OF REPORTS.—Each report submitted pursuant to subsection (b) shall—

(1) identify which Colombian Armed Forces units are receiving assistance to apprehend leaders of Colombian paramilitary organizations;

(2) describe the amount and purposes of such assistance;

(3) describe operations by Colombian security forces to apprehend and arrest leaders of Colombian paramilitary organizations;

(4) list the number of detentions, captures, and arrests of leaders of Colombian paramilitary organizations, disaggregating the number according to those detentions, captures, and arrests which were

carried out by Colombian security forces identified under paragraph (1);

(5) briefly describe the status of investigations and prosecutions of cases by the Colombian Attorney General's office involving the arrests of leaders of Colombian paramilitary organizations; and

(6) estimate the number of hours of use by the Colombian military of helicopters provided by the United States under Plan Colombia and successor programs to apprehend the leaders of Colombian paramilitary organizations, as well as leaders of the FARC and ELN, including those individuals who have United States indictments pending against them.

SEC. 703. REPORTS RELATING TO MAGEN DAVID ADOM SOCIETY.

(a) FINDINGS.—Section 690(a) of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107–228) is amended by adding at the end the following:

''(5) Since the founding of the Magen David Adom in 1930, the American Red Cross has regarded it as a sister national society forging close working ties between the two societies and has consistently advocated recognition and membership of

the Magen David Adom in the International Red Cross and Red Crescent Movement.

''(6) The American Red Cross and Magen David Adom signed an important memorandum of understanding in November 2002, outlining areas for strategic collaboration, and the American Red Cross will encourage other societies to establish similar agreements with Magen David Adom.''.

(b) SENSE OF CONGRESS.—Section 690(b) of such Act is amended—

(1) in paragraph (3) after the semicolon by striking ''and'';

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph:

''(4) the High Contracting Parties to the Geneva Conventions of August 12, 1949, should adopt the October 12, 2000, draft additional protocol which would accord international recognition to an additional distinctive emblem; and''.

(c) REPORT.—Section 690 of such Act is further amended by adding at the end the following:

''(c) REPORT.—Not later than 60 days after the date of the enactment of the Foreign Relations Authorization

Act, Fiscal Years 2004 and 2005 and annually thereafter, the Secretary of State shall submit a report, on a classified basis if necessary, to the appropriate congressional committees describing—

''(1) efforts by the United States to obtain full membership for the Magen David Adom in the International Red Cross Movement;

''(2) efforts by the International Committee of the Red Cross to obtain full membership for the Magen David Adom in the International Red Cross Movement;

''(3) efforts of the High Contracting Parties to the Geneva Convention of 1949 to adopt the October 12, 2000, draft additional protocol; and

''(4) the extent to which the Magen David Adom of Israel is participating in the activities of the International Red Cross and Red Crescent Movement.''.

SEC. 704. REPORT CONCERNING THE RETURN OF PORTRAITS OF HOLOCAUST VICTIMS TO THE ARTIST DINA BABBITT.

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

(1) Dina Babbitt (formerly known as Dinah Gottliebova), a United States citizen, has requested

the return of watercolor portraits she painted while suffering a one and one-half year long internment at the Auschwitz death camp during World War II, where she was ordered to paint portraits by the infamous war criminal Dr. Josef Mengele.

(2) Congress has previously considered the issue, under the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107–228), and urged the Administration to facilitate the return of the paintings to Dina Babbitt.

(3) The Administration has not yet reported any progress in furthering this goal, nor has the Secretary reported on the status of any negotiations held with the intent of furthering this goal.

(b) SENSE OF CONGRESS.—The Congress—

(1) continues to recognize the moral right of Dina Babbitt to obtain the artwork she created, and recognizes her courage in the face of the evils perpetrated by the Nazi command of the Auschwitz-Birkenau death camp, including the atrocities committed by Dr. Josef Mengele;

(2) urges the President of the United States to make all necessary efforts to retrieve the 7 watercolor portraits painted by Dina Babbitt, during her internment at the Auschwitz death camp; and

(3) urges the Secretary of State to make immediate diplomatic efforts to facilitate the transfer of the 7 original watercolors painted by Dina Babbitt from the Auschwitz-Birkenau State Museum to Dina Babbitt, their rightful owner.

(c) REPORTING REQUIREMENT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit a report to the appropriate congressional committees, describing all diplomatic efforts the United States has taken to facilitate the return of the paintings referred to in this section to Dina Babbitt.

SEC. 705. REPORT TO CONGRESS ON USE OF VESTED ASSETS.

Section 203(a) of the International Emergency Economic Powers Act (50 U.S.C. 1702(a)) is amended—

(1) in subparagraph (C), by inserting ‘‘, subject to paragraph (4),’’ after ‘‘such interest or property shall’’; and

(2) by adding at the end the following:

‘‘(4) The authority under paragraph (1)(C) to use property that has been vested or to use assets that have been liquidated may not be exercised until 15 days after the President has notified the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate of the purpose

for which such vested property or liquidated assets will be so used.''.

SEC. 706. REPORT CONCERNING THE CONFLICT IN UGANDA.

(a) SENSE OF CONGRESS.—It is the sense of the Congress that the United States should—

(1) exhaust all diplomatic means and pressures, including the creation of a United States role in negotiating humanitarian access to hitherto inaccessible populations which would offer an opportunity to bring the warring parties together to build confidence, to support an immediate peaceful resolution to the 16-year old conflict in Northern Uganda that has—

(A) killed an estimated 23,000 people, including 12,000 civilians,

(B) resulted in the forced abduction, sexual servitude, and armed recruitment of between 16,000 to 26,000 Ugandan children by the Lord's Resistance Army, a renegade army that has in the past sought refuge in southern Sudan and raided villages in northern Uganda,

(C) displaced over 800,000 Ugandan citizens and Sudanese refugees,

(D) resulted in the death and abduction of humanitarian aid workers, and

(E) gravely inhibited the delivery of emergency assistance and food aid to nearly 1 million northern Ugandan civilians dependent on such assistance for survival;

(2) urge rebel forces to stop the abduction of children, urge all forces to stop the use of child soldiers, and seek the release of all forcibly-held children;

(3) make available technical assistance resources to seek, track, and stop funding for the Lord's Resistance Army (LRA) from all sources and condemn all governments and organizations who do assist the LRA;

(4) monitor and support negotiations conducted by third-party institutions for an immediate cease-fire between the LRA and the Ugandan Government, and to explore the possibility of facilitating the creation of mechanisms for an international monitoring team to enforce this cease-fire as the first step in the process toward a permanent peace;

(5) continue supporting the Sudan Peace Process and Danforth Initiative, which includes peace talks, donor coordination, regional support, civilian

protection and monitoring, and cease-fire verification and consider modeling aspects of this process in northern Uganda;

(6) make available sufficient resources to meet the immediate relief of the towns and cities supporting large displaced populations, including food, clean water, medicine, shelter, and clothing;

(7) make available increased resources for assistance to released and returned abducted children and child soldiers and ensure that amnesty is provided when appropriate;

(8) work with other donors and the Ugandan Government to increase resources and technical support to the Uganda Amnesty Commission for the increased demobilization of rebel combatants;

(9) examine ways in which development assistance can help those living in protective villages in northern Uganda return to and cultivate farmland; and

(10) condition military assistance to Uganda on its international compliance with sustained troop withdrawals from the Democratic Republic of Congo where the presence of Ugandan armies has contributed to the violence and instability in the region.

(b) REPORTS TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, and not later than April 1 of each subsequent year, the Secretary shall submit to the appropriate congressional committees a report on the comprehensive actions of the United States in seeking a peaceful and immediate solution to conflict in northern Uganda as well as humanitarian assistance efforts to the region, including efforts to advance each area addressed in subsection (a).

SEC. 707. REQUIREMENT FOR REPORT ON UNITED STATES POLICY TOWARD HAITI.

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

(1) The United States has a political and economic interest and a humanitarian and moral responsibility in assisting the Government and people of Haiti in resolving the country's problems and challenges.

(2) The situation in Haiti is increasingly cause for alarm and concern, and a sustained, coherent, and active approach by the United States Government is needed to make progress toward resolving Haiti's political and economic crises.

(b) REQUIREMENT FOR REPORT.—Not later than 60 days after the date of enactment of this Act, the Sec-

retary, in consultation with the Secretary of the Treasury, shall submit to the appropriate congressional committees a report that describes United States policy toward Haiti. The report shall include the following:

(1) A description of the activities carried out by the United States Government to resolve Haiti's political crisis and to promote the holding of free and fair elections in Haiti at the earliest possible date.

(2) A description of the activities that the United States Government anticipates initiating to resolve the political crisis and promote free and fair elections in Haiti.

(3) An assessment of whether Resolution 822 issued by the Permanent Council of the Organization of American States on September 4, 2002, is an appropriate framework for a multilateral approach to resolving the political and economic crises in Haiti.

(4) A description of the status of efforts to release the approximately $146,000,000 in loan funds that have been approved by the Inter-American Development Bank to Haiti for the purposes of rehabilitating rural roads, reorganizing the health sector, improving potable water supply and sanitation, and providing basic education, a description of any ob-

stacles that are delaying the release of the loan funds, and recommendations for overcoming such obstacles, including whether any of the following would facilitate the release of such funds:

(A) Establishing an International Monetary Fund staff monitoring program in Haiti.

(B) Obtaining bridge loans or other sources of funding to pay the cost of any arrears owed by the Government of Haiti to the Inter-American Development Bank.

(C) Providing technical assistance to the Government of Haiti to permit the Government to meet international financial transparency and other requirements.

SEC. 708. REPORT ON THE EFFECTS OF PLAN COLOMBIA ON ECUADOR.

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

(1) Section 695 of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107–228) required the Secretary of State to submit a report to Congress on the impact of Plan Colombia on Ecuador and the other adjacent countries to Colombia within 150 days after the date of the enactment of that Act.

(2) The 150 day time period for the submission of such report has lapsed without a report being submitted to the Congress.

(3) There continues to be growing alarm concerning the spillover effect of Plan Colombia on Ecuador, a frontline state, especially in the northern region of Ecuador which includes the Sucumbios province.

(b) REPORT TO CONGRESS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of State shall submit a report to the appropriate congressional committees which sets forth—

(A) a statement of policy and comprehensive strategy for United States activities in Colombia related to the impact of Plan Colombia on Ecuador and the other adjacent countries to Colombia; and

(B) the reasons for the failure of the Department of State to submit the report required by section 695 of Public Law 107–228 within the time period mandated by law.

SEC. 709. REPORT ON ACTIONS TAKEN BY PAKISTAN.

For each of fiscal years 2004 and 2005, the President shall prepare and transmit to the appropriate congres-

sional committees a report that contains a description of the extent to which the Government of Pakistan—

(1) has closed all known terrorist training camps operating in Pakistan and Pakistani-held Kashmir;

(2) has established serious and identifiable measures to prohibit the infiltration of Islamic extremists across the ''Line of Control'' (LoC) into India; and

(3) has ceased the transfer of weapons of mass destruction, including any associated technologies, to any third country or terrorist organization.

SEC. 710. REPORT ON DEMOCRACY IN THE WESTERN HEMISPHERE.

(a) FINDINGS.—Congress finds the following:

(1) Although 34 out of 35 countries in the Western Hemisphere have held elections for civilian leaders of national, regional, and local governments, many of these countries have failed to successfully develop independent democratic institutions, transparent and accountable governance, and effective means of guaranteeing the rule of law, which are key components of a fully functioning democracy.

(2) The rule of law, independent democratic institutions, and transparent, accountable governance

are essential for guaranteeing human rights, especially civil, political, and labor rights.

(3) The rule of law, independent democratic institutions, and transparent accountable governance are also necessary for promoting successful economic development and reliable trading and investment mechanisms.

(4) In part because of the lack of these three factors, progress on human rights and economic development has lagged or been uneven in much of the Western Hemisphere, leading some to question the benefits of democracy itself as a path for improving the lives of individuals in the hemisphere.

(5) For democracy to continue in many of these countries, for human rights to improve, and for regional economic integration to be successful, the rule of law, independent democratic institutions, and transparent accountable governance must be strengthened.

(6) As a strong supporter of democracy and human rights and as an advocate of regional economic integration, it is in the interests of the United States to enhance its efforts to promote a deepening of democracy in the Western Hemisphere, particularly through strengthening the rule of law, inde-

pendent democratic institutions, and transparent accountable governance.

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary, in consultation with the heads of other Federal departments and agencies as necessary, shall prepare and submit to the appropriate congressional committees a report on the state of democracy in each country in the Western Hemisphere (other than the United States and Canada). For each such country, the report shall provide the following:

(1) A description of its system of government, including schedule of elections, manner of judicial appointments, and responsibilities of each branch of government.

(2) An assessment of—

(A) the state of the rule of law;

(B) the power and independence of each branch of government and institutions;

(C) the transparence and accountability in governance; and

(D) the effect on human rights, particularly civil and political rights, caused by the presence (or lack thereof) of any of the factors in subparagraphs (A) through (C); and

(E) the effect on economic development caused by the presence (or lack thereof) of any of the factors in subparagraphs (A) through (C).

(3) A description of efforts to strengthen the rule of law, independent institutions, or transparent governance in the country, whether through local efforts or through efforts funded or implemented by the United States, the Organization of American States (OAS), or others.

SEC. 711. REPORT CONCERNING INTERNAL AND INTRA-REGIONAL CONFLICTS IN THE GREAT LAKES REGION OF AFRICA.

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

(1) The Great Lakes region of Central Africa has a history of colonial based ethnic divisions, political violence, and civil wars which have perpetuated conditions conducive to chronic poverty and turmoil over the past decade. The countries of the Great Lakes region are heavily embroiled in the conflicts within their neighbors borders. At different times, the war in the Democratic Republic of Congo (DRC) has involved more outside countries than any other contemporary war in Africa's history, (including An-

gola, Rwanda, Uganda, Zimbabwe, Burundi, Sudan, Chad, Namibia, and Central African Republic).

(2) The region is hallmarked by genocide, the recruitment of child soldiers, war crimes, systematic rape of women and violence directed against children, corruption, and the illegal exploitation of natural resources on a global scale. Civil wars, conflicts over natural resources, and structural violence in the Great Lakes have resulted in—

(A) the death of approximately three million people through direct and indirect causes of the war in the DRC since 1998;

(B) the deaths of at least 800,000 people during the 1994 genocide in Rwanda;

(C) the deaths of an estimated 300,000 people through direct and indirect causes of the war in Burundi since 1993;

(D) the deaths of thousands in Uganda;

(E) the forced abduction, sexual servitude, and armed recruitment of thousands of children;

(F) the displacement of millions of Ugandan, Burundian, Congolese, Rwandan, and Sudanese refugees;

(G) the death and abduction of humanitarian aid workers throughout the region; and

(H) grave disruptions in the delivery of emergency assistance and food aid to millions of civilians in northern Uganda, eastern Congo, and Burundi dependent on such assistance for survival.

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

(1) exhaust all diplomatic means and utilize all foreign policy instruments to help peacefully resolve conflicts in the Great Lakes region by supporting both national and regional political, economic, and social initiatives conducive to fostering African-led peace, reconstruction, and political and economic institutional and structural transformation processes in Uganda, Rwanda, Burundi, and the Democratic Republic of Congo;

(2) urge all rebel forces to stop the abduction of children, urge all armed forces to stop the use of child soldiers, and seek the release of all forcibly-held children;

(3) make available technical assistance resources to seek, track, and stop funding for all armed extremist paramilitary and militarist rebel or-

ganizations from all sources and condemn all governments and organizations who do assist such groups;

(4) monitor and support negotiations conducted by third-party institutions for an immediate end of armed actions between: The LRA and the Ugandan Government; the RCD factions and MLC and the government of Democratic Republic of the Congo under the terms of the Lusaka Accords; the FDD and the Burundian Government under the terms of the Arusha Accords;

(5) explore the possibility of facilitating the creation of mechanisms for an international monitoring team to enforce cease-fires as the first step in the process toward a permanent peace in the region;

(6) continue supporting the Sudan Peace Process, the Danforth Initiative, the Lusaka Accords, and the Arusha Accords which includes peace talks, donor coordination, regional support, civilian protection and monitoring, and cease-fire verification;

(7) make available sufficient resources to meet the immediate relief needs of the towns and cities in the Great Lakes region supporting large displaced populations, including food, clean water, medicine, shelter, and clothing;

(8) make available increased resources for assistance to released and returned abducted children and child soldiers in the Great Lakes Region and ensure that amnesty is provided when appropriate;

(9) work with other donors and the Governments of Uganda, Burundi, Rwanda, and the Democratic Republic of Congo to increase resources and technical support to both regional and national combatant demobilization entities such as the Uganda Amnesty Commission in Uganda and equivalent entities in Burundi, Rwanda, and the Democratic Republic of Congo for the increased demobilization of rebel combatants;

(10) examine ways in which development assistance (DA) can help those living in protective villages in northern Uganda, eastern Congo, and other demilitarized areas in Rwanda and Burundi to return to and cultivate farmland;

(11) condition military assistance to any nation which acts to destabilize the DRC by violating international agreements regarding sustained troop withdrawals and respect for the territorial integrity of the DRC; and

(12) direct the Secretary of State to appoint a special envoy to the Great Lakes region to oversee

cross-cutting security and economic policies in the region.

(c) REPORTS TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, and not later than April 1 of each subsequent year, the Secretary should submit to the appropriate congressional committees a report on the comprehensive actions taken by the United States in promoting peaceful and immediate solutions to the internal and intra-regional conflicts in the Great Lakes region, including taking steps to bring an end to the illegal exploitation and international trade of natural resources from the Democratic Republic of Congo; supporting bilateral and multilateral peace keeping initiatives; the promotion of regional economic integration; the promotion of broad based democratic political processes based on the rule of law; the promotion of women and other previously disadvantaged communities as equal political and economic stakeholders in societies; and humanitarian assistance efforts in the region, including efforts to advance each area addressed in subsection (a).

SEC. 712. REPORT CONCERNING OBSERVER STATUS FOR TAIWAN AT THE SUMMIT OF THE WORLD HEALTH ASSEMBLY.

Not later than 30 days after the date of the enactment of this Act, and not later than April 1 of each year

thereafter, the Secretary of State shall submit a report to the Congress, in unclassified form, describing the United States plan to endorse and obtain observer status for Taiwan at the annual week-long summit of the World Health Assembly (WHA) held by the World Health Organization (WHO) in May of each year in Geneva, Switzerland. Each report shall include the following:

(1) An account of the efforts the Department of State has made, following the previous year's meeting of the World Health Assembly to enourage WHO member states to promote Taiwan's bid to obtain observer status.

(2) The steps the Department of State will take to endorse and obtain observer status at the forthcoming annual meeting of the World Health Assembly in Geneva, Switzerland.

Subtitle B—Other Matters

SEC. 721. SENSE OF CONGRESS RELATING TO EAST TIMOR, JUSTICE, AND REHABILITATION.

The Congress—

(1) recalls that the United Nations International Commission of Inquiry concluded in January 2000 that ''the Indonesian Army was responsible for the intimidation, terror, killings and other acts

of violence'' during East Timor's vote for independence in 1999;

(2) reiterates that justice for crimes against humanity and war crimes committed in East Timor during the vote for independence in 1999 is crucial for peace, reconciliation, and the ongoing nation-building process in East Timor and Indonesia;

(3) finds that the ad hoc Human Rights Court on East Timor established by the Indonesian Government in 2001 has inadequately brought to justice the perpetrators of these crimes as eleven of fourteen defendants have been acquitted as a result of poor indictments and the absence of an adequate witness protection program, and four of the five sentences imposed have been less than the minimum allowed under the Indonesian Human Rights Law;

(4) supports the work of the Joint United Nations-East Timor Serious Crimes Unit (SCU), which filed indictments against high-ranking Indonesian officers who were allegedly involved in the crimes, including Gen. Wiranto, Maj. Gen. Kiki Syahnakri, Maj. Gen. Zacky Anwar Makarim, Maj. Gen. Adam Damiri, Col. Suratman, Col. Noer Muis, Col. Yayat Sudrajat and former Governor Abilio Soares, and expresses its strong disappointment that the Indo-

nesian Government has stated its intention to ignore the indictments;

(5) calls on the State Department and the United States Mission to the United Nations to push for a comprehensive United Nations review of the Indonesian ad hoc Human Rights Court on East Timor, including a review of the conduct of trials, the indictment strategy by the prosecutors and its adherence to the international standards, and urges the State Department to consider alternative mechanisms of justice for East Timor, including the establishment of an ad hoc international tribunal; and

(6) urges the Indonesian Government to fully cooperate with the joint United Nations-East Timor Serious Crimes Unit (SCU) and encourages the United States to urge the Indonesian Government to fully cooperate with the SCU.

SEC. 722. SENSE OF CONGRESS CONCERNING HUMAN RIGHTS AND JUSTICE IN INDONESIA.

The Congress—

(1) notes with grave concern that members of the Indonesian security forces, particularly the Army Special Forces (Kopassus) and the Police Mobile Brigade (Brimob), continue to commit many serious human rights violations, including extrajudicial

killings, torture, rape, and arbitrary detention, particularly in areas of conflict such as Aceh, Papua, the Moluccas, and Central Sulawesi;

(2) notes with grave concern that the Government of Indonesia largely fails to hold soldiers and police accountable for extrajudicial killings and other serious human rights abuses, both past and present;

(3) condemns the intimidation and harassment of human rights and civil society organizations and activists by members of Indonesian security forces and by military-backed militia groups, particularly in Aceh and Papua;

(4) notes with concern the Indonesian military's resistance to civilian control and oversight, its lack of budgetary transparency, and its continuing emphasis on internal security within Indonesia;

(5) urges the Indonesian government and military to provide full, active, and unfettered cooperation with the investigation of the Federal Bureau of Investigation of the United States Department of Justice into the August 31, 2002 attack near Timika, Papua, which killed three people (including two Americans, Rick Spier and Ted Burgon), and injured 12 others, and which appears likely to have

been perpetrated at least in part by members of the Indonesian military;

(6) commends the December 2002 signing of the Framework Agreement on Cessation of Hostilities in Aceh, but condemns the recent outbreaks of violence and militia activity that appear calculated to subvert that cease-fire agreement;

(7) notes with grave concern the continued detention of Muhammad Nazar, and the fact that those responsible for the murders of other prominent members of civil society in Aceh, such as Jafar Siddiq Hamzah, Sukardi, Sulaiman Ahmad, Tengku Safwan Idris, Nashiruddin Daud, and Zaini Sulaiman, still have not been apprehended, prosecuted, or punished;

(8) commends the ''Zone of Peace'' initiative in Papua, which has brought together civic, religious, governmental, and police representatives to discuss productive means of avoiding conflict, but expresses concern at the refusal of the Indonesian military to participate in that effort; and

(9) encourages the Government of Indonesia to expedite the reunification of separated East Timorese children with their families, and to hold legally accountable those individuals and organizations re-

sponsible for taking those children and for obstructing reunification efforts.

SEC. 723. AMENDMENT TO THE INTERNATIONAL RELIGIOUS FREEDOM ACT OF 1998.

Section 207(a) of the International Religious Freedom Act of 1998 (22 U.S.C. 6435(a)) is amended by inserting ''and for each subsequent fiscal year'' after ''2003''.

SEC. 724. SENSE OF CONGRESS WITH RESPECT TO HUMAN RIGHTS IN CENTRAL ASIA.

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

(1) The Central Asian nations of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan are providing the United States with assistance in the war in Afghanistan, from military basing and overflight rights to the facilitation of humanitarian relief.

(2) In turn, the United States victory over the Taliban in Afghanistan provides important benefits to the Central Asian nations by removing a regime that threatened their security and by significantly weakening the Islamic Movement of Uzbekistan, a terrorist organization that had previously staged armed raids from Afghanistan into the region.

(3) The United States has consistently urged the nations of Central Asia to open their political systems and economies and to respect human rights, both before and since the attacks of September 11, 2001.

(4) Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan are members of the United Nations and the Organization for Security and Cooperation in Europe (OSCE), both of which confer a range of obligations with respect to human rights on their members.

(5) While the United States recognizes marked differences among the social structures and commitments to democratic and economic reform of the Central Asian nations, the United States notes nevertheless, according to the State Department Country Reports on Human Rights Practices, that all five governments of such nations, to differing degrees, restrict freedom of speech and association, restrict or ban the activities of human rights organizations and other nongovernmental organizations, harass or prohibit independent media, imprison political opponents, practice arbitrary detention and arrest, and engage in torture and extrajudicial executions.

(6) By continuing to suppress human rights and to deny citizens peaceful, democratic means of expressing their convictions, the nations of Central Asia risk fueling popular support for violent and extremist movements, thus undermining the goals of the war on terrorism.

(7) President George W. Bush has made the defense of human dignity, the rule of law, limits on the power of the state, respect for women and private property, free speech, equal justice, religious tolerance strategic goals of United States foreign policy in the Islamic world, arguing that ''a truly strong nation will permit legal avenues of dissent for all groups that pursue their aspirations without violence''.

(8) Congress has expressed its desire to see deeper reform in Central Asia in past resolutions and other legislation, most recently conditioning assistance to Uzbekistan and Kazakhstan on their progress in meeting commitments to the United States on human rights and democracy.

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

(1) the governments of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and

Uzbekistan should accelerate democratic reforms and fulfill their human rights obligations, including, where appropriate, by—

(A) releasing from prison anyone jailed for peaceful political activism or the nonviolent expression of their political or religious beliefs;

(B) fully investigating any credible allegations of torture and prosecuting those responsible;

(C) permitting the free and unfettered functioning of independent media outlets, independent political parties, and nongovernmental organizations, including by easing registration processes;

(D) permitting the free exercise of religious beliefs and ceasing the persecution of members of religious groups and denominations that do not engage in violence or political change through violence;

(E) holding free, competitive, and fair elections; and

(F) making publicly available documentation of their revenues and punishing those engaged in official corruption;

(2) the President, the Secretary of State, and the Secretary of Defense should—

(A) continue to raise at the highest levels with the governments of the nations of Central Asia specific cases of political and religious persecution, and to urge greater respect for human rights and democratic freedoms at every diplomatic opportunity;

(B) take progress in meeting the goals specified in paragraph (1) into account when determining the scope and nature of United States diplomatic and military relations and assistance with each of such governments;

(C) ensure that the provisions of foreign operations appropriations Acts are fully implemented to ensure that no United States assistance benefits security forces in Central Asia that are implicated in violations of human rights;

(D) press the Government of Turkmenistan to implement the helpful recommendations contained in the 2003 resolution on Turkmenistan of the United Nations Commission on Human Rights and the so-called ''Moscow Mechanism'' Report of the Organiza-

tion for Security and Cooperation in Europe (OSCE), respect the right of all prisoners to due process and a fair trial and release democratic activists and their family members from prison;

(E) urge the Government of Russia not to extradite to Turkmenistan members of the political opposition of Turkmenistan;

(F) work with the Government of Kazakhstan to create a political climate free of intimidation and harassment, including releasing political prisoners and permitting the return of political exiles, and to reduce official corruption, including by urging the Government of Kazakhstan to cooperate with the ongoing United States Department of Justice investigation;

(G) support through United States assistance programs individuals, nongovernmental organizations, and media outlets in Central Asia working to build more open societies, to support the victims of human rights abuses, and to expose official corruption; and

(H) press the Government of Uzbekistan to implement fully the recommendations made

to the Government of Uzbekistan by the United Nations' Special Rapporteur on Torture; and

(3) increased levels of United States assistance to the governments of the nations of Central Asia made possible by their cooperation in the war in Afghanistan can be sustained only if there is substantial and continuing progress toward meeting the goals specified in paragraph (1).

SEC. 725. TECHNICAL CORRECTION TO AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2003 FOR CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST.

Section 112(3) of the Foreign Relations Authorization Act, Fiscal Year 2003 (116 Stat. 1358; Public Law 107–228) is amended by striking ''$15,000,000'' and inserting ''$18,000,000''.

SEC. 726. UNDER SECRETARY OF COMMERCE FOR INDUSTRY AND SECURITY.

(a) UNDER SECRETARY.—There shall be in the Department of Commerce an Under Secretary of Commerce for Industry and Security who shall serve as the head of the Bureau of Industry and Security and perform such duties as the Secretary of Commerce shall prescribe. The Under Secretary of Commerce for Industry and Security

shall be appointed by the President by and with the advice and consent of the Senate.

(b) INCUMBENT.—The individual serving on the date of the enactment of this Act as the Under Secretary of Commerce for Export Administration shall serve as the Under Secretary of Commerce for Industry and Security until such time as a successor is appointed under subsection (a).

(c) COMPENSATION.—Section 5314 of title 5, United States Code, is amended by striking ''Under Secretary of Commerce for Export Administration'' and inserting ''Under Secretary of Commerce for Industry and Security''.

(d) CONFORMING AMENDMENTS.—Section 15(a) of the Export Administration Act of 1979 (50 U.S.C. App. 2414(a)) is amended—

(1) by striking the first sentence; and

(2) in the second sentence, by striking ''in carrying out such functions'' and inserting ''of Commerce for Industry and Security in carrying out the functions of the Under Secretary''.

SEC. 727. CONCERNING THE SPREAD OF WEAPONS OF MASS DESTRUCTION.

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

(1) The proliferation of weapons of mass destruction presents a direct threat to the stability, security, and safety of nations around the globe.

(2) Combatting the spread of such weapons is a responsibility borne by all nations.

(3) United States efforts to stop the further spread of these weapons can be further enhanced by cooperative efforts between the United States and the European Union.

(4) There are many different components in this effort that require a comprehensive approach, immediate attention, and vigorous action, including the ''10+10 over 10 Initiative'' agreed to by the United States and many members of the European Union.

(5) Stopping the spread of weapons of mass destruction is made more difficult when states willingly participate in, or contribute to, their development or their sale or transfer to other nations.

(6) Stopping the spread of weapons of mass destruction is made more difficult when private companies willingly participate in, or contribute to, their development or their sale or transfer to other nations.

(7) United States security and safety is undermined when companies engage in such commerce.

(b) SENSE OF CONGRESS.—The Congress call on the European Union to—

(1) develop an aggressive and robust regulatory system designed to—

(A) investigate allegations of companies contributing to the development of weapons of mass destruction or their sale or transfer to other nations;

(B) isolate and comdemn companies found to participate in, or contribute to, the development of such weapons or their sale or transfer to other nations; and

(C) develop a punitive response designed to punish such companies, thereby preventing further actions on their part and discouraging other companies from engaging in such actions;

(2) condemn, by name, states known to be contributing to the development or spread of weapons of mass destruction; and

(3) develop appropriate punitive measures designed to discourage further actions.

SEC. 728. INTERNATIONAL AGRICULTURAL BIOTECHNOLOGY INFORMATION PROGRAM.

(a) IN GENERAL.—The Department of State shall provide to other countries, as appropriate, the scientific evidence on the benefits, safety, and potential uses of agricultural biotechnology.

(b) SPECIFIC OBJECTIVES.—The Secretary of State shall—

(1) chair an interagency task force comprised of representatives of the Department of Commerce, the Department of Agriculture, and the United States Agency for International Development to develop and disseminate accurate written scientific information on the potential benefits of agricultural biotechnology for human and animal nutrition, the environment, food and feed production, agricultural sustainability, and bioenergy development;

(2) coordinate the development and dissemination of scientifically-based facts regarding, the safety and regulation of biotechnology-derived food and feed products;

(3) instruct the United States Agency for International Development (USAID) to develop a program to demonstrate the potential benefits of agricultural biotechnology to develop products that can be grown under local soil and climate conditions and

better meet the health and nutritional needs of local populations in the developing world; and

(4) ensure that personnel undertaking these activities are knowledgeable of, and disseminate information on, the United States regulatory safeguards that assure food and environmental safety.

SEC. 729. REFUGEE RESETTLEMENT BURDENSHARING.

It is the sense of the Congress that—

(1) the Secretary of State should actively encourage the international community to accept refugees for resettlement on a more equitable basis;

(2) the Secretary of State should raise the issue of refugee resettlement burdensharing at the United Nations and other multilateral and bilateral meetings;

(3) developed countries should be encouraged to increase the percentage of the world's refugees accepted for resettlement; and

(4) the Secretary of State should encourage developing stable countries in regions with refugee flows to accept for resettlement as many of their neighbors as possible.

SEC. 730. SENSE OF CONGRESS REGARDING MIGRATION ISSUES BETWEEN THE UNITED STATES AND MEXICO.

(a) FINDINGS.—The Congress finds as follows:

(1) During President Bush's first meeting with President Fox in Guanajuato, Mexico, the Presidents stated in the Joint Communique of February 16, 2001 that ''we are instructing our Governments to engage, at the earliest opportunity, in formal high level negotiations aimed at achieving short and long-term agreements that will allow us to constructively address migration and labor issues between our two countries.''.

(2) During President Fox's official visit to Washington, D.C., the Joint Statement of September 6, 2001, summarized the meeting as follows: ''The Presidents reviewed the progress made by our joint working group on migration chaired by Secretaries Powell, CastaZeda, and Creel and Attorney General Ashcroft and noted this represented the most fruitful and frank dialogue we have ever had on a subject so important to both nations. They praised implementation of the border safety initiative, and recognized that migration-related issues are deeply felt by our publics and vital to our prosperity, well-being, and the kind of societies we want to

build. They renewed their commitment to forging new and realistic approaches to migration to ensure it is safe, orderly, legal and dignified, and agreed on the framework within which this ongoing effort is based. This includes: matching willing workers with willing employers; serving the social and economic needs of both countries; respecting the human dignity of all migrants, regardless of their status; recognizing the contribution migrants make to enriching both societies; shared responsibility for ensuring migration takes place through safe and legal channels. Both stressed their commitment to continue our discussions, instructing the high-level working group to reach mutually satisfactory results on border safety, a temporary worker program and the status of undocumented Mexicans in the United States. They requested that the working group provide them proposals with respect to these issues as soon as possible. The Presidents recognized that this is an extraordinarily challenging area of public policy, and that it is critical to address the issue in a timely manner and with appropriate thoroughness and depth.''.

(3) On September 7, 2001, during President Fox's historic State Visit to Washington, the United

States and Mexico issued a joint statement instructing our cabinet-level working group to provide us with specific proposals to forge a new and realistic framework that will ensure a safe, legal, orderly, and dignified migration flow between our countries. We have today agreed that our Cabinet level migration group should continue the work we charged it with in Guanajuato and Washington.

(4) When the Presidents met in Monterrey, Mexico, the Presidents stated in a Joint Statement on March 22, 2002, as follows: ''Slightly more than one year ago, in Guanajuato, we talked about migration as one of the major ties that join our societies. We launched then the frankest and most productive dialogue our countries have ever had on this important and challenging subject. Those talks have continued over the past year, and have yielded a clearer assessment of the scope and nature of this issue. This bond between our nations can render countless benefits to our respective economies and families.

(5) Over the past year, important progress has been made to enhance migrant safety and particularly in saving lives by discouraging and reducing illegal crossings in dangerous terrain.

(6) At the conclusion of the Mexico-United States Binational Commission (BNC) meeting in Mexico City in November 2002, Secretary of State Powell's press conference was summarized by the State Department as follows: The BNC's migration working group ''affirmed our strong commitment to advancing our bilateral migration agenda,'' he stressed, adding that ''there should be no doubt in anyone's mind that this is a priority for President Bush, just as it is a priority for [Mexican] President [Vicente] Fox.''.

(7) Secretary Powell said no schedule had been established for a migration accord, but he confirmed that the United States and Mexico want to come up with a series of migration initiatives over the course of the next six months to a year.

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

(1) that the United States and Mexico should as soon as is practicable conclude negotiations in an attempt to reach a migration accord that is as comprehensive as possible and which addresses the key issues of concern for both nations; and

(2) that as part of any migration agreement between the United States and Mexico, the issues of

the extradition of violent criminals and law enforcement cooperation between the two nations be addressed.

SEC. 731. SENSE OF CONGRESS CONCERNING UNITED STATES ASSISTANCE TO PALESTINIAN REFUGEES.

The Congress—

(1) recognizes the importance of United States humanitarian assistance to Palestinian refugees as an essential component to the peace process in the Middle East;

(2) acknowledges the hardships endured by many innocent Palestinian refugees in the West Bank and Gaza Strip and in other neighboring countries;

(3) notes that the United Nations High Commission for Refugees (UNHCR) is the international body that seeks to find ''lasting solutions'' to the plight of refugees throughout the world, with the sole exception of the Palestinians, for whose exclusive benefit a special agency, the United Nations Relief and Works Agency (UNRWA), was established in 1950 and which makes no effort to permanently resettle Palestinian refugees, even those who reside under the jurisdiction of the Palestinian Authority,

in order to ensure the perpetuation of the problem of Palestinian refugees;

(4) recognizes that the United States has been the world's leading donor to UNRWA, having provided over $2,500,000,000 to UNRWA since 1950, including the provision of $110,000,000, in fiscal year 2002, and that such organization has provided important humanitarian assistance to the Palestinian people;

(5) notes that the United States contribution to UNRWA is nearly 10 times that of the entire Arab world, and calls on Arab states to assume a greater share of the burden for financing UNWRA;

(6) expresses its outrage over credible reports that UNRWA facilities have been used for terrorist training and bases for terrorist operations, with little attempt by the UNRWA to stop or oppose such attacks or alert relevant law enforcement authorities about such terrorist activities;

(7) expresses deep concern over the textbooks and educational materials used in the UNRWA educational system that promote anti-Semitism, denial of the existence and the right to exist of the state of Israel, and exacerbate stereotypes and tensions between the Palestinians and Israelis;

(8) strongly urges the Secretary General of the United Nations to immediately take steps to comprehensively reform the UNRWA so that it actively works to oppose terrorist attacks and actively works to promote reconciliation and understanding between the Israelis and Palestinians;

(9) strongly urges UNRWA to meet the requirements, in letter and spirit, of section 301(c) of the Foreign Assistance Act of 1961, including by comprehensively ensuring that no UNRWA assistance is rendered to anyone who has been involved with terrorism at any time and that all UNRWA beneficiaries be informed at the earliest possible time, and at regular intervals thereafter, that anyone involved with terrorism thereafter will be ineligible for UNRWA benefits;

(10) strongly urges the Secretary of State to make UNRWA reforms a priority at the United Nations by actively campaigning within the United Nations to support such reforms, including comprehensive and independently verifiable audits of UNRWA activities and educational reform that would remove from the curriculum all textbooks and educational materials that promote hatred of Jews and Israel and denial of Israel's right to exist and replace them

with teaching materials that promote Israeli-Palestinian reconciliation and mutual understanding; and

(11) notes the General Accounting Office (GAO) audit required by section 580 of the FY 2003 Foreign Operations Appropriations Act (Public Law 108–7), and strongly encourages the GAO to conduct, as part of this audit, an investigation and inspection of all recent United States assistance to UNRWA to ensure that taxpayer funds are being spent effectively and are not directly or indirectly supporting terrorism, anti-Semitic or anti-Jewish teachings, or the glorification or incitement of violence.

SEC. 732. UNITED STATES POLICY ON WORLD BANK GROUP LOANS TO IRAN.

(a) UNITED STATES POLICY.—The Secretary of State (or a designee), in consultation with the Secretary of the Treasury, shall communicate directly with the governments of countries represented on the decision-making boards and councils of the international financial institutions of the World Bank Group and consistently convey the strong opposition of the United States Government to any further activity in Iran by the international financial institutions of the World Bank Group.

(b) REPORTS.—Not later than 90 days after the date of the enactment of this Act and one year thereafter, the Secretary of State shall submit a report on the efforts of the Secretary to carry out subsection (a) to the chairman and ranking minority member of the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

(c) WORLD BANK GROUP DEFINED.—As used in this section, the term ''World Bank Group'' means the International Bank for Reconstruction and Development, the International Development Association, the International Financial Corporation, and the Multilateral Investment Guaranty Agency.

SEC. 733. SENSE OF CONGRESS RELATING TO SOVIET NUCLEAR TESTS IN KAZAKHSTAN.

(a) FINDINGS.—Congress finds the following:

(1) In 1991, immediately after achieving independence, Kazakhstan closed and sealed the world's second largest nuclear test site in Semipalatinsk which had been inherited from the former Soviet Union and at which more than 500 nuclear tests had been conducted from 1949 to 1991.

(2) The cumulative power of explosions from those tests, conducted above ground, on the ground, and underground is believed to be equal to the power

of 20,000 explosions of the type of bomb dropped on Hiroshima, Japan, in 1945.

(3) More than 1,500,000 people in Kazakhstan suffered because of decades of Soviet nuclear weapons testing in the region.

(4) A horrifying array of disease will continue to destroy the lives of hundreds of thousands and their descendants for many generations to come as a result of these tests.

(5) Since its independence, Kazakhstan has constructed a stable and peaceful state, voluntarily disarmed the world's fourth largest nuclear arsenal, joined the Strategic Arms Reduction Treaty (START), and became an example of responsible nonproliferation of such weapons.

(6) Kazakhstan is also doing its best to help those who were exposed to the horrific nuclear experiments of the 20th century but it faces daunting challenges.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of State should work to establish a joint working group with the Government of Kazakhstan to assist in assessing the environmental damage and health effects caused by Soviet nuclear testing in Semipalatinsk.

SEC. 734. SENSE OF CONGRESS RELATING TO VIOLENCE AGAINST WOMEN.

The Congress—

(1) recalls that Article 4 of the United Nations Declaration on the Elimination of Violence Against Women (20 December 1993) outlines that states should condemn violence against women and should not invoke any custom, tradition, or religious consideration to avoid their obligations with respect to its elimination;

(2) recalls that Chapter 4, Section 125, of the Beijing Declaration and Platform for Action, Fourth World Conference on Women (15 September 1995) states that governments condemn violence against women and refrain from invoking any custom, tradition, or religious consideration to avoid their obligations with respect to its elimination as set out in the Declaration on the Elimination of Violence against Women;

(3) recalls that the United States has supported both the United Nations Declaration on the Elimination of Violence and the Beijing Declaration and Platform for Action; and

(4) reinforces the position of the United States that the United States condemns violence against women and refrains from invoking any custom, tra-

dition, or religious consideration to avoid this nation's obligations with respect to its elimination as set out in the Declaration on the Elimination of Violence against Women.

SEC. 735. SENSE OF CONGRESS CONCERNING THE TIMELY ISSUANCE OF VISAS FOR RUSSIAN WEAPONS SCIENTISTS INVOLVED IN ARMS CONTROL AND NONPROLIFERATION EXCHANGES WITH THE UNITED STATES.

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

(1) The United States visa approval system has in the past lacked proper oversight, coordination, and supervision. A more systematic, stringent, and rigorous evaluation system for visa approvals is clearly in the best interests of the United States.

(2) Many distinguished scholars, professors, researchers, and foreign associates of United States national academies have been prevented by visa delays from entering the United States for engagements at major conferences, meetings, and teaching invitations at American universities.

(3) Research collaborators for United States laboratories have also been prevented from entering the United States. Their absence halts projects and

compromises United States commitments in long-standing international cooperative agreements aimed at reducing stockpiles of weapons of mass destruction.

(4) Visa restrictions came within one day of forcing the cancellation of an important meeting in Washington, D.C. of the National Academy of Sciences Committee on United States Russian Cooperation on Nuclear Non-Proliferation.

(5) Russian weapons scientists involved in nuclear non-proliferation cooperative efforts with the United States are critical to American efforts to ensure that nuclear weapons-grade materials remain under control and out of the hands of terrorists.

(6) In a December 2002 statement, the Presidents of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine found that a United States approach to visas that welcomes qualified foreign scientists, engineers, health professionals, and students serves national goals in three distinct ways:

(A) It harnesses international cooperation for counterterrorism.

(B) It builds stronger allies through scientific and technical cooperation.

(C) It maintains United States global leadership in science and technology.

(7) The Presidents of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine have found that current United States policy toward granting visas, to foreign scientists is harmful to the United States scientific community and to the longterm well-being of the United States. They stated on December 13, 2002, that ''To make our nation safer, it is extremely important that our visa policy not only keep out foreigners who intend to do us harm, but also facilitate the acceptance of those who bring us considerable benefit. Recent efforts by our government to constrain the flow of international visitors in the name of national security are having serious unintended consequences for American science, engineering, and medicine. The long-term security of the United States depends on admitting scholars who benefit our nation. In short, the United States scientific, engineering, and health communities cannot hope to maintain their present position of international leadership if they become isolated from the rest of the world. We view this as an urgent matter, one that must be promptly addressed if the United

States is to meet both its national security and economic development goals.''.

(8) Currently, consular officials send many visa applications back to the United States for sequential security clearances by several agencies, which may lead to long delays in visa processing. Consular officers are subject to criminal penalties if they grant a visa to a person who subsequently commits a terrorist act in the United States. However, there are currently no incentives for consular officers to facilitate scientific exchanges, which may advance the national interest of the United States.

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

(1) to the extent possible and consistent with national security objectives, the United States should expedite the processing of granting visas to Russian weapons scientists, especially those participating in bilateral weapon disarmament talks, negotiations, and exchanges, to enable them to participate in cooperative nonproliferation activities with their counterparts in the United States, and

(2) the Department of State is encouraged to consider streamlining the process of granting visas for such scientists as follows:

(A) Reinstate a procedure of pre-security clearance for scientists and engineers with the proper credentials.

(B) Involve the United States scientific and technical community in determining areas of particular security concern.

SEC. 736. DESIGNATION OF FOREIGN TERRORIST ORGANIZATIONS.

(a) PERIOD OF DESIGNATION.—Section 219(a)(4) of the Immigration and Nationality Act (8 U.S.C. 1189(a)(4)) is amended—

(1) in subparagraph (A)—

(A) by striking ''Subject to paragraphs (5) and (6), a'' and inserting ''A''; and

(B) by striking ''for a period of 2 years beginning on the effective date of the designation under paragraph (2)(B)'' and inserting ''until revoked under paragraph (5) or (6) or set aside pursuant to subsection (c)'';

(2) by striking subparagraph (B) and inserting the following:

''(B) REVIEW OF DESIGNATION UPON PETITION.—

''(i) IN GENERAL.—The Secretary shall review the designation of a foreign

terrorist organization under the procedures set forth in clauses (iii) and (iv) if the designated organization files a petition for revocation within the petition period described in clause (ii).

''(ii) PETITION PERIOD.—For purposes of clause (i)—

''(I) if the designated organization has not previously filed a petition for revocation under this subparagraph, the petition period begins 2 years after the date on which the designation was made; or

''(II) if the designated organization has previously filed a petition for revocation under this subparagraph, the petition period begins 2 years after the date of the determination made under clause (iv) on that petition.

''(iii) PROCEDURES.—Any foreign terrorist organization that submits a petition for revocation under this subparagraph must provide evidence in that petition that the relevant circumstances described in

paragraph (1) have changed in such a manner as to warrant revocation with respect to the organization.

''(iv) DETERMINATION.—

''(I) IN GENERAL.—Not later than 180 days after receiving a petition for revocation submitted under this subparagraph, the Secretary shall make a determination as to such revocation.

''(II) CLASSIFIED INFORMATION.—The Secretary may consider classified information in making a determination in response to a petition for revocation. Classified information shall not be subject to disclosure for such time as it remains classified, except that such information may be disclosed to a court ex parte and in camera for purposes of judicial review under subsection (c).

''(III) PUBLICATION OF DETERMINATION.—A determination made by the Secretary under this clause shall be published in the Federal Register.

"(IV) PROCEDURES.—Any revocation by the Secretary shall be made in accordance with paragraph (6)."; and

(3) by adding at the end the following:

"(C) OTHER REVIEW OF DESIGNATION.—

"(i) IN GENERAL.—If in a 4-year period no review has taken place under subparagraph (B), the Secretary shall review the designation of the foreign terrorist organization in order to determine whether such designation should be revoked pursuant to paragraph (6).

"(ii) PROCEDURES.—If a review does not take place pursuant to subparagraph (B) in response to a petition for revocation that is filed in accordance with that subparagraph, then the review shall be conducted pursuant to procedures established by the Secretary. The results of such review and the applicable procedures shall not be reviewable in any court.

"(iii) PUBLICATION OF RESULTS OF REVIEW.—The Secretary shall publish any

determination made pursuant to this subparagraph in the Federal Register.''.

(b) ALIASES.—Section 219 of the Immigration and Nationality Act (8 U.S.C. 1189) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following new subsection (b):

''(b) AMENDMENTS TO A DESIGNATION.—

''(1) IN GENERAL.—The Secretary may amend a designation under this subsection if the Secretary finds that the organization has changed its name, adopted a new alias, dissolved and then reconstituted itself under a different name or names, or merged with another organization.

''(2) PROCEDURE.—Amendments made to a designation in accordance with paragraph (1) shall be effective upon publication in the Federal Register. Subparagraphs (B) and (C) of subsection (a)(2) shall apply to an amended designation upon such publication. Paragraphs (2)(A)(i), (4), (5), (6), (7), and (8) of subsection (a) shall also apply to an amended designation.

''(3) ADMINISTRATIVE RECORD.—The administrative record shall be corrected to include the

amendments as well as any additional relevant information that supports those amendments.

''(4) CLASSIFIED INFORMATION.—The Secretary may consider classified information in amending a designation in accordance with this subsection. Classified information shall not be subject to disclosure for such time as it remains classified, except that such information may be disclosed to a court ex parte and in camera for purposes of judicial review under subsection (c).''.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 219 of the Immigration and Nationality Act (8 U.S.C. 1189) is amended—

(1) in subsection (a)—

(A) in paragraph (3)(B), by striking ''subsection (b)'' and inserting ''subsection (c)'';

(B) in paragraph (6)(A)—

(i) in the matter preceding clause (i), by striking ''or a redesignation made under paragraph (4)(B)'' and inserting ''at any time, and shall revoke a designation upon completion of a review conducted pursuant to subparagraphs (B) and (C) of paragraph (4)''; and

(ii) in clause (i), by striking ''or redesignation'';

(C) in paragraph (7), by striking '', or the revocation of a redesignation under paragraph (6),''; and

(D) in paragraph (8)—

(i) by striking '', or if a redesignation under this subsection has become effective under paragraph (4)(B),''; and

(ii) by striking ''or redesignation''; and

(2) in subsection (c), as so redesignated—

(A) in paragraph (1), by striking ''of the designation in the Federal Register,'' and all that follows through ''review of the designation'' and inserting ''in the Federal Register of a designation, an amended designation, or a determination in response to a petition for revocation, the designated organization may seek judicial review'';

(B) in paragraph (2), by inserting '', amended designation, or determination in response to a petition for revocation'' after ''designation'';

(C) in paragraph (3), by inserting ", amended designation, or determination in response to a petition for revocation" after "designation"; and

(D) in paragraph (4), by inserting ", amended designation, or determination in response to a petition for revocation" after "designation" each place that term appears.

(d) SAVINGS PROVISION.—For purposes of applying section 219 of the Immigration and Nationality Act on or after the date of enactment of this Act, the term "designation", as used in that section, includes all redesignations made pursuant to section 219(a)(4)(B) of the Immigration and Nationality Act (8 U.S.C. 1189(a)(4)(B)) prior to the date of enactment of this Act, and such redesignations shall continue to be effective until revoked as provided in paragraph (5) or (6) of section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)).

SEC. 737. SENSE OF CONGRESS RELATING TO REGARDING SECURITY FOR TAIWAN.

(a) FINDINGS.—Congress finds the following:

(1) For over half a century a close relationship has existed between the United States and Taiwan which has been of enormous economic, cultural, and strategic advantage to both countries.

(2) Taiwan today is a full-fledged democracy with a vibrant economy and a vigorous multi-party political system that respects human rights and the rule of law.

(3) Taiwan is an ally of the United States, as most recently evidenced by Taiwan's provision of humanitarian and financial assistance to Afghanistan at the request of the United States and its support for Operation Iraqi Freedom.

(4) The security of the 23 million people in Taiwan is threatened by the deployment by the People's Republic of China of over 400 short–range ballistic missiles targeted at Taiwan, and the purchase by the PRC of advanced weaponry systems, including Su–27 and Su–30 fighter planes, Kilo submarines, and Sovremenny destroyers.

(5) Taiwan was threatened by missile exercises conducted by the PRC in August 1995 and again in March 1996 when Taiwan was conducting its first free and direct presidential elections.

(6) Section 2(b)(4) of the Taiwan Relations Act (22 U.S.C. 3301(b)(4)) considers any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat

to the peace and security of the Western Pacific area and of grave concern to the United States.

(7) Section 2(b)(6) of the Taiwan Relations Act (22 U.S.C. 3301(b)(6)) requires the United States to maintain the capacity to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan.

(8) In his January 17, 2001, confirmation hearing as Secretary of State, General Colin Powell stated that ''We will stand by Taiwan and will provide for the defense needs of Taiwan in accordance with the Taiwan Relations Act and the subsequent communiques.''.

(9) President Bush stated on April 24, 2001, that the United States will do whatever it takes to help Taiwan defend itself.

(10) In his testimony before the International Relations Committee of the House of Representatives and the Foreign Relations Committee of the Senate in February and March of 2002, Admiral Dennis Blair of the United States Pacific Command testified that ''China continued to build and exercise its force of short–range ballistic missiles ranging Taiwan. It still seeks to develop a range of military

options to influence and intimidate Taiwan, and has not abandoned the option of using force to resolve Taiwan's status.''.

(11) The July 2002 U.S.-China Economic and Security Review Commission report to Congress stated that ''China is enhancing its capability to carry out attacks across the Taiwan Strait with its special operations forces, air forces and navy and missiles forces with little notice,'' and ''the Commission recommends that the U.S. along with its allies should continue to call upon China to renounce the threat of or the use of force against Taiwan.''.

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

(1) grave concerns exist concerning the deployment by the People's Republic of China of hundreds of ballistic missiles directed toward Taiwan, which threaten the security and stability in the Taiwan Strait;

(2) the President should direct all appropriate United States officials to raise these concerns with the appropriate officials from the People's Republic of China, and should seek a public, immediate, and unequivocal renunciation from the leaders of the

People's Republic of China of any threat or use of force against Taiwan;

(3) the President should affirm with the leaders of the People's Republic of China that there will not be a quid pro quo between the dismantling of missiles aimed at Taiwan by the People's Republic of China, and arms sales to Taiwan by the United States;

(4) China should dismantle the missiles that threaten Taiwan, otherwise the President should authorize the sale of the Aegis system to Taiwan, which would enable Taiwan to defend itself against the threat of a missile attack by China; and

(5) the future of Taiwan should be determined peacefully and with the express consent of the people of Taiwan.

SEC. 738. SENSE OF CONGRESS IN APPRECIATION OF THE ARMED FORCES OF THE UNITED STATES AND REGARDING RESTORING STABILITY AND SECURITY IN IRAQ.

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

(1) The United States, with the support of forces from Great Britain and other countries, his-

torically and courageously liberated Iraq in three weeks.

(2) Conditions on the ground in parts of Iraq continue to pose a grave threat to American troops, thereby complicating efforts to restore law and order and essential public services for Iraqis. Such efforts are further complicated by the absence of effective communications with the Iraqi people.

(3) Ultimately, maintaining law and order in Iraq and preserving its territorial integrity will require the creation of a professionally trained Iraqi police force and a reformed Iraqi military; however, that will take a significant amount of time and in the meantime international armed forces and police must assume these responsibilities.

(4) Approximately 145,000 United States troops are currently deployed in Iraq, meaning that American troops comprise roughly 90 percent of Coalition forces. If, as the Department of Defense has stated, an additional 10,000 international troops join the Coalition effort in Iraq by September, Americans will still comprise roughly 85 percent of Coalition forces.

(5) Maintaining the existing force level in Iraq currently requires $3,900,000,000 each month.

(6) The Department of Defense has stated that it will require one year to train a new Iraqi Army of 12,000 soldiers and three years to train 40,000 soldiers.

(7) The Coalition Provisional Authority has stated that it will require at least one year to recruit and train a police force of 40,000 officers capable of assuming minimal policy functions in Iraq, that it will require five years to recruit and train a full force of 75,000 officers, and that at least 5500 additional international police are needed to train, assist, and jointly patrol with the existing Iraqi police force.

(8) President Bush has noted that ''The rise of Iraq, as an example of moderation and democracy and prosperity, is a massive and long-term undertaking,'' and it is clear that increasing the number of troops and police from countries other than the United States will reduce risks to American soldiers and the financial cost to the United States.

(9) Secretary Rumsfeld testified that ''We certainly want assistance from NATO and from NATO countries'' and it is clear that involving the North Atlantic Treaty Organization, as is being done in Afghanistan and has been done in Kosovo and Bosnia, allows the Coalition to maintain a robust military

presence while decreasing the exposure and risk to American troops.

(10) Rebuilding Iraq's neglected infrastructure and economy and administering Iraq—including providing basic services and paying public sector salaries—is likely to require tens of billions of dollars over several years and projected Iraqi oil revenues will be insufficient to meet these costs.

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

(1) it is in the national security interests of the United States to remain engaged in Iraq in order to ensure a peaceful, stable, unified Iraq with a representative government;

(2) the President should consider requesting formally and expeditiously that the North Atlantic Treaty Organization (NATO) raise a force for deployment in post-war Iraq similar to what it has done in Afghanistan, Bosnia, and Kosovo and the Congress urges NATO allies and other nations to provide troops and police to Coalition efforts in Iraq; and

(3) the President should consider calling on the United Nations to urge its member states to provide military forces and civilian police to promote sta-

bility and security in Iraq and resources to help rebuild and administer Iraq.

SEC. 739. ATTACKS ON UNITED STATES CITIZENS BY PALESTINIAN TERRORISTS.

(a) FINDINGS.—Congress finds the following:

(1) Since Yasser Arafat renounced violence in the Oslo Peace Accords on September 13, 1993, at least 41 United States citizens have been murdered by Palestinian terrorists and one United States citizen miscarried after being stabbed in a Palestinian terrorist attack.

(2) On December 1, 1993, in a drive-by shooting north of Jerusalem, Hamas killed United States citizen Yitzhak Weinstock, 19, whose family came from Los Angeles.

(3) On October 9, 1994, Hamas kidnapped and murdered United States citizen Nachshon Wachsman, 19, whose family came from New York City.

(4) On April 9, 1995, an Islamic Jihad bomb attack on a bus near Kfar Darom killed United States citizen Alisa Flatow, 20, from West Orange, New Jersey.

(5) On August 21, 1995, in a Hamas bus bombing in Jerusalem, United States citizen Joan Davenny, from New Haven, Connecticut, was killed.

(6) On September 9, 1995, Mara Frey of Chicago was stabbed in Ma'ale Michmash resulting in her unborn child's death.

(7) On February 25, 1996, three United States citizens, Sara Duker of Teaneck, New Jersey, Matthew Eisenfeld of West Hartford, Connecticut, and Ira Weinstein of New York City, were killed in a Hamas bus bombing in Jerusalem.

(8) On May 13, 1996, United States citizen David Boim, 17, of New York City, was killed in a drive-by shooting near Beit El, north of Jerusalem.

(9) On June 9, 1996, United States citizen Yaron Ungar was killed in a drive by-shooting near Beit Shemesh.

(10) On July 30, 1997, United States citizen Leah Stern of Passaic, New Jersey, was killed in a Hamas bombing in Jerusalem's Mahane Yehuda market.

(11) On September 4, 1997, a Hamas bombing on Ben-Yehuda Street, Jerusalem, killed Yael Botwin, 14, of Los Angeles.

(12) On April 19, 1998, an attack near the Israeli town of Maon killed United States citizen Dov Dribben, 28.

(13) On October 8, 2000, Rabbi Hillel Lieberman, 36, of New York City, was stabbed and killed near Nablus.

(14) On October 30, 2000, United States citizen Esh-Kodesh Gilmore, 25, was shot in Jerusalem.

(15) On December 31, 2000, Rabbi Binyamin Kahane, 34, and his wife, Talia Hertzlich Kahane, both formerly of New York City, were killed in a drive-by shooting near Ofra.

(16) On May 9, 2001, Jacob ''Koby'' Mandell, 13, of Silver Spring, Maryland, was killed in an attack near Tekoah.

(17) On May 29, 2001, Sarah Blaustein, 53, of Lawrence, New York, was killed in a drive-by shooting near Efrat.

(18) On August 9, 2001, two United States citizens, Judith L. Greenbaum, 31, and Malka Roth, 15, were killed in the Jerusalem Sbarro pizzeria bombing.

(19) On November 4, 2001, Shoshana Ben-Yishai, 16, of New York City, was shot and killed during an attack on a Jerusalem bus.

(20) On January 15, 2002, Avraham Boaz, 72, of New York City, was killed in a shooting near Bethlehem.

(21) On January 18, 2002, United States citizen Aaron Elis, 32, was killed in a shooting in Hadera.

(22) On February 15, 2002, United States citizen Lee Akunis, was shot and killed near Ramallah.

(23) On February 16, 2002, Keren Shatsky, 14, of New York City and Maine, and Rachel Thaler, 16, of Baltimore, Maryland, were killed in a bombing in Karnei Shomron.

(24) On February 25, 2002, United States citizen Moran Amit, 25, was stabbed and killed in Abu Tor Peace Forest, Jerusalem.

(25) On March 24, 2002, Esther Kleinman, 23, formerly of Chicago, was shot and killed near Ofra.

(26) On March 27, 2002, United States citizen Hannah Rogen, 90, was killed in a bombing at a hotel Passover seder in Netanya.

(27) On June 18, 2002, Moshe Gottlieb, 70, of Los Angeles, was killed in a bus bombing in Jerusalem.

(28) On June 19, 2002, United States citizen Gila Sara Kessler, 19, was killed in a bombing at a Jerusalem bus stop.

(29) On July 31, 2002, five United States citizens were killed in a bombing of a Hebrew University cafeteria: Marla Bennett, 24, of San Diego, Benjamin Blutstein, 25, of Susquehanna Township, Pennsylvania, Janis Ruth Coulter, 36, of Massachusetts, David Gritz, 24, of Peru, Massachusetts (and of dual French-United States citizenship), and Dina Carter, 37, of North Carolina.

(30) On March 5, 2003, Abigail Leitel, 14, who was born in Lebanon, New Hampshire, died in a bus bombing in Haifa.

(31) On March 7, 2003, United States citizens Rabbi Eli Horowitz, 52, who grew up in Chicago, and Dina Horowitz, 50, who grew up in Florida, were killed in their home.

(32) On June 11, 2003, United States citizen Alan Beer, 47, who grew up in Cleveland, was killed in bus bombing in Jerusalem.

(33) On June 20, 2003, United States citizen Tzvi Goldstein, 47, originally from New York City, was shot and killed in an attack while driving through the West Bank.

(34) At least another 79 United States citizens have been injured in Palestinian terrorist attacks.

(b) STATEMENTS OF POLICY.—Congress—

(1) condemns the attacks on United States citizens by Palestinian terrorists;

(2) calls on the Palestinian Authority to work with Israel to protect all innocent individuals, regardless of citizenship, from terrorist atrocities;

(3) offers its condolences to the families and loved ones of United States citizens who were killed by Palestinian terrorist attacks; and

(4) calls on the Secretary of State to include a listing of the killing of every United States citizen by terrorists in the ''Chronology of Significant Terrorist Incidents'', as included in the Department of State's Patterns of Global Terrorism Report issued after the date of the enactment of this Act.

SEC. 740. SENSE OF CONGRESS AND REPORT CONCERNING WASTEWATER TREATMENT AND THE INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO.

(a) FINDINGS.—The Congress finds as follows:

(1) The failure by the International Boundary and Water Commission, United States and Mexico, to complete negotiations on a new Treaty Minute with Mexico, as directed by Congress in Public Law 106–457, has endangered the health of the residents of San Diego County.

(2) The continued flow of Mexican sewage on San Diego, California, beaches has caused extensive and persistent beach closings thereby causing economic hardship to the local economy.

(3) The International Boundary and Water Commission has shown insignificant progress in negotiations with Mexico.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the United States Section of the International Boundary and Water Commission shall make treaty negotiations with Mexico on the establishment of a public-private partnership to construct and operate a wastewater treatment facility in Mexico as outlined in Public Law 106–457 a priority.

(c) REPORT TO CONGRESS.—The United States Section of the International Boundary and Water Commission, United States and Mexcio, shall submit monthly reports to the appropriate congressional committees concerning progress in negotiations on a new Treaty Minute with Mexico.

SEC. 741. SENSE OF CONGRESS REGARDING ALLOCATION OF RESOURCES FOR THE DEPARTMENT OF STATE AS THE CENTRAL AUTHORITY FOR THE UNITED STATES UNDER THE HAGUE CONVENTION ON INTERCOUNTRY ADOPTION.

It is the sense of the Congress that the Department of State should direct significant resources to their new role as the central authority for the United States under the Hague Convention on Intercountry Adoption.

SEC. 742. TRANSFER OF VIETNAM-ERA CESSNA L–19D BIRD DOG AIRCRAFT TO ARMY AVIATION HERITAGE FOUNDATION.

(a) AUTHORITY TO CONVEY.—The Secretary of State may convey, without consideration, to the Army Aviation Heritage Foundation, a nonprofit organization incorporated in the State of Georgia, all right, title, and interest of the United States in and to a Vietnam-era Cessna L–19D Bird Dog aircraft (serial No. 24020, National registration number N32FL)(in this section re-

ferred to as the ''aircraft'') that is excess to the needs of the Department of State. The conveyance shall be made by means of a conditional deed of gift

(b) CONDITION OF AIRCRAFT.—The aircraft shall be conveyed in its current ''as is'' condition. The Secretary is not required to repair or alter the condition of the aircraft before conveying ownership of the aircraft.

(c) CONDITION ON CONVEYANCE.—The Secretary shall include in the instrument of conveyance of the aircraft the following conditions:

(1) The Army Aviation Heritage Foundation may not convey any ownership interest in, or transfer possession of, the aircraft to any other party without the prior approval of the Secretary.

(2) The Army Aviation Heritage Foundation shall operate and maintain the aircraft in compliance with all applicable limitations and maintenance requirements imposed by the Administrator of the Federal Aviation Administration.

(d) REVERTER UPON BREACH OF CONDITIONS.—If the Secretary determines at any time that the Army Aviation Heritage Foundation has conveyed an ownership interest in, or transferred possession of, the aircraft to any other party without the prior approval of the Secretary, all right, title, and interest in and to the aircraft, including

any repair or alteration of the aircraft, shall revert to the United States, and the United States shall have the right of immediate possession of the aircraft.

(e) CONVEYANCE AT NO COST TO THE UNITED STATES.—The conveyance of the aircraft shall be made at no cost to the United States. Any costs associated with the conveyance and costs of operation and maintenance of the aircraft conveyed shall be borne by the Army Aviation Heritage Foundation.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

(g) CLARIFICATION OF LIABILITY.—Notwithstanding any other provision of law, upon the conveyance of ownership of the aircraft to the Army Aviation Heritage Foundation, the United States shall not be liable for any death, injury, loss, or damage that results from any use of that aircraft by any person other than the United States.

SEC. 743. STATEMENT OF POLICY RELATING TO DEMOCRACY IN IRAN.

(a) FINDINGS.—Congress finds the following:

(1) Iran is neither free nor democratic. Men and women are not treated equally in Iran, women

are legally deprived of internationally recognized human rights, and religious freedom is not respected under the laws of Iran. Undemocratic institutions, such as the Guardians Council, thwart the decisions of elected leaders.

(2) The April 2003 report of the Department of State states that Iran remained the most active state sponsor of terrorism in 2002.

(3) That report also states 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.

(b) POLICY.—It is the policy of the United States that—

(1) currently, there is not a free and fully democratic government in Iran;

(2) the United States supports transparent, full democracy in Iran;

(3) the United States supports the rights of the Iranian people to choose their system of government; and

(4) the United States condemns the brutal treatment, imprisonment and torture of Iranian civilians expressing political dissent.

SEC. 744. SENSE OF CONGRESS REGARDING THE EXTRADITION OF VIOLENT CRIMINALS FROM MEXICO TO THE UNITED STATES.

(a) FINDINGS.—The Congress finds as follows:

(1) The Mexican Supreme Court ruled in October 2001 that Mexico will not extradite criminals who face life sentences in the United States.

(2) Due to this ruling, the United States has been unable to prosecute numerous suspects wanted for violent crimes that they committed in the United States if there is a possibility that these criminals will face life imprisonment.

(3) The person or persons responsible for the April 29, 2002, murder of Los Angeles County Sheriff Deputy David March is believed to have fled to Mexico to avoid prosecution for a possible life imprisonment.

(4) The attorneys general from all 50 States have asked United States Attorney General John Ashcroft and Secretary of State Colin Powell to continue to address this extradition issue with their counterparts in Mexico.

(5) The Governments of the United States and Mexico have experienced positive cooperation on numerous matters relevant to their bilateral relationship.

(6) The Mexican Minister of Foreign Affairs has been demonstrating to the Mexican Supreme Court the international ramifications of the Court's October 2001 ruling.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the United States Government should encourage the Mexican Government to work closely with the Mexican Supreme Court to persuade the Court to reconsider its October 2001 ruling so that the possibility of life imprisonment will not have an effect on the timely extradition of criminal suspects from Mexico to the United States.

DIVISION D—DEFENSE TRADE AND SECURITY ASSISTANCE REFORM ACT OF 2003

TITLE X—GENERAL PROVISIONS

SEC. 1001. SHORT TITLE.

This division may be cited as the ''Defense Trade and Security Assistance Reform Act of 2003''.

SEC. 1002. DEFINITIONS.

Except as otherwise provided, in this division:

(1) DEFENSE ARTICLES.—The term ''defense articles'' has the meaning given the term in section 47(7)(A) of the Arms Export Control Act (as amended by section 1107(d) of this Act).

(2) DEFENSE SERVICES.—The term ''defense services'' has the meaning given the term in section 47(7)(B) of the Arms Export Control Act (as amended by section 1107(d) of this Act).

(3) DUAL USE.—The term ''dual use'' means, with respect to goods or technology, those goods or technology that are specifically designed or developed for civil purposes but which also may be used or deployed in a military mode.

(4) EXPORT ADMINISTRATION REGULATIONS.—The term ''Export Administration Regulations'' means those regulations contained in sections 730–774 of title 15, Code of Federal Regulations (or successor regulations).

(5) GOOD.—The term ''good'' has the meaning given the term in section 16(3) of the Export Administration Act of 1979 (50 U.S.C. App. 2415(3)).

(6) INTERNATIONAL TRAFFIC IN ARMS REGULATIONS.—The term ''International Traffic in Arms Regulations'' means those regulations contained in sections 120–130 of title 22, Code of Federal Regulations (or successor regulations).

(7) MISSILE TECHNOLOGY CONTROL REGIME; MTCR.—The term ''Missile Technology Control Regime'' or ''MTCR'' has the meaning given the term

in section 11B(c)(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2401b(c)(2)).

(8) MISSILE TECHNOLOGY CONTROL REGIME ANNEX; MTCR ANNEX.—The term ''Missile Technology Control Regime Annex'' or ''MTCR Annex'' has the meaning given the term in section 11B(c)(4) of the Export Administration Act of 1979 (50 U.S.C. App. 2401b(c)(4)).

(9) OPERATION IRAQI FREEDOM.—The term ''Operation Iraqi Freedom'' means operations of United States Armed Forces, the armed forces of the United Kingdom, and the armed forces of other coalition member countries initiated on or about March 19, 2003—

(A) to disarm Iraq of its weapons of mass destruction;

(B) to enforce United Nations Security Council Resolution 1441 (November 8, 2002) and other relevant Security Council resolutions with respect to Iraq; and

(C) to liberate the people of Iraq from the regime of Saddam Hussein.

(10) TECHNOLOGY.—The term ''technology'' has the meaning given the term in section 16(4) of

the Export Administration Act of 1979 (50 U.S.C. App. 2415(4)).

SEC. 1003. REFERENCES TO ARMS EXPORT CONTROL ACT.

Except as otherwise specifically provided, whenever in this division an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to that section or other provision of the Arms Export Control Act (22 U.S.C. 2751 et seq.).

TITLE XI—TERRORIST-RELATED PROHIBITIONS AND ENFORCEMENT MEASURES

SEC. 1101. ELIGIBILITY PROVISIONS.

(a) INELIGIBILITY FOR TERRORIST RELATED TRANSACTIONS.—Section 3(c)(1) (22 U.S.C. 2753(c)(1)) is amended—

(1) in each of subparagraphs (A) and (B), by striking ''or any predecessor Act,'' and inserting '', any predecessor Act, or licensed or approved under section 38 of this Act, to carry out a transaction with a country, the government of which the Secretary of State has determined is a state sponsor of international terrorism for purposes of section 6(j)(1) of the Export Administration Act of 1979

(50 U.S.C. App. 2405(j)(1)), or otherwise uses such defense articles or defense services''; and

(2) by adding at the end the following:

''(C) In this section, the term 'transaction' means the taking of any action, directly or indirectly, by a foreign country that would be a transaction prohibited by section 40 of this Act with respect to the United States Government and United States persons.''.

(b) REPORTING REQUIREMENT.—Section 3(e) (22 U.S.C. 2753(e)) is amended by inserting after ''the Foreign Assistance Act of 1961,'' the following: ''regardless of whether the article or service has been sold or otherwise furnished by the United States Government or licensed under section 38 of this Act,''.

SEC. 1102. WEAPONS TRANSFERS TO FOREIGN PERSONS IN THE UNITED STATES.

Section 38(a)(1) (22 U.S.C. 2778(a)(1)) is amended in the first sentence by inserting after ''import and the export of defense articles and defense services'' the following: '', or the transfer of such articles, other than firearms (or ammunition, components, parts, accessories, or attachments for firearms), and services within the United States to foreign persons,''.

SEC. 1103. COORDINATION OF LICENSE EXEMPTIONS WITH UNITED STATES LAW ENFORCEMENT AGENCIES.

(a) SENSE OF CONGRESS.—In view of the historic difficulties in the enforcement of the Arms Export Control Act (22 U.S.C. 2751 et seq.) associated with violations involving exports of defense articles and defense services that have been exempted by regulation from the licensing requirements of section 38 of such Act, it is the sense of Congress that the establishment of new exemptions by regulation should only be undertaken after careful coordination with the appropriate United States law enforcement agencies.

(b) AMENDMENT.—Section 38(b)(2) (22 U.S.C. 2778(b)(2)) is amended by adding at the end the following new sentences: ''In promulgating regulations under subsection (a)(1) in accordance with the preceding sentence, any provision in such regulations that permits the export of defense articles or defense services without a license shall include a determination by the Attorney General, in consultation with the Secretary of Homeland Security and the Director of the Federal Bureau of Investigation, that the compilation and maintenance of sufficient documentation relating to the export without a license of the articles or services is ensured, notwithstanding the absence of a license, to facilitate law enforcement efforts to detect, pre-

vent, and prosecute criminal violations of any provision of this section, section 39, or section 40 of this Act, including the efforts on the part of countries and factions engaged in international terrorism to illicitly acquire defense articles and defense services. No defense article or defense service designated by the President under subsection (a)(1) may be exported without a license pursuant to a regulation under subsection (a)(1) that is promulgated on or after January 1, 2003, until 30 days after the date on which the President provides notice of the proposed regulation to the Committee on International Relations of the House of Representatives and to the Committee on Foreign Relations of the Senate in accordance with the procedures applicable to reprogramming notifications under section 634A(a) of the Foreign Assistance Act of 1961, including a description of the criteria that would be used to permit the export of the article or service and any measures to facilitate law enforcement efforts associated with the Attorney General's determination required by the preceding sentence.''.

SEC. 1104. MECHANISMS TO IDENTIFY PERSONS IN VIOLATION OF CERTAIN PROVISIONS OF LAW.

Section 38(g)(1)(A) (22 U.S.C. 2778(g)(1)(A)) is amended—

(1) in clause (iii)—

(A) by striking ''or section 2339A'' and inserting '', section 2339A''; and

(B) by inserting at the end before the comma the following: '', or section 2339C of such title (relating to financing terrorism)'';

(2) in clause (x), by striking ''or'' at the end;

(3) in clause (xi), by striking the semicolon at the end and inserting a comma; and

(4) by adding at the end the following:

''(xii) subclause (I) or (II) of section 1956(c)(7)(B)(v) of title 18, United States Code;

''(xiii) section 329 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001;

''(xiv) section 5332 of title 31, United States Code;

''(xv) section 1960 of title 18, United States Code;

''(xvi) section 175(b), 175b, 1993, 2339 of title 18, United States Code;

''(xvii) section 2332a, 2332b, or 2332f of title 18, United States Code; or

''(xviii) section 175 of title 18, United States Code;''.

SEC. 1105. COMPREHENSIVE NATURE OF UNITED STATES ARMS EMBARGOES.

(a) FINDINGS; SENSE OF CONGRESS.—

(1) FINDINGS.—Congress finds that—

(A) governments to which the United States Government prohibits by law or policy the transfer of implements of war, including material, components, parts, and other defense articles and defense services (as defined in paragraphs (3) and (4) of section 47 of the Arms Export Control Act, respectively) continue to seek to evade these embargoes through increasingly sophisticated illegal acquisitions via the ''international gray arms market'' and by seeking to exploit weaknesses in the export control system of the United States and its friends and allies; and

(B) the strict and comprehensive application of arms embargoes referred to in subparagraph (A) including those embargoes established by the United Nations Security Council is of fundamental importance to the security

and foreign policy interests of the United States.

(2) SENSE OF CONGRESS.—It is the sense of Congress that the United States Government should continue to provide a leadership role internationally in ensuring the effectiveness of arms embargoes referred to in paragraph (1).

(b) SCOPE OF EMBARGOES.—Section 38 (22 U.S.C. 2778) is amended by adding at the end the following:

''(k) Whenever the United States maintains an arms embargo pursuant to United States law, or through public notice by the President or Secretary of State pursuant to the authorities of this Act, no defense article or defense service subject to sections 120–130 of title 22, Code of Federal Regulations (commonly known as the 'International Traffic in Arms Regulations') and no dual use good or technology subject to sections 730–774 of title 15, Code of Federal Regulations (commonly known as the 'Export Administration Regulations') shall be sold or transferred to the military, police, or intelligence services of the embargoed government, including any associated governmental agency, subdivision, entity, or other person acting on their behalf, unless, at a minimum and without prejudice to any additional requirements established in United States law or regulation, the Secretary of State and the

Secretary of Defense have concurred in the sale or transfer through issuance of a license.''.

(c) ESTABLISHMENT OF CONTROLS.—The Secretary shall consult with the Secretary of Commerce to ensure the establishment of appropriate foreign policy and national security controls and license requirements under the Export Administration Regulations in order to ensure the effective implementation of section 38(k) of the Arms Export Control Act, as added by subsection (b).

(d) REPORT.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report that describes the actions taken to implement the requirements of subsection (c).

SEC. 1106. TRANSACTIONS WITH COUNTRIES SUPPORTING ACTS OF INTERNATIONAL TERRORISM.

Section 40(l)(1) (22 U.S.C. 2780(l)(1)) is amended by striking ''any item enumerated on the United States Munitions List'' and inserting ''a defense article or defense service (as defined in subparagraph (A) or (B) of section 47(7), respectively), an item enumerated on the United States Munitions List (as designated by the President pursuant to section 38(a)), or any other activity for which a license or other approval is required pursuant to the regulations promulgated under subsection (a)(1)''.

SEC. 1107. AMENDMENTS TO CONTROL OF ARMS EXPORTS AND IMPORTS.

(a) REVISION OF STANDARD FOR VIOLATION; AMOUNT OF PENALTIES.—Section 38(c) (22 U.S.C. 2778(c)) is amended—

(1) by striking ''willfully'' each place it appears and inserting ''knowingly'';

(2) by striking ''this section or section 39'' and inserting ''this section, section 39, or section 40''; and

(3) by striking ''$1,000,000'' and inserting ''$1,000,000 (in the case of a violation of this section or section 39), $2,000,000 (in the case of a violation involving any country covered by section 40), and $1,500,000 (in the case of a violation involving any country other than a country covered by section 40 that is subject by United States law or policy to an arms embargo)''.

(b) CIVIL PENALTIES.—Section 38(e) (22 U.S.C. 2778(e)) is amended in the third sentence by striking ''under this section may not exceed $500,000'' and inserting ''or any other activities subject to control under this section, section 39, or section 40, may not exceed $500,000 for each violation of section 38 or section 39, $1,000,000 for each violation involving any country covered by section 40, and $750,000 for each violation relat-

ing to an arms embargo (other than a violation covered by section 40)''.

(c) REVISION OF STANDARD FOR VIOLATION; CRIMINAL PENALTY; CIVIL PENALTIES; ENFORCEMENT.—Section 40 (22 U.S.C. 2780) is amended—

(1) in subsection (j)—

(A) by striking ''willfully'' and inserting ''knowingly''; and

(B) by striking ''$1,000,000'' and inserting ''$2,000,000''; and

(2) in subsection (k), by striking ''$500,000'' and inserting ''$1,000,000''.

(d) DEFINITIONS.—Section 47(7) (22 U.S.C. 2794(7)) is amended to read as follows:

''(7)(A) 'defense articles', with respect to exports subject to sections 38, 39, and 40 of this Act, has the meaning given such term in sections 120–130 of title 22, Code of Federal Regulations (commonly known as the 'International Traffic in Arms Regulations'), as such regulations were in effect on January 1, 2003, and includes such additional articles as may be designated by the President under section 38(a)(1); and

''(B) 'defense services', with respect to exports subject to sections 38, 39, and 40 of this Act, has

the meaning given such term in sections 120–130 of title 22, Code of Federal Regulations (commonly known as the 'International Traffic in Arms Regulations'), as such regulations were in effect on January 1, 2003, and includes—

"(i) the provision of assistance (including aiding, abetting, or training) to foreign persons; and

"(ii) such other activities as may be designated by the President pursuant to section 38(a)(1).".

SEC. 1108. HIGH RISK EXPORTS AND END USE VERIFICATION.

Section 38(g)(7) (22 U.S.C. 2778) is amended by adding at the end the following new sentence: "Such standards shall be coordinated biennially with the Secretary of Homeland Security, the Attorney General, the Director of the Federal Bureau of Investigation, the Director of Central Intelligence, and the heads of other Federal departments or agencies, as appropriate.".

SEC. 1109. CONCURRENT JURISDICTION OF THE FEDERAL BUREAU OF INVESTIGATION.

(a) SENSE OF CONGRESS.—It is the sense of Congress that, in view of the responsibilities of the Federal Bureau of Investigation for protecting the United States

against terrorist attack, foreign intelligence operations, high technology crimes, and transnational criminal organizations and enterprises, the Federal Bureau of Investigation should be provided authority to investigate and enforce violations of the Arms Export Control Act without adversely affecting the existing authority of the Bureau of Customs and Border Protection of the Department of Homeland Security.

(b) COPY OF REGISTRATION.—Section 38(b)(1) (22 U.S.C. 2778(b)) is amended—

(1) by redesignating the second subparagraph (B) as subparagraph (C); and

(2) in subparagraph (B)—

(A) in the first sentence, by inserting ''and the Director of the Federal Bureau of Investigation'' after ''Secretary of Treasury''; and

(B) in the second sentence, by inserting ''and the Director'' after ''The Secretary''.

(c) JURISDICTION OF FBI AND BUREAU OF CUSTOMS.—Section 38(e) (22 U.S.C. 2778(e)) is amended in the first sentence by adding at the end before the period the following: '', and except further, that the Federal Bureau of Investigation and the Bureau of Customs and Border Protection of the Department of Homeland Security

shall have concurrent jurisdiction for criminal violations and enforcement of this Act''.

(d) MECHANISMS TO IDENTIFY PERSONS IN VIOLATION OF CERTAIN PROVISIONS OF LAW.—Section 38(g) (22 U.S.C. 2778(g)) is amended in the second sentence of paragraph (3), in paragraph (4), and in paragraph (8) by inserting ''and the Director of the Federal Bureau of Investigation'' after ''Secretary of Treasury''.

SEC. 1110. REPORT ON FOREIGN-SUPPLIED DEFENSE ARTICLES, DEFENSE SERVICES, AND DUAL USE GOODS AND TECHNOLOGY DISCOVERED IN IRAQ.

(a) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, and on annual basis thereafter as appropriate, the President shall prepare and transmit to the congressional committees specified in paragraph (2) a written report on foreign-supplied defense articles, defense services, and dual use goods and technology supplied to Iraq since the adoption of United Nations Security Council Resolution 687 (April 3, 1991) and discovered in Iraq since the inception of Operation Iraqi Freedom or identified as having been in Iraq at any time since April 3, 1991, and not destroyed or otherwise

accounted for by the United Nations Special Commission (UNSCOM) or the United Nations Monitoring, Verification and Inspection Commission (UNMOVIC).

(2) CONGRESSIONAL COMMITTEES SPECIFIED.—The congressional committees referred to in paragraph (1) are—

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

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

(b) CONTENTS.—The report required by subsection (a) shall include information on defense articles, defense services, and dual use goods and technology discovered in accordance with such subsection, including a description of such articles, services, and goods and technology by category or type, quantity, country of origin (if known), manufacturer (if known), date of acquisition (if known), and, in the case of dual use goods and technology, the use or intended use or deployment (if known) and whether the goods or technology are covered by any arms control agreement or nonproliferation arrangement to which the United States is a party.

(c) FORM.—The report required by subsection (a) shall be transmitted in unclassified form to the maximum extent practicable, but may contain a classified annex if necessary.

TITLE XII—STRENGTHENING MUNITIONS EXPORT CONTROLS

SEC. 1201. CONTROL OF ITEMS ON MISSILE TECHNOLOGY CONTROL REGIME ANNEX.

(a) SENSE OF CONGRESS.—It is the sense of Congress that all proposals to export or transfer to foreign persons by other means, whether in the United States or abroad, and any other activities subject to regulation under section 38, 39, or 40 of the Arms Export Control Act, relating to items on the Missile Technology Control Regime Annex, should be accorded stringent control and scrutiny consistent with the purposes of section 71 of the Arms Export Control Act (22 U.S.C. 2797).

(b) CONTROL OF ITEMS ON MTCR ANNEX.—The Secretary, in coordination with the Secretary of Commerce, the Attorney General, and the Secretary of Defense, shall ensure that all items on the MTCR Annex are subject to stringent control by the United States Government pursuant to the International Traffic in Arms Regulations and the Export Administration Regulations.

(c) CERTIFICATION.—Not later than March 1 of each year, the Secretary, in coordination with the Secretary of Commerce, the Attorney General and the Secretary of Defense, shall prepare and submit to the appropriate congressional committees a report that contains—

(1) a certification that the requirement of subsection (b) has been met for the prior year, or if the requirement has not been met, the reasons therefor; and

(2) a description of the updated coverage, if any, of the regulations referred to in subsection (b) with respect to all items on the MTCR Annex and an explanation of any areas of overlap or omissions, if any, among the regulations.

SEC. 1202. CERTIFICATIONS RELATING TO EXPORT OF CERTAIN DEFENSE ARTICLES AND SERVICES.

Section 36(c) (22 U.S.C. 2776(c)) is amended—

(1) in the first sentence of paragraph (1), by inserting after ''$1,000,000 or more'' the following: '', or, notwithstanding section 27(g) of this Act, for any special comprehensive authorization under sections 120–130 of title 22, Code of Federal Regulations (commonly known as the 'International Traffic in Arms Regulations') for the export of defense arti-

cles or defense services in an aggregate amount of $100,000,000 or more'';

(2) in paragraph (2)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B); and

(3) in the matter preceding subparagraph (A) of paragraph (5), by inserting ''or paragraph (2)'' after ''paragraph (1)''.

SEC. 1203. NOTIFICATION REQUIREMENTS FOR TECHNICAL ASSISTANCE AND MANUFACTURING LICENSING AGREEMENTS WITH NATO MEMBER COUNTRIES, AUSTRALIA, NEW ZEALAND, AND JAPAN.

Section 36(d) (22 U.S.C. 2776(d)) is amended by adding at the end the following:

''(6) In the case of a commercial technical assistance or manufacturing license agreement with a member country of the North Atlantic Treaty Organization (NATO) or Australia, Japan, or New Zealand that does not authorize a new sales territory that includes any country other than such countries, the requirements contained in paragraphs (2) and (4) shall apply only if—

''(A) the agreement involves—

''(i) major defense equipment in the amount of $7,000,000 or more; or

''(ii) significant military equipment in the amount of $25,000,000 or more; and

''(B) the amount referred to in clause (i) or (ii) of subparagraph (A), as the case may be, includes the estimated value of all defense articles and defense services to be manufactured or transferred throughout the duration of the approval period.''.

SEC. 1204. STRENGTHENING DEFENSE COOPERATION WITH AUSTRALIA AND THE UNITED KINGDOM.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the expeditious consideration of munitions license applications that meet the policy and eligibility criteria established in section 38 of the Arms Export Control Act (22 U.S.C. 2778) for export or transfer of defense items (as such term is defined in subsection (j)(4)(A) of such section) to Australia and the United Kingdom is fully consistent with United States security and foreign policy interests and the objectives of world peace and security.

(b) ESTABLISHMENT OF FAST TRACK MUNITIONS LICENSING FOR AUSTRALIA AND THE UNITED KINGDOM.—Section 38(f) (22 U.S.C. 2778(f)) is amended by adding at the end the following:

''(4) In the absence of a binding bilateral agreement with the Government of Australia or the Government of the United Kingdom (as the case may be) that meets the requirements of paragraph (2) and subsection (j), the Secretary of State shall ensure that any application submitted under this section for the export of defense items to Australia or the United Kingdom (as the case may be) that meets all other requirements of this section (including requirements relating to eligibility of parties to the transaction, the absence of risk of diversion to unauthorized end use and end users, and preservation of United States intelligence and law enforcement interests), and which are also transactions involving defense items that would be exempt pursuant to sections 120–130 of title 22, Code of Federal Regulations (commonly known as the 'International Traffic in Arms Regulations') from export licensing or other written approvals if such items were items to be exported to Canada, are processed by the Department of State not later than ten days after the date of receipt of the application without referral to any other Federal department or agency, except on an extraordinary basis upon receipt of a written request from the Attorney General, the Secretary of Homeland Security, the Director of Central Intelligence, or the Secretary of Defense.''.

SEC. 1205. TRAINING AND LIAISON FOR SMALL BUSINESSES.

(a) SENSE OF CONGRESS.—It is the sense of Congress that it is increasingly important that the Secretary, in administering the licensing, registration, compliance, and other authorities contained in section 38 of the Arms Export Control Act (22 U.S.C. 2778), should provide up-to-date training and other educational assistance to small businesses in the United States aerospace and defense industrial sector.

(b) SMALL BUSINESS LIAISON.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall designate, within the Office of Defense Trade Controls of the Department of State, a coordinator for small business affairs. The coordinator shall serve as a liaison for small businesses in the United States aerospace and defense industrial sector with respect to licensing and registration requirements in order to facilitate the compliance and other forms of participation by such small businesses in the United States munitions control system, including by providing training, technical assistance, and through other efforts as may be appropriate.

SEC. 1206. STUDY AND REPORT RELATING TO CO-LOCATING MUNITIONS CONTROL FUNCTIONS OF THE DEPARTMENTS OF STATE, DEFENSE, AND HOMELAND SECURITY.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the administrative, licensing, and compliance-related functions associated with the export of defense articles and defense services under section 38 of the Arms Export Control Act (22 U.S.C. 2778), which are generally administered by the Department of State in conjunction with the Department of Homeland Security and the Department of Defense, should be expedited consistent with United States security, law enforcement, and foreign policy requirements by a reduction in the those matters necessitating inter-agency referral outside of the Department of State, or by co-locating related functions of the Department of Homeland Security and the Department of Defense with those functions of the Department of State in order to minimize the time and administrative tasks to government and industry involved in inter-agency referrals, while also providing a convenient, central location for United States defense companies, especially small businesses.

(b) STUDY AND REPORT.—

(1) STUDY.—The Secretary, in consultation with the Secretary of Homeland Security and the

Secretary of Defense, and through the Federal advisory committee structure with the public, shall conduct a study to examine the relative advantages and disadvantages to the United States Government, the United States defense industry, including United States small businesses, and to other public constituencies of co-locating relevant functions and personnel of the Department of State, the Department of Homeland Security, and the Department of Defense with the Office of Defense Trade Controls of the Department of State at a central location convenient to the public and United States defense industry, without prejudice to the responsibilities and prerogatives of the Secretary, the Secretary of Homeland Security, and the Secretary of Defense under existing law.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall prepare and submit to the appropriate congressional committees a report that contains the results of study conducted under paragraph (1).

TITLE XIII—SECURITY ASSISTANCE AND RELATED PROVISIONS

Subtitle A—Foreign Military Sales and Financing Authorities

SEC. 1301. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the President for grant assistance under section 23 of the Arms Export Control Act (22 U.S.C. 2763) and for the subsidy cost, as defined in section 502(5) of the Federal Credit Reform Act of 1990, of direct loans under such section $4,414,000,000 for fiscal year 2004.

SEC. 1302. PROVISION OF CATALOGING DATA AND SERVICES.

Section 21(h)(2) (22 U.S.C. 2761(h)(2)) is amended by striking ''or to any member government of that Organization if that Organization or member government'' and inserting '', to any member of that Organization, or to the Governments of Australia, New Zealand, or Japan if that Organization, member government, or the Governments of Australia, New Zealand, or Japan''.

SEC. 1303. ANNUAL ESTIMATE AND JUSTIFICATION FOR SALES PROGRAM.

Section 25(a)(1) (22 U.S.C. 2765(a)(1)) is amended by inserting after ''$7,000,000 or more'' the following

''(or, in the case of a member country of the North Atlantic Treaty Organization (NATO), Australia, New Zealand, or Japan, $25,000,000 or more)''.

SEC. 1304. ADJUSTMENT TO ADVANCE NOTIFICATION REQUIREMENT FOR TRANSFER OF CERTAIN EXCESS DEFENSE ARTICLES.

Section 516(f)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321i) is amended by striking ''significant military equipment (as defined in section 47(9) of the Arms Export Control Act)'' and inserting ''major defense equipment (as defined in section 47(6) of the Arms Export Control Act)''.

Subtitle B—International Military Education and Training

SEC. 1311. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the President $91,700,000 for fiscal year 2004 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.).

SEC. 1312. ANNUAL FOREIGN MILITARY TRAINING REPORTING.

Section 656(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2416(a)(1)) is amended—

(1) by striking ''January 31'' and inserting ''March 1''; and

(2) by striking ''and all such training proposed for the current fiscal year''.

SEC. 1313. CONDITION ON THE PROVISION OF CERTAIN FUNDS TO INDONESIA.

(a) CONDITION ON ASSISTANCE.—Subject to subsection (c), no funds made available under section 23 of the Arms Export Control Act (22 U.S.C. 2763) or chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.) in fiscal year 2004, other than funds made available for expanded military education and training under such chapter, may be available for a program that involves the Government of Indonesia or the Indonesian Armed Forces until the President makes the certification described in subsection (b).

(b) CERTIFICATION.—The certification referred to in subsection (a) is a certification submitted by the President to the appropriate congressional committees that the Government of Indonesia and the Indonesian Armed Forces are taking effective measures, including cooperating with the Director of the Federal Bureau of Investigation—

(1) to conduct a full investigation of the attack on United States citizens in West Papua, Indonesia on August 31, 2002; and

(2) to criminally prosecute the individuals responsible for such attack.

(c) LIMITATION.—Nothing in this section shall prohibit the United States Government from continuing to conduct programs or training with the Indonesian Armed Forces, including counterterrorism training, officer visits, port visits, or educational exchanges that are being conducted on the date of the enactment of this Act.

Subtitle C—Assistance for Select Countries

SEC. 1321. ASSISTANCE FOR ISRAEL.

Section 513 of the Security Assistance Act of 2000 (Public Law 106–280) is amended—

(1) in subsection (b)(1), by striking ''2002 and 2003'' and inserting ''2003 through 2005'';

(2) in subsection (c)(1), by striking ''2002 and 2003'' and inserting ''2003 through 2005'';

(3) in subsection (c)(3)—

(A) by striking ''fiscal years 2002 and 2003'' and inserting ''fiscal years 2004 and 2005'';

(B) by striking ''fiscal year 2002'' and inserting ''fiscal year 2004''; and

(C) by striking ''fiscal year 2003, or'' and inserting ''fiscal year 2005, or''; and

(4) in subsection (c)(4)—

(A) by striking ''2002 and 2003'' and inserting ''2003 through 2005''; and

(B) by striking ''$535,000,000 for fiscal year 2002'' and all that follows through ''fiscal year 2003'' and inserting ''$550,000,000 for fiscal year 2003, not less than $565,000,000 for fiscal year 2004, and not less than $580,000,000 for fiscal year 2005''.

SEC. 1322. ASSISTANCE FOR EGYPT.

Section 514 of the Security Assistance Act of 2000 (Public Law 106–280) is amended—

(1) by striking ''2002 and 2003'' each place it appears and inserting ''2003 through 2005''; and

(2) in subsection (e)—

(A) by striking ''fiscal years 2002 and 2003'' and inserting ''fiscal years 2004 and 2005'';

(B) by striking ''fiscal year 2002'' and inserting ''fiscal year 2004''; and

(C) by striking ''fiscal year 2003, or'' and inserting ''fiscal year 2005, or''.

Subtitle D—Miscellaneous Provisions

SEC. 1331. UNITED STATES WAR RESERVE STOCKPILES FOR ALLIES.

Section 514(b)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)) is amended—

(1) in subparagraph (A), by striking ''for fiscal year 2003'' and inserting ''for each of fiscal years 2003 and 2004''; and

(2) in subparagraph (B), by striking ''for fiscal year 2003'' and inserting ''for each of fiscal years 2003 and 2004''.

SEC. 1332. TRANSFER TO ISRAEL OF CERTAIN DEFENSE ARTICLES IN THE UNITED STATES WAR RESERVE STOCKPILES FOR ALLIES.

(a) AUTHORIZATION.—Notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the President is authorized to transfer to Israel, in return for concessions to be negotiated by the Secretary of Defense, with the concurrence of the Secretary, defense articles, including armor, artillery, ammunition for automatic weapons, missiles, and other munitions that are—

(1) obsolete or surplus items;

(2) in the inventory of the Department of Defense;

(3) intended for use as reserve stocks in Israel; and

(4) are located in a stockpile in Israel as of the date of enactment of this Act.

(b) CONCESSIONS.—The value of concessions negotiated pursuant to subsection (a) shall be at least equal to the fair market value of the items transferred. The concessions may include cash compensation, services, waiver of charges otherwise payable by the United States, and other items of value.

(c) ADVANCE NOTIFICATION OF TRANSFER.—

(1) IN GENERAL.—Not less than 30 days before making a transfer under the authority of this section, the President shall transmit a notification describing the items to be transferred to Israel and the concessions to be received by the United States to the congressional committees specified in paragraph (2).

(2) CONGRESSIONAL COMMITTEES SPECIFIED.—The congressional committees referred to in paragraph (1) are—

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

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

(d) EXPIRATION OF AUTHORITY.—No transfer may be made under the authority of this section following the expiration of the five-year period beginning on the date of enactment of this Act.

SEC. 1333. EXPANSION OF AUTHORITIES FOR LOAN OF MATERIAL, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES.

Section 65 (22 U.S.C. 2796d) is amended—

(1) in subsection (a)(1), by inserting ''or a friendly foreign country'' after ''ally'' each place such term appears; and

(2) in subsection (d) to read as follows:

''(d) For purposes of this section—

''(1) the term 'NATO ally' means a member country of the North Atlantic Treaty Organization (other than the United States); and

''(2) the term 'friendly foreign country' means any non-NATO member country determined by the President to be eligible for a cooperative project agreement with the United States pursuant to section 27(j) of this Act.''.

SEC. 1334. ASSISTANCE FOR DEMINING AND RELATED ACTIVITIES.

(a) ASSISTANCE.—The Secretary is authorized to provide grants to, or enter into contracts or cooperative agreements with, public-private partnerships for the purpose of establishing and carrying out demining, clearance of unexploded ordnance, and related activities in foreign countries.

(b) LIMITATION.—Except as otherwise provided, the total amount provided on a grant basis to public-private partnerships under subsection (a) for a fiscal year may not exceed $450,000.

(c) FUNDING.—Amounts made available to carry out ''Nonproliferation, Anti-Terrorism, Demining, and Related Programs'' for fiscal year 2004 are authorized to be made available to carry out this section.

SEC. 1335. REPORTS RELATING TO TREATY BETWEEN THE UNITED STATES AND THE RUSSIAN FEDERATION ON STRATEGIC OFFENSIVE REDUCTIONS.

The President shall submit to the Committee on International Relations of the House of Representatives all reports submitted to the Committee on Foreign Relations pursuant to section 2 of the Senate Resolution of Ratification to Accompany Treaty Document 107–8,

Treaty Between the United States of America and the Russian Federation on Strategic Offensive Reductions.

SEC. 1336. STATEMENT OF HOUSE OF REPRESENTATIVES REGARDING THE TREATY BETWEEN THE UNITED STATES AND THE RUSSIAN FEDERATION ON STRATEGIC OFFENSIVE REDUCTIONS.

The House of Representatives—

(1) concurs with the declarations of the Senate in section 3 of the Resolution of Ratification to Accompany Treaty Document 107–8, Treaty Between the United States of America and the Russian Federation on Strategic Offensive Reductions;

(2) encourages the President to continue strategic offensive reductions to the lowest possible levels consistent with national security requirements and alliance obligations of the United States;

(3) urges the President to engage the Russian Federation with the objectives of establishing cooperative measures to give each party to the Treaty Between the United States of America and the Russian Federation on Strategic Offensive Reductions improved confidence

regarding the accurate accounting and security of nonstrategic nuclear weapons maintained by the other party; and

(4) encourages the President to accelerate United States strategic force reductions, to the extent feasible and consistent with the treaty, in order that the reductions required by Article I of the Treaty Between the United States of America and the Russian Federation on Strategic Offensive Reductions may be achieved prior to December 31, 2012.

SEC. 1337. NONPROLIFERATION AND DISARMAMENT FUND.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the President to carry out section 504 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 (22 U.S.C. 5854; relating to the ''Nonproliferation and Disarmament Fund'') $60,000,000 for each of the fiscal years 2004 and 2005.

(2) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under paragraph (1) are authorized to remain available until expended.

(b) NONPROLIFERATION OF HIGHLY ENRICHED URANIUM.—

(1) FINDINGS.—Congress finds the following:

(A) Highly enriched uranium is the most likely source material for terrorist or other outlaw organizations that seek to acquire a nuclear weapon.

(B) Such organizations are not likely to produce this source material on their own, but will instead look to divert highly enriched uranium from some of the many vulnerable stockpiles in numerous facilities around the world.

(C) There is a need for a coordinated United States Government initiative to secure and dispose of highly enriched uranium stockpiles in these vulnerable facilities around the world.

(D) The Nonproliferation and Disarmament Fund (NDF) is a unique and flexible entity that is well-suited to carry out the initiative described in subparagraph (C), in cooperation with other Federal departments and agencies, including the Department of Energy.

(2) INITIATIVE.—The Secretary of State is authorized to establish and carry out an initiative to

secure and dispose of highly enriched uranium stockpiles in foreign countries, including the provision of such assistance as may be required to secure host country cooperation under the initiative.

(3) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts made available to carry out section 504 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 (22 U.S.C. 5854) for fiscal years 2004 and 2005, there are authorized to be appropriated to the Secretary to carry out paragraph (2) $25,000,000 for each such fiscal year.

SEC. 1338. MARITIME INTERDICTION PATROL BOATS FOR MOZAMBIQUE.

(a) IN GENERAL.—Of the amounts made available to carry out section 23 of the Arms Export Control Act for fiscal year 2004, there is authorized to be appropriated $1,000,000 for refurbishment, delivery, operational training, and related costs associated with the provision of not more than four excess coastal patrol boats to the Government of Mozambique for maritime patrol and interdiction activities.

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

are authorized to remain available until September 30, 2006.

SEC. 1339. REPORT ON MISSILE DEFENSE COOPERATION.

Not later than December 31, 2003, and December 31, 2004, the Secretary of State shall submit to the appropriate congressional committees a report on cooperative efforts that have been undertaken by the United States with foreign governments to foster the development and deployment of defenses against missile attack. Such report shall include a detailed description of such efforts on a country-by-country basis, and may be submitted in classified and unclassified form, as appropriate.

SEC. 1340. IRAN'S PROGRAM TO DEVELOP A NUCLEAR EXPLOSIVE DEVICE.

(a) FINDINGS.—Congress finds the following:

(1) Iran, as a party to the Treaty on the Non-Proliferation of Nuclear Weapons, has legally forsworn developing or acquiring nuclear weapons.

(2) Iran has for more than a decade pursued a program aimed at the development of a nuclear explosive device.

(3) Director of Central Intelligence George Tenet has repeatedly warned of Iran's clandestine efforts to acquire weapons of mass destruction, stating as recently as February 11, 2003, in testimony

before Congress that ''Iran is continuing to pursue development of a nuclear fuel cycle for civilian and nuclear weapons purposes . . . [and further that] Tehran may be able to indigenously produce enough fissile material for a nuclear weapon'' within this decade.

(4) On March 17, 2003, Dr. el Baradei, Director General of the International Atomic Energy Agency (IAEA), called on Iran to agree to a more intrusive monitoring regime at its nuclear sites and demanded that Iran, which is a signatory to the Nuclear Non-Proliferation Treaty, agree to an ''additional protocol'' under the IAEA's nuclear inspection rights, which would enable more intrusive monitoring.

(5) In early 2003 Iran announced plans to mine its own natural uranium and admitted constructing two nuclear facilities, one a gas centrifuge uranium enrichment facility and the other a heavy water production plant.

(6) A uranium enrichment facility would give Iran the capability to indigenously produce nuclear-weapons grade uranium. Further, heavy water is used in reactors that not only produce weapons-

grade plutonium, but also tritium, a key ingredient in boosted-fission weapons.

(7) At the same time, Iran has been developing long-range missiles that could deliver nuclear explosive devices. Director of Central Intelligence Tenet has warned that Iran could flight test an intercontinental ballistic missile later this decade.

(8) Iran has received considerable assistance in its nuclear program and in its missile development program from the Russian Federation, the People's Republic of China, and North Korea.

(9) Congress has long been seized with finding ways to deter or delay Iran's acquisition or development of such deadly weapons, including through the enactment of the Iran-Iraq Arms Non-Proliferation Act of 1992, the Iran Libya Sanctions Act of 1996, the Iran Non-Proliferation Act of 2000, and the Iran Nuclear Proliferation Prevention Act of 2002.

(10) Successive Administrations have similarly sought to deter or delay Iran's acquisition or development of such weapons by such measures as elevating Iran's proliferation behavior in bilateral relations with the Russian Federation and the People's Republic of China, sanctioning entities of the Russian Federation providing technology or expertise to

Iran's nuclear and missile programs, and urging multilateral export control regimes to deny sensitive technology to proliferators like Iran.

(11) President Bush included Iran as one of the countries that comprise the ''axis of evil'' in his January 2002 State of the Union Address because of its efforts to develop weapons of mass destruction and its support of international terrorism. Iran has been the principle supporter and supplier to Hizballah in southern Lebanon, Hamas, and Islamic Jihad. Further, the leaders of Iran have publicly called for the destruction of the State of Israel.

(12) A nuclear-armed Iran would pose a grave threat to the national security of the United States and to our allies in the region.

(b) STATEMENT OF POLICY.—Congress—

(1) finds that Iran's support of terrorism and its efforts to develop nuclear weapons are a grave threat to the national security of the United States and its allies and to the United States Armed Forces;

(2) declares that the United States and our friends and allies must make maximum efforts to prevent Iran from developing or acquiring nuclear weapons and the missiles to deliver them;

(3) urges the President to use all appropriate means to prevent Iran from gaining such capabilities;

(4) urges the International Atomic Energy Agency (IAEA) to employ the full range of its inspection authorities to ensure that Iran's nuclear program is used for peaceful purposes only;

(5) encourages Iran to sign and ratify the new nuclear safeguards protocol, the ''Model Additional Protocol (INFCIRC/540-Corr)'' to the Treaty on the Non-Proliferation of Nuclear Weapons, which would demonstrate Iran's commitment to sharing information about its nuclear program with the IAEA and the international community and to full disclosure and transparency about its nuclear program; and

(6) urges the United States resident representative to the IAEA to work with the Board of Governors of the IAEA on guidelines for early identification of noncompliance with the Nuclear Non-Proliferation Treaty.

TITLE XIV—MISSILE THREAT REDUCTION ACT OF 2003

SEC. 1401. SHORT TITLE.

This title may be cited as the ''Missile Threat Reduction Act of 2003''.

Subtitle A—Strengthening International Missile Nonproliferation Law

SEC. 1411. FINDINGS.

Congress makes the following findings:

(1) The spread of offensive ballistic missiles suitable for launching nuclear, chemical, and biological warheads is accelerating across the globe.

(2) According to the Carnegie Endowment for International Peace, more than 25 countries possess missiles with ranges in excess of 300 kilometers and capable of delivering a nuclear warhead.

(3)(A) Many of the countries now possessing such missiles, and engaging in the sale and transfer of such missiles and their production technology to other countries, are directly hostile to the United States, its interests, and its allies.

(B) Of particular concern in this regard is North Korea, which regularly sells ballistic missiles and technology to countries in regions of instability and concern to the United States.

(4) The Central Intelligence Agency has stated in its most recent report on the foreign ballistic missile threat the following:

''Emerging ballistic missile states continue to increase the range, reliability, and accuracy of the missile systems in their inventories—posing ever greater risks to U.S. forces, interests, and allies throughout the world. A decade ago, U.S. and allied forces abroad faced threats from SRBM's [Short Range Ballistic Missiles]—primarily the Scud and its variants. Today, countries have deployed or are on the verge of deploying MRBM's [Medium Range Ballistic Missiles], placing greater numbers of targets at risk.

''Proliferation of ballistic missile-related technologies, materials, and expertise—especially by Russian, Chinese, and North Korean entities—has enabled emerging missile states to accelerate the development timelines for their existing programs, acquire turnkey systems to gain previously non-existent capabilities—in the case of the Chinese sale of the M–11 SRBM to Pakistan—and lay the groundwork for the expansion of domestic infrastructures to potentially accommodate even more capable and longer range future systems.''.

(5) The same CIA report also noted the following: ''North Korea has assumed the role as the missile and manufacturing technology source for many programs. North Korean willingness to sell complete systems and components has enabled other states to acquire longer range capabilities earlier than otherwise would have been possible—notably the sale of the No Dong MRBM to Pakistan. The North also has helped countries to acquire technologies to serve as the basis for domestic development efforts—as with Iran's reverse-engineering of the No Dong in the Shahab-3 program. Meanwhile, Iran is expanding its efforts to sell missile technology.''.

(6) Since 1987, 33 countries have committed to abide by a voluntary set of guidelines known as the Missile Technology Control Regime (MTCR), whereby adherents agreed to refrain from the transfer to nonadherents of certain categories of whole missiles, their constituent parts, and the facilities to manufacture them, especially ''Category I'' missiles, which at a range of 300 kilometers or more and a payload capacity of 500 kilograms or more are especially suited for delivering nuclear weapons.

(7) In October 2002, 93 countries committed to observe a nonbinding code of conduct derived from, but less restrictive than, the nonbinding MTCR. While this is a welcome achievement, it does not provide a legal obligation on its adherents to refrain from the trade in missiles or missile technology.

(8) On December 10, 2002, the White House released its ''National Strategy to Combat Weapons of Mass Destruction'', wherein it is stated that strengthening international nonproliferation controls on weapons of mass destruction (WMD) and upon the missiles that can deliver them is the second of three principal pillars of the National Strategy. The National Strategy also states that ''effective interdiction is a critical part of the U.S. strategy to combat WMD and their delivery means''.

(9) On December 11, 2002, the United States took control of an unflagged freighter that was attempting clandestinely to ship, from North Korea to Yemen, SCUD missiles of a type that would be generally prohibited from transfer as Category I missiles.

(10) Neither North Korea nor Yemen is an adherent to the MTCR guidelines, which in any case are not legally binding, and there is no binding

international legal instrument that would prohibit shipments of the missiles referred to in paragraph (9).

(11) At Yemen's request, the United States released the shipment of North Korean Scud missiles to Yemen.

(12) Also on December 11, 2002, the White House press spokesman stated that existing international law regarding halting the spread of missile proliferation could be strengthened. The new National Strategy to Combat Weapons of Mass Destruction also commits the United States to support those regimes that are currently in force, and to work to improve the effectiveness of, and compliance with, those regimes, and identifies the MTCR as a regime that the United States will seek to strengthen.

(13) Secretary of Defense Donald Rumsfeld, testifying on February 12, 2003, before the Committee on Armed Services of the Senate, stated the following: "...[I]t's pretty clear that the proliferation regimes that exist in the world worked pretty well before, [but] they're not working very well right now.... [U]nless the world wakes up and says this is a dangerous thing and creates a set of regimes

that will in fact get cooperation to stop those weapons, we're going to be facing a very serious situation in the next five years.''.

(14) The MTCR has made an invaluable contribution to restraint in the international trade of offensive ballistic missiles. Strengthening international controls on ballistic missiles, however, will require a dramatic expansion of adherents that rigorously abide by the MTCR's guidelines, and a binding legal basis for the United Nations and countries devoted to nonproliferation to prevent, and when necessary act to prevent, further proliferation of offensive ballistic missiles around the world.

(15) Therefore, it should be the policy of the United States to promote the creation of new international mechanisms that would, in all future circumstances, allow the peace-loving and law-abiding nations of the world the authority to interdict and prevent the transfer of such missiles.

SEC. 1412. POLICY OF THE UNITED STATES.

It shall be the policy of the United States to seek a binding international instrument or instruments to restrict the trade in offensive ballistic missiles with ranges of 300 kilometers or more that have a payload capacity of 500 kilograms or more. Such a binding international

instrument may take the form of a multilateral treaty, a United Nations Security Council resolution, or other instrument of international law, and should provide for enforcement measures including interdiction, seizure, and impoundment of illicit shipments of offensive ballistic missiles and related technology, equipment, and components.

SEC. 1413. SENSE OF CONGRESS.

It is the sense of the Congress that the United States should immediately introduce a resolution in the United Nations Security Council to prohibit all members of the United Nations from purchasing, receiving, assisting or allowing the transfer of, and to authorize the subsequent interdiction, seizure, and impoundment of, any missile, missile-related equipment, means of producing missiles, or missile-related technology from North Korea.

Subtitle B—Strengthening United States Missile Nonproliferation Law

SEC. 1421. PROBATIONARY PERIOD FOR FOREIGN PERSONS.

(a) IN GENERAL.—Notwithstanding any other provision of law, upon the expiration, or the granting of a waiver, on or after January 1, 2003, of sanctions against a foreign person imposed under section 73(a) of the Arms Export Control Act (22 U.S.C. 2797b(a)) or under section

11B(b)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2410b(b)(1)), as continued in effect under the International Emergency Economic Powers Act, a license shall be required, for a period of not less than 3 years, for the export to that foreign person of all items controlled for export under section 5 or 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2404, 2405), as continued in effect under the International Emergency Economic Powers Act, in accordance with the Export Administration Regulations.

(b) TERMINATION.—Subsection (a) shall not apply to a foreign person 30 days after the President notifies the Committee on International Relations of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate that he has determined that—

(1) the foreign person has—

(A) ceased all activity related to the original imposition of sanctions under section 73(a) of the Arms Export Control Act or section 11B(b)(A) of the Export Administration Act of 1979, as the case may be; and

(B) has instituted a program of transparency measures whereby the United States will be able to verify for at least a period of 3

years that the foreign person is not engaging in prohibited activities under those provisions of law referred to in paragraph (1); and

(2) there has been an appropriate resolution of the original violation or violations, such as financial penalties, incarceration, destruction of prohibited items, or other appropriate measures taken to prevent a recurrence of the violation or violations.

SEC. 1422. STRENGTHENING UNITED STATES MISSILE PROLIFERATION SANCTIONS ON FOREIGN PERSONS.

(a) ARMS EXPORT CONTROL ACT.—Section 73(a)(2) (22 U.S.C. 2797b(a)(2)) is amended by striking ''2 years'' each place it appears and inserting ''4 years''.

(b) PUBLIC INFORMATION.—Section 73(e)(2) (22 U.S.C. 2797b(e)(2)) is amended by adding at the end the following new sentence: ''Such report may be classified only to the extent necessary to protect intelligence sources and methods. If the report is so classified, the President shall make every effort to acquire sufficient alternative information that would allow a subsequent unclassified version of the report to be issued.''.

(c) EXPORT ADMINISTRATION ACT OF 1979.—Any sanction imposed on a foreign person under section 11B(b)(1) of the Export Administration Act of 1979 (50

U.S.C. App. 2410b(b)(1)), as continued in effect under the International Emergency Economic Powers Act, shall be in effect for a period of 4 years beginning on the date on which the sanction was imposed.

(d) APPLICABILITY.—The amendments made by subsections (a) and (b) and the provisions of subsection (c) shall apply to all sanctions imposed under section 73(a) of the Arms Export Control Act or section 11B(b)(1) of the Export Administration Act of 1979, as continued in effect under the International Emergency Economic Powers Act, by reason of acts giving rise to such sanctions that were committed by foreign persons on or after January 1, 2003.

SEC. 1423. COMPREHENSIVE UNITED STATES MISSILE PROLIFERATION SANCTIONS ON ALL RESPONSIBLE PERSONS.

(a) ARMS EXPORT CONTROL ACT.—Section 73(a) (22 U.S.C. 2797b(a)) is amended by adding at the end the following new paragraph:

''(3)(A) Sanctions imposed upon a foreign person under paragraph (2) shall also be imposed on any governmental entity that the President determines exercises effective control over, benefits from, or directly or indirectly facilitates the activities of that foreign person.

''(B) When a sanction is imposed on a foreign person under paragraph (2), the President may also impose that sanction on any other person or entity that the President has reason to believe has or may acquire items that may not be exported to that foreign person on account of the sanction imposed on that foreign person, with the intent to transfer to that foreign person, or provide to that foreign person access to, such items.

''(C) The President may also prohibit, for such period of time as he may determine, any transaction or dealing, by a United States person or within the United States, with any foreign person on whom sanctions have been imposed under this subsection.

''(D) The President shall report on an annual basis to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate the identity of any foreign person that engages in any transaction or activity with a foreign person on whom sanctions have been imposed under this subsection that either—

''(i) would be the basis for imposing sanctions under subparagraph (B) but for which sanctions have not been imposed; or

''(ii) would be the basis for imposing sanctions under subparagraph (C) if the transaction or activity

had been carried out by a United States person or by a person in the United States.

Such report shall be unclassified to the maximum extent feasible, but may include a classified annex.''.

(b) DEFINITION OF PERSON.—Section 74(a)(8)(A) (22 U.S.C. 2797c(a)(8)(A)) is amended to read as follows:

''(8)(A) the term 'person' means—

''(i) a natural person;

''(ii) a corporation, business association, partnership, society, trust, transnational corporation, or transnational joint venture, any other nongovernmental entity, organization, or group, and any governmental entity;

''(iii) any subsidiary, subunit, or parent entity of any business enterprise or other organization or entity listed in clause (ii); and

''(iv) any successor of any business enterprise or other organization or entity listed in clause (ii) or (iii); and''.

(c) EXPORT ADMINISTRATION ACT OF 1979.—

(1) SANCTIONS IMPOSED ON GOVERNMENT ENTITIES.—Any sanction imposed on a foreign person under section 11B(b)(1)(B) of the Export Administration Act of 1979 (50 U.S.C. App. 2410b(b)(1)(B)), as continued in effect under the

International Emergency Economic Powers Act (in this subsection referred to as a ''dual use sanction''), shall also be imposed on any governmental entity that the President determines exercises effective control over, benefits from, or directly or indirectly facilitates the activities of that foreign person.

(2) OTHER ENTITIES.—When a dual use sanction is imposed on a foreign person, the President may also impose that sanction on any other person or entity that the President has reason to believe has or may acquire items that may not be exported to that foreign person on account of the dual use sanction imposed on that foreign person, with the intent to transfer to that foreign person, or provide to that foreign person access to, such items.

(3) TRANSACTIONS BY THIRD PARTIES.—The President may also prohibit, for such period of time as he may determine, any transaction or dealing, by a United States person or within the United States, with any foreign person on whom dual use sanctions have been imposed.

(4) REPORT.—The President shall submit on an annual basis to the appropriate congressional committees a report that contains the identity of any foreign person that engages in any transaction or

activity with a foreign person on whom dual use sanctions have been imposed that either—

(A) would be the basis for imposing dual use sanctions under paragraph (2) but for which such sanctions have not been imposed; or

(B) would be the basis for imposing dual use sanctions under paragraph (3) if the transaction or activity had been carried out by a United States person or by a person in the United States.

Such report shall be unclassified to the maximum extent feasible, but may include a classified annex.

(5) DEFINITIONS.—In this subsection:

(A) PERSON.—The term ''person'' means—

(i) a natural person;

(ii) a corporation, business association, partnership, society, trust, transnational corporation, or transnational joint venture, any other nongovernmental entity, organization, or group, and any governmental entity;

(iii) any subsidiary, subunit, or parent entity of any business enterprise or other

organization or entity listed in clause (ii); and

(iv) any successor of any business enterprise or other organization or entity listed in clause (ii) or (iii).

(B) In the case of countries where it may be impossible to identify a specific governmental entity referred to in subparagraph (A), the term ''person'' means—

(i) all activities of that government relating to the development or production of any missile equipment or technology; and

(ii) all activities of that government affecting the development or production of aircraft, electronics, and space systems or equipment.

(C) UNITED STATES PERSON.—The term ''United States person'' has the meaning given that term in section 16(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2415(2)).

(D) MISSILE EQUIPMENT OR TECHNOLOGY.—The term ''missile equipment or technology'' has the meaning given that term in

section 11B(c) of the Export Administration Act of 1979 (50 U.S.C. App. 2410b(c)).

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to sanctions imposed on or after January 1, 2003, on foreign persons under section 73(a)(2) of the Arms Export Control Act, and the provisions of subsection (c) shall apply with respect to sanctions imposed on or after January 1, 2003, on foreign persons under section 11B(b) of the Export Administration Act of 1979 (50 U.S.C. App. 2410b(b)), as continued in effect under the International Emergency Economic Powers Act.

Subtitle C—Incentives for Missile Threat Reduction

SEC. 1431. FOREIGN ASSISTANCE.

(a) TYPES OF ASSISTANCE.—The President is authorized to provide, on such terms as the President deems appropriate, the following assistance to countries that agree to destroy their ballistic missiles, and their facilities for producing ballistic missiles, that have a payload capacity of 500 kilograms or more over a distance of 300 kilometers or more:

(1) Assistance under section 23 of the Arms Export Control Act (22 U.S.C. 2763).

(2) Assistance under chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 et seq.), notwithstanding section 531(e) or 660(a) of that Act (22 U.S.C. 2346(e) or 2420(a)).

(3) Drawdown of defense articles, defense services, and military education and training under section 506 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318).

(b) CONGRESSIONAL NOTIFICATION.—Assistance authorized under subsection (a) may not be provided until 30 days after the date on which the President has provided notice thereof to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1(a)).

(c) LIMITATION.—Any assistance provided to a country under subsection (a) may not be provided in more than 3 fiscal years.

SEC. 1432. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—There is authorized to be appropriated to the President to carry out section 1431 the sum of $250,000,000.

(b) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under subsection (a) are authorized to remain available until expended.

SEC. 1433. AUTHORIZATION OF TECHNICAL ASSISTANCE IN MISSILE DISARMAMENT.

The President is authorized to provide technical assistance in the destruction of any missile or facility for producing ballistic missiles, in any country that requests such assistance.

TITLE XV—PROMOTION OF DEMOCRACY, HUMAN RIGHTS, AND RULE OF LAW IN BELARUS

SEC. 1501. ASSISTANCE TO PROMOTE DEMOCRACY AND CIVIL SOCIETY IN BELARUS.

(a) PURPOSES OF ASSISTANCE.—The assistance under this section shall be available for the following purposes:

(1) To assist the people of the Republic of Belarus in regaining their freedom and to enable them to join the European community of democracies.

(2) To encourage free and fair presidential, parliamentary, and local elections in Belarus, conducted in a manner consistent with internationally accepted standards and under the supervision of internationally recognized observers.

(3) To assist in restoring and strengthening institutions of democratic governance in Belarus.

(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purposes of subsection (a), the President is authorized to furnish assistance and other support for the activities described in subsection (c), to be provided primarily for indigenous Belarusian groups that are committed to the support of democratic processes.

(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) include—

(1) the observation of elections and the promotion of free and fair electoral processes;

(2) development of democratic political parties;

(3) radio and television broadcasting to and within Belarus;

(4) the development of nongovernmental organizations promoting democracy and supporting human rights;

(5) the development of independent media working within Belarus and from locations outside the country and supported by nonstate-controlled printing facilities;

(6) international exchanges and advanced professional training programs for leaders and members of the democratic forces in skill areas central to the development of civil society; and

(7) other activities consistent with the purposes of this title.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to the President to carry out this section such sums as may be necessary for fiscal years 2004 and 2005.

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

SEC. 1502. RADIO BROADCASTING TO BELARUS.

(a) PURPOSE.—It is the purpose of this section to authorize increased support for United States Government and surrogate radio broadcasting to the Republic of Belarus that will facilitate the unhindered dissemination of information.

(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to such sums as are otherwise authorized to be appropriated, there is authorized to be appropriated such sums as may be necessary for each fiscal year for Voice of America and RFE/RL, Incorporated for radio broadcasting to the people of Belarus in languages spoken in Belarus.

SEC. 1503. SENSE OF CONGRESS RELATING TO SANCTIONS AGAINST THE GOVERNMENT OF BELARUS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the sanctions described in subsections (c) and (d) should apply with respect to the Republic of Belarus until the President determines and certifies to the appropriate congressional committees that the Government of Belarus has made significant progress in meeting the conditions described in subsection (b).

(b) CONDITIONS.—The conditions referred to in subsection (a) are the following:

(1) The release of individuals in Belarus who have been jailed based on political or religious beliefs.

(2) The withdrawal of politically motivated legal charges against all opposition figures and independent journalists in Belarus.

(3) A full accounting of the disappearances of opposition leaders and journalists in Belarus, including Victor Gonchar, Anatoly Krasovsky, Yuri Zakharenka, and Dmitry Zavadsky, and the prosecution of those individuals who are responsible for their disappearances.

(4) The cessation of all forms of harassment and repression against the independent media, independent trade unions, nongovernmental organiza-

tions, religious organizations (including their leadership and members), and the political opposition in Belarus.

(5) The implementation of free and fair presidential and parliamentary elections in Belarus consistent with OSCE standards on democratic elections and in cooperation with relevant OSCE institutions.

(c) DENIAL OF ENTRY INTO THE UNITED STATES OF BELARUSIAN OFFICIALS.—The President should use his authority under section 212(f) of the Immigration and Nationality Act (8 U.S.C. 1182(f)) to deny the entry into the United States of any alien who—

(1) holds a position in the senior leadership of the Government of Belarus; or

(2) is a spouse, minor child, or agent of a person inadmissible under paragraph (1).

(d) PROHIBITION ON LOANS AND INVESTMENT.—

(1) UNITED STATES GOVERNMENT FINANCING.—No loan, credit guarantee, insurance, financing, or other similar financial assistance should be extended by any agency of the United States Government (including the Export-Import Bank and the Overseas Private Investment Corporation) to the Government of Belarus, except with respect to the

provision of humanitarian goods and agricultural or medical products.

(2) TRADE AND DEVELOPMENT AGENCY.—No funds available to the Trade and Development Agency should be available for activities of the Agency in or for Belarus.

(e) MULTILATERAL FINANCIAL ASSISTANCE.—It is further the sense of Congress that, in addition to the application of the sanctions described in subsections (c) and (d) to the Republic of Belarus (until the President determines and certifies to the appropriate congressional committees that the Government of Belarus has made significant progress in meeting the conditions described in subsection (b)), the Secretary of the Treasury should instruct the United States Executive Director of each international financial institution to which the United States is a member to use the voice and vote of the United States to oppose any extension by those institutions of any financial assistance (including any technical assistance or grant) of any kind to the Government of Belarus, except for loans and assistance that serve humanitarian needs.

SEC. 1504. MULTILATERAL COOPERATION.

It is the sense of Congress that the President should continue to seek to coordinate with other countries, particularly European countries, a comprehensive, multilat-

eral strategy to further the purposes of this title, including, as appropriate, encouraging other countries to take measures with respect to the Republic of Belarus that are similar to measures described in this title.

SEC. 1505. REPORT.

(a) REPORT.—Not later than 90 days after the date of enactment of this Act, and every year thereafter, the President shall transmit to the appropriate congressional committees a report that describes, with respect to the preceding 12-month period, the following:

(1) The sale or delivery of weapons or weapons-related technologies from the Republic of Belarus to any country, the government of which the Secretary of State has determined, for purposes of section 6(j)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)), has repeatedly provided support for acts of international terrorism.

(2) An identification of each country described in paragraph (1) and a detailed description of the weapons or weapons-related technologies involved in the sale.

(3) An identification of the goods, services, credits, or other consideration received by Belarus in exchange for the weapons or weapons-related technologies.

(4) The personal assets and wealth of Aleksandr Lukashenka and other senior leadership of the Government of Belarus.

(b) FORM.—A report transmitted pursuant to subsection (a) shall be in unclassified form but may contain a classified annex.

SEC. 1506. DEFINITIONS.

In this title:

(1) OSCE.—The term ''OSCE'' means the Organization for Security and Cooperation in Europe.

(2) SENIOR LEADERSHIP OF THE GOVERNMENT OF BELARUS.—The term ''senior leadership of the Government of Belarus'' includes—

(A) the President, Prime Minister, Deputy Prime Ministers, government ministers, Chairmen of State Committees, and members of the Presidential Administration of Belarus;

(B) any official of the Government of Belarus who is personally and substantially involved in the suppression of freedom in Belarus, including judges and prosecutors; and

(C) any other individual determined by the Secretary of State (or the Secretary's designee) to be personally and substantially involved in the formulation or execution of the policies of

the Lukashenka regime that are in contradiction of internationally recognized human rights standards.

TITLE XVI—ISRAELI-PALESTINIAN PEACE ENHANCEMENT ACT OF 2003

SEC. 1601. SHORT TITLE.

This title may be cited as the ''Israeli-Palestinian Peace Enhancement Act of 2003''.

SEC. 1602. FINDINGS.

Congress makes the following findings:

(1) The security of the State of Israel is a major and enduring national security interest of the United States.

(2) A lasting peace in the Middle East region can only take root in an atmosphere free of violence and terrorism.

(3) The Palestinian people have been ill-served by leaders who, by resorting to violence and terrorism to pursue their political objectives, have brought economic and personal hardship to their people and brought a halt to efforts seeking a negotiated settlement of the conflict.

(4) The United States has an interest in a Middle East in which two states, Israel and Palestine, will live side by side in peace and security.

(5) In his speech of June 24, 2002, and in other statements, President George W. Bush outlined a comprehensive vision of the possibilities of peace in the Middle East region following a change in Palestinian leadership.

(6) A stable and peaceful Palestinian state is necessary to achieve the security that Israel longs for, and Israel should take concrete steps to support the emergence of a viable, credible Palestinian state.

(7) The Palestinian state must be a reformed, peaceful, and democratic state that abandons forever the use of terror.

(8) On April 29, 2003, the Palestinian Legislative Council confirmed in office, by a vote of 51 yeas, 18 nays, and 3 abstentions, the Palestinian Authority's first prime minister, Mahmoud Abbas (Abu Mazen), and his cabinet.

(9) In his remarks prior to the vote of the Palestinian Legislative Council, Mr. Abbas declared: ''The government will concentrate on the question of security . . . The unauthorized possession of weapons, with its direct threat to the security of the pop-

ulation, is a major concern that will be relentlessly addressed . . . There will be no other decision-making authority except for the Palestinian Authority.''.

(10) In those remarks, Mr. Abbas further stated: ''We denounce terrorism by any party and in all its forms both because of our religious and moral traditions and because we are convinced that such methods do not lend support to a just cause like ours but rather destroy it.''.

(11) Israel has repeatedly indicated its willingness to make painful concessions to achieve peace once there is a partner for peace on the Palestinian side.

SEC. 1603. PURPOSES.

The purposes of this title are—

(1) to express the sense of Congress with respect to United States recognition of a Palestinian state; and

(2) to demonstrate United States willingness to provide substantial economic and humanitarian assistance, and to support large-scale multilateral assistance, after the Palestinians have achieved the reforms outlined by President Bush and have achieved peace with the State of Israel.

SEC. 1604. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) peace between Israel and the Palestinians cannot be negotiated until the Palestinian system of government has been transformed along the lines outlined in President Bush's June 24, 2002, speech;

(2) substantial United States and international economic assistance will be needed after the Palestinians have achieved the reforms described in section 620K(c)(2) of the Foreign Assistance Act of 1961 (as added by section 1706 of this Act) and have made a lasting and secure peace with Israel;

(3) the Palestinian people merit commendation on the confirmation of the Palestinian Authority's first prime minister, Mahmoud Abbas (Abu Mazen), and his cabinet;

(4) the new Palestinian administration urgently should take the necessary security-related steps to allow for implementation of a performance-based road map to resolve the Israeli-Palestinian conflict;

(5) the United States Administration should work vigorously toward the goal of two states living side-by-side in peace within secure and internationally-recognized boundaries free from threats or acts of force; and

(6) the United States has a vital national security interest in a permanent, comprehensive, and just resolution of the Arab-Israeli conflict, and particularly the Palestinian-Israeli conflict, based on the terms of United Nations Security Council Resolutions 242 and 338.

SEC. 1605. RECOGNITION OF A PALESTINIAN STATE.

It is the sense of Congress that a Palestinian state should not be recognized by the United States until the President determines that—

(1) a new leadership of a Palestinian governing entity, not compromised by terrorism, has been elected and taken office; and

(2) the newly-elected Palestinian governing entity—

(A) has demonstrated a firm and tangible commitment to peaceful coexistence with the State of Israel and to ending anti-Israel incitement, including the cessation of all officially sanctioned or funded anti-Israel incitement;

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

(C) has established a new Palestinian security entity that is fully cooperating with the appropriate Israeli security organizations;

(D) has achieved exclusive authority and responsibility for governing the national affairs of a Palestinian state, has taken effective steps to ensure democracy, the rule of law, and an independent judiciary, and has adopted other reforms ensuring transparent and accountable governance; and

(E) has taken effective steps to ensure that its education system promotes the acceptance of Israel's existence and of peace with Israel and actively discourages anti-Israel incitement.

SEC. 1606. LIMITATION ON ASSISTANCE TO A PALESTINIAN STATE.

Chapter 1 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2351 et seq.) is amended—

(1) by redesignating the second section 620G (as added by section 149 of Public Law 104–164 (110 Stat. 1436)) as section 620J; and

(2) by adding at the end the following new section:

"SEC. 620K. LIMITATION ON ASSISTANCE TO A PALESTINIAN STATE.

"(a) LIMITATION.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, assistance may be provided under this Act or any other provision of law to the government of a Palestinian state only during a period for which a certification described in subsection (c) is in effect. The limitation contained in the preceding sentence shall not apply (A) to humanitarian or development assistance that is provided through nongovernmental organizations for the benefit of the Palestinian people in the West Bank and Gaza, or (B) to assistance that is intended to reform the Palestinian Authority and affiliated institutions, or a newly elected Palestinian governing entity, in order to help meet the requirements contained in subparagraphs (A) through (H) of subsection (c)(2) or to address the matters described in subparagraphs (A) through (E) of section 1705(2) of the Israeli-Palestinian Peace Enhancement Act of 2003.

"(2) WAIVER.—The President may waive the limitation of the first sentence of paragraph (1) if the President determines and certifies to the Committee on International Relations of the House of Representatives and the Committee on Foreign Re-

lations of the Senate that it is vital to the national interest of the United States to do so.

''(b) CONGRESSIONAL NOTIFICATION.—

''(1) IN GENERAL.—Assistance made available under this Act or any other provision of law to a Palestinian state may not be provided until 15 days after the date on which the President has provided notice thereof to the Committee on International Relations and the Committee on Appropriations of the House of Representatives and to the Committee on Foreign Relations and the Committee on Appropriations of the Senate in accordance with the procedures applicable to reprogramming notifications under section 634A(a) of this Act.

''(2) SUNSET.—Paragraph (1) shall cease to be effective beginning ten years after the date on which notice is first provided under such paragraph.

''(c) CERTIFICATION.—A certification described in this subsection is a certification transmitted by the President to Congress that—

''(1) a binding international peace agreement exists between Israel and the Palestinians that—

''(A) was freely signed by both parties;

''(B) guarantees both parties' commitment to a border between two states that constitutes

a secure and internationally recognized boundary for both states, with no remaining territorial claims;

''(C) provides a permanent resolution for both Palestinian refugees and Jewish refugees from Arab countries; and

''(D) includes a renunciation of all remaining Palestinian claims against Israel through provisions that commit both sides to the ''end of the conflict''; and

''(2) the new Palestinian government—

''(A) has been democratically elected through free and fair elections, has exclusive authority and responsibility for governing the national affairs of the Palestinian state, and has achieved the reforms outlined by President Bush in his June 24, 2002, speech;

''(B) has completely renounced the use of violence against the State of Israel and its citizens, is vigorously attempting to prevent any acts of terrorism against Israel and its citizens, and punishes the perpetrators of such acts in a manner commensurate with their actions;

"(C) has dismantled, and terminated the funding of, any group within its territory that conducts terrorism against Israel;

"(D) is engaging in ongoing and extensive security cooperation with the State of Israel;

"(E) refrains from any officially sanctioned or funded statement or act designed to incite Palestinians or others against the State of Israel and its citizens;

"(F) has an elected leadership not compromised by terror;

"(G) is demilitarized; and

"(H) has no alliances or agreements that pose a threat to the security of the State of Israel.

"(d) RECERTIFICATIONS.—Not later than 90 days after the date on which the President transmits to Congress an initial certification under subsection (c), and every 6 months thereafter for the 10-year period beginning on the date of transmittal of such certification—

"(1) the President shall transmit to Congress a recertification that the requirements contained in subsection (c) are continuing to be met; or

''(2) if the President is unable to make such a recertification, the President shall transmit to Congress a report that contains the reasons therefor.

''(e) RULE OF CONSTRUCTION.—A certification under subsection (c) shall be deemed to be in effect beginning on the day after the last day of the 10-year period described in subsection (d) unless the President subsequently determines that the requirements contained in subsection (c) are no longer being met and the President transmits to Congress a report that contains the reasons therefor.''.

SEC. 1607. AUTHORIZATION OF ASSISTANCE TO A PALESTINIAN STATE.

Chapter 1 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2351 et seq.), as amended by section 1706, is further amended by adding at the end the following new section:

''SEC. 620L. AUTHORIZATION OF ASSISTANCE TO A PALESTINIAN STATE.

''(a) ASSISTANCE.—The President is authorized to provide assistance to a Palestinian state in accordance with the requirements of this section.

''(b) ACTIVITIES TO BE SUPPORTED.—Assistance provided under subsection (a) shall be used to support activities within a Palestinian state to substantially improve

the economy and living conditions of the Palestinians by, among other things, providing for economic development in the West Bank and Gaza, continuing to promote democracy and the rule of law, developing water resources, assisting in security cooperation between Israelis and Palestinians, and helping with the compensation and rehabilitation of Palestinian refugees.

''(c) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts made available to carry out chapter 4 of part II of this Act for a fiscal year, there are authorized to be appropriated to the President to carry out subsections (a) and (b) such sums as may be necessary for each such fiscal year.

''(d) COORDINATION OF INTERNATIONAL ASSISTANCE.—

''(1) IN GENERAL.—Beginning on the date on which the President transmits to Congress an initial certification under section 620K(c) of this Act, the Secretary of State shall seek to convene one or more donors conferences to gain commitments from other countries, multilateral institutions, and nongovernmental organizations to provide economic assistance to Palestinians to ensure that such commitments to provide assistance are honored in a timely manner, to ensure that there is coordination of assistance

among the United States and such other countries, multilateral institutions, and nongovernmental organizations, to ensure that the assistance provided to Palestinians is used for the purposes for which is was provided, and to ensure that other countries, multilateral institutions, and nongovernmental organizations do not provide assistance to Palestinians through entities that are designated as terrorist organizations under United States law.

''(2) REPORT.—Not later than 180 days after the date of the enactment of this section, and on an annual basis thereafter, the Secretary of State shall prepare and submit to the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate a report that describes the activities undertaken to meet the requirements of paragraph (1), including a description of amounts committed, and the amounts provided, to a Palestinian state or Palestinians during the reporting period by each country and organization.''.

TITLE XVII—ACCESS FOR AFGHAN WOMEN

SEC. 1701. SHORT TITLE.

This title may be cited as the ''Access for Afghan Women Act of 2003''.

SEC. 1702. FINDINGS.

Congress makes the following findings:

(1) Despite the removal of the Taliban from power, women in Afghanistan continue to experience brutal and frequent violation of their human rights, generally outside of Kabul where warlords are re-exerting control.

(2) Strong and continued support from the United States and the international community can ensure that the advances made by Afghan women since the fall of the Taliban will continue and grow, rather than recede.

(3) While the United States and the international community continue to make substantial contributions to emergency humanitarian and relief operations in Afghanistan, the establishment of a stable, peaceful, prosperous, and democratic Afghanistan with a broad-based, multi-ethnic, gender-sensitive, and fully representative government requires

a significant increase in long-term investments in development and reconstruction assistance.

(4) The maternal mortality rate in Afghanistan is among the highest in the world, with recent reports estimating that every 30 minutes an Afghan woman dies of pregnancy related causes, or approximately 15,000 women every year. The estimated maternal mortality rate of 1,600 deaths per 100,000 live births can be significantly reduced through access to primary health care services, including safe birthing supplies, emergency obstetric care, prenatal and postnatal care, contraception, and prevention and treatment for the effects of sexual coercion and rape.

(5) Women comprise 75 percent or more of the refugees and internally displaced in camps, urban areas, and villages in Afghanistan.

(6) 85 percent of Afghanistan's population lives in rural areas. The women in rural areas perform vital roles in food production, processing, and preparation. Successful reconstruction and development assistance must target rural women as part of any agricultural interventions.

(7) Within Afghanistan and outside of Afghanistan, local women's organizations are delivering crit-

ical services and have the knowledge and experience to assist the United States in delivering effective relief aid.

(8) The Afghan Ministry for Women's Affairs is an important ministry that is essential for re-establishing women's human rights, ensuring that women are included in all development efforts, and delivering critical legal, health, education, and economic services to women throughout Afghanistan's 30 provinces.

(9) Afghan women are taking the initiative to reach across the conflict divide and foster peace. Women's perspectives and experiences in seeking solutions to conflicts are necessary to ensure lasting peace.

(10) The inadequate security situation in Afghanistan disproportionately impacts women and girls as the lack of rule of law results in the frequent assault, kidnapping, and sexual abuse of Afghan women and girls throughout Afghanistan.

(11) Despite significant improvements in healthcare and education infrastructure for women and girls in Afghanistan, the lack of security and rule of law throughout most of Afghanistan effec-

tively denies access to these facilities and the critical services they provide.

SEC. 1703. ESTABLISHMENT OF AFGHAN WOMEN'S FUND.

(a) ESTABLISHMENT.—The Administrator of the United States Agency for International Development shall establish a fund for the purpose of assisting women and girls in Afghanistan in the areas of political and human rights, health care, education, training, security, and shelter.

(b) ACTIVITIES SUPPORTED.—The fund established under subsection (a) shall support the activities described in section 103(a)(7) of the Afghanistan Freedom Support Act of 2002 and the following activities:

(1) Direct financial and programmatic assistance to the Ministry of Women's Affairs in Afghanistan (hereafter in this section referred to as the ''Ministry'') to promote the strengthening of the Ministry as the Government of Afghanistan continues its transition to a long-term government structure and to enable the Ministry to fulfill its mandate. The Ministry may use such assistance to support activities such as the following:

(A) Multiyear women-centered economic development programs, including programs to

assist widows, female heads of household, women in rural areas, and disabled women.

(B) Collaboration with the Ministry of Health to construct culturally appropriate health infrastructure and delivery of high-quality comprehensive health care programs, including primary, maternal, child, reproductive, and mental health care.

(C) Programs to prevent trafficking in persons, assist victims, and apprehend and prosecute traffickers in persons.

(2) Direct financial assistance to the National Human Rights Commission of Afghanistan.

(3) Construction of women's educational facilities in Afghanistan.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section not less than $22,500,000 for each of the fiscal years 2003, 2004, and 2005 and such sums as are necessary for each subsequent fiscal year.

SEC. 1704. ASSISTANCE TO AFGHANISTAN.

Notwithstanding any other provision of law, not less than 15 percent of the aggregate amount of economic and humanitarian assistance authorized to be appropriated under section 1703(c) to be made available to Afghanistan

for each of the fiscal years 2003, 2004, and 2005 shall be made available for assistance directly to Afghan-led local nongovernmental organizations, including Afghan women-led organizations, with demonstrated experience in delivering services to Afghan women and children to support their programmatic activities and organizational development. In recognition of the appreciating capacity of Afghan-led local nongovernmental organizations, including Afghan women-led organizations, an appropriate percentage of the aggregate amount of economic and humanitarian assistance authorized to be made available to Afghanistan for fiscal year 2006 and each subsequent fiscal year shall be made available for assistance directly to Afghan-led local nongovernmental organizations, including Afghan women-led organizations.

SEC. 1705. REQUIREMENTS RELATING TO UNITED STATES ACTIVITIES IN AFGHANISTAN.

(a) IN GENERAL.—Activities described in subsections (b) through (e) that are carried out by the United States in Afghanistan should comply with the applicable requirements contained in such subsections.

(b) GOVERNANCE OF AFGHANISTAN.—With respect to the governance of Afghanistan, the applicable requirements are the following:

(1) Include the perspectives and advice of Afghan women's organizations, networks, and leaders in United States policymaking related to the governance of Afghanistan.

(2) Promote the inclusion of a significant number of women in future legislative bodies to ensure that women's full range of human rights are included and upheld in any constitution or legal structures of Afghanistan.

(3) Encourage the appointment of women to high level positions within Afghan Ministries.

(c) POST-CONFLICT RECONSTRUCTION AND DEVELOPMENT.—With respect to activities relating to post-conflict stability in Afghanistan, the applicable requirements are the following:

(1) Encourage United States organizations that receive funds authorized by this title to partner with or create Afghan-led counterpart organizations and provide these organizations with significant financial resources, technical assistance, and capacity building.

(2) Increase women's access to or ownership of productive assets such as land, water, agricultural inputs, credit, and property.

(3) Provide long-term financial assistance for primary, secondary, higher, nontraditional, and vocational education for Afghan girls, women, boys, and men.

(4) Integrate education and training programs for former combatants with economic development programs to encourage their reintegration into society and to promote post-conflict stability.

(5) Provide assistance to rehabilitate children affected by the conflict, particularly child soldiers.

(6) Support educational efforts to increase awareness with respect to landmines, facilitate the removal of landmines, and provide services to individuals with disabilities caused by landmines.

(d) AFGHAN MILITARY AND POLICE.—With respect to training for military and police forces in Afghanistan, the applicable requirements are the following:

(1) Include training on the protection, rights, and the particular needs of women and emphasize that violations of women's rights are intolerable and should be prosecuted.

(2) Encourage such trainers who will carry out the activities in paragraph (1) to consult with women's organizations in Afghanistan to ensure that

training content and materials are adequate, appropriate, and comprehensive.

(e) RELIEF, RESETTLEMENT, AND REPATRIATION OF REFUGEES AND INTERNALLY DISPLACED PERSONS.—With respect to the relief, resettlement, and repatriation of refugees and internally displaced persons in Afghanistan, the applicable requirements are the following:

(1) Take all necessary steps to ensure that women refugees and internally displaced persons in camps, urban areas, and villages are directly receiving food aid, shelter, relief supplies, and other services from United States-sponsored programs.

(2) Take all necessary steps to ensure that women refugees in camps, urban areas, and villages are accessing high-quality health and medical services, including primary, maternal, child, and mental health services.

(3) Take all necessary steps to ensure that women and children in refugee camps are protected from sexual exploitation.

(4) Take all necessary steps to ensure refugees and internally displaced persons that seek to return to their place of origin can do so voluntarily, safely, and with the full protection of their rights. United States-sponsored efforts shall not coerce refugees or

internally displaced persons to return to their places of origin.

SEC. 1706. REPORTING REQUIREMENTS.

Not later than 60 days after the date of the enactment of this Act, and annually thereafter, the President shall prepare and transmit to Congress a report that contains documentation of the progress in implementing the requirements of section 1705. All data in the report shall be disaggregated by gender.

TITLE XVIII—MISCELLANEOUS FOREIGN ASSISTANCE PROVISIONS

SEC. 1801. ADDITIONAL AUTHORITIES RELATING TO INTERNATIONAL NARCOTICS CONTROL ASSISTANCE.

Notwithstanding any other provision of law, assistance provided by the United States Government to support international efforts to combat aerial trafficking of illicit narcotics under chapter 8 of part I of the Foreign Assistance Act of 1961 or under any other provision of law shall include the authority to interdict illicit arms in connection with the trafficking of illicit narcotics.

SEC. 1802. UNITED STATES OPIUM ERADICATION PROGRAM IN COLOMBIA.

Not later than 180 days after the date of the enactment of this Act, the Secretary of State, acting through the Department of State's Narcotics Affairs Section (NAS) in Bogota, Colombia, shall ensure that all pilots participating in the United States opium eradication program in Colombia are Colombians and are fully trained, qualified, and experienced pilots, with preference provided to individuals who are members of the Colombian National Police.

SEC. 1803. COOPERATIVE DEVELOPMENT PROGRAM.

Of the amounts made available for development assistance under the Foreign Assistance Act of 1961, not less than $2,000,000 for each of the fiscal years 2004 and 2005 are authorized to be made available to finance projects among the United States, Israel, and developing countries in Africa under the Cooperative Development Program.

SEC. 1804. WEST BANK AND GAZA PROGRAM.

(a) OVERSIGHT.—For fiscal year 2004, the Secretary of State shall certify to the appropriate committees of Congress not later than 30 days prior to the initial obligation of funds for the West Bank and Gaza that procedures have been established to assure the Comptroller General will have access to appropriate United States financial in-

formation in order to review the use of United States assistance for the West Bank and Gaza funded under chapter 4 of part II of the Foreign Assistance Act of 1961 (''Economic Support Fund'').

(b) VETTING.—Prior to any obligation of funds authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 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) IN GENERAL.—The Administrator of the United States Agency for International Development shall ensure that independent 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) AUDITS BY INSPECTOR GENERAL OF USAID.—Of the funds authorized to be appropriated by this Act to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 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 paragraph (1). Such funds are in addition to funds otherwise available for such purposes.

SEC. 1805. ANNUAL HUMAN RIGHTS COUNTRY REPORTS ON INCITEMENT TO ACTS OF DISCRIMINATION.

(a) COUNTRIES RECEIVING ECONOMIC ASSISTANCE.—Section 116(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d)) is amended—

(1) in paragraph (9), by striking ''and'' at the end;

(2) in paragraph (10), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(11)(A) wherever applicable, in a separate section with a separate heading, a description of the nature and extent of—

''(i) propaganda in government and government-controlled media and other sources, including government-produced educational materials and textbooks, that attempt to justify or promote racial hatred or incite acts of violence against any race or people; and

''(ii) complicity or involvement in the creation of such propaganda or incitement of acts of violence against any race; and

''(B) a description of the actions, if any, taken by the government of the country to eliminate such propaganda or incitement.''.

(b) COUNTRIES RECEIVING SECURITY ASSISTANCE.—Section 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(b)) is amended by inserting after the eighth sentence the following: ''Each report under this section shall also include wherever applicable, in a separate section with a separate heading, a description of (i) the nature and extent of (I) propaganda in government and government-controlled media and other sources, including government-produced educational materials and textbooks, that attempt to justify or promote racial hatred or incite acts of violence against any race, and (II) complicity or involvement in the creation of such propaganda or incitement of acts of violence against any race or peo-

ple, and (ii) a description of the actions, if any, taken by the government of the country to eliminate such propaganda or incitement.''.

SEC. 1806. ASSISTANCE TO EAST TIMOR.

Section 632(b)(1) of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107–228) is amended by striking ''the fiscal year 2003'' and inserting ''each of the fiscal years 2003, 2004, and 2005''.

SEC. 1807. SUPPORT FOR DEMOCRACY-BUILDING EFFORTS FOR CUBA.

(a) STATEMENT OF POLICY.—It is the policy of the United States to support those individuals and groups who struggle for freedom and democracy in Cuba, including human rights dissidents, independent journalists, independent labor leaders, and other opposition groups.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the President to carry out section 109(a) of Public Law 104–114 (22 U.S.C. 6039(a)) $15,000,000 for each of the fiscal years 2004 and 2005.

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

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

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

SEC. 1808. AMENDMENT TO THE AFGHANISTAN FREEDOM SUPPORT ACT OF 2002.

The Afghanistan Freedom Support Act of 2002 (22 U.S.C. 7501 et seq.) is amended—

(1) in section 103(a) by striking ''section 512 of Public Law 107–115 or any similar'' and inserting ''any other''; and

(2) in section 207(b) by striking ''section 512 of Public Law 107–115 or any similar'' and inserting ''any other''.

SEC. 1809. CONGO BASIN FOREST PARTNERSHIP.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the President to carry out the Congo Basin Forest Partnership (CBFP) program $18,600,000 for each of the fiscal years 2004 and 2005. Of the amounts appropriated pursuant to the authorization of appropriations under the preceding sentence for a fiscal year, $16,000,000 is authorized to be made available to the Central Africa Regional Program for the Environment (CARPE) of the United States Agency for International Development.

(b) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under subsection (a) are authorized to remain available until expended.

SEC. 1810. COMBATTING THE PIRACY OF UNITED STATES COPYRIGHTED MATERIALS.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to such amounts as may otherwise be authorized to be appropriated for such purpose, there are authorized to be appropriated for the Department of State, $10,000,000 to carry out the following activities in countries that are not members of the Organization for Economic Cooperation and Development (OECD):

(1) Provision of equipment and training for foreign law enforcement, including in the interpretation of intellectual property laws.

(2) Training for judges and prosecutors, including in the interpretation of intellectual property laws.

(3) Assistance in complying with obligations under appropriate international copyright and intellectual property treaties and agreements.

(b) CONSULTATION WITH WORLD INTELLECTUAL PROPERTY ORGANIZATION.—In carrying out subsection (a), the Department of State should make every effort to consult with, and provide appropriate assistance to, the

World Intellectual Property Organization to promote the integration of non-OECD countries into the global intellectual property system.

SEC. 1811. ASSISTANCE FOR LAW ENFORCEMENT FORCES IN CERTAIN FOREIGN COUNTRIES.

Notwithstanding section 660 of the Foreign Assistance Act of 1961 (22 U.S.C. 2420), the Administrator of the United States Agency for International Development is authorized to provide assistance for fiscal years 2004 and 2005 to—

(1) law enforcement agencies of the Government of India for the purposes of enhancing their capacity for medical-first-response and search-and-rescue operations after a natural disaster, improving the access of women to justice, and combating the trafficking of persons; and

(2) the new police force of Northern Ireland for the purpose of providing computer-based, human-rights and other professional training, and the law enforcement agencies of the Republic of Ireland (ROI) for the purposes of fostering greater cooperation and communication between the police force of the Republic of Ireland and the new police force of Northern Ireland, as recommended by the Patten Commission.

SEC. 1812. HUMAN RIGHTS AND DEMOCRACY FUND.

Section 664(c)(1) of the Freedom Investment Act of 2002 (subtitle E of title VI of division A of Public Law 107–228; 22 U.S.C. 2151n–2(c)(1)) is amended—

(1) by striking ''for fiscal year 2003'' and inserting ''for each of the fiscal years 2003 through 2005''; and

(2) by striking ''$21,500,000 is'' and inserting ''$21,500,000 for fiscal year 2003, $24,000,000 for fiscal year 2004, and such sums as may be necessary for fiscal year 2005 are''.

SEC. 1813. ENHANCED POLICE TRAINING.

(a) IN GENERAL.—Section 660(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2420(b)) is amended—

(1) in paragraph (7), by striking the period at the end and inserting ''; or''; and

(2) by adding at the end the following new paragraph:

''(8) with respect to assistance provided 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 counter-narcotics, and through the promotion of civilian police roles that support democratic governance, including programs to combat corruption and the trafficking

of persons, particularly by organized crime, prevent conflict, and foster improved police relations with the communities in which they serve.''.

(b) NOTIFICATION REQUIREMENT.—Section 660 of the Foreign Assistance Act of 1961 (22 U.S.C. 2420) is amended by adding at the end the following new subsection:

''(e) Funds may not be obligated for assistance under subsection (b)(8) unless the Secretary of State notifies the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate of the amount and nature of the proposed assistance at least 15 days in advance of the proposed obligation in accordance with the procedures applicable to reprogramming notifications pursuant to section 634A of this Act. Such notification shall include a comprehensive report and, where practicable, a plan describing the police assistance and rule of law programs of relevant United States agencies for each country which is to receive assistance under section 660(b)(8).''.

SEC. 1814. PROMOTING A SECURE AND DEMOCRATIC AFGHANISTAN.

(a) FINDINGS.—The Congress finds that—

(1) the United States has a vital interest in promoting Afghanistan's transition from chaos, civil

war, and disorder to an increasingly prosperous democratic state, safe and secure with its neighbors, respecting human rights, particularly the rights of women and girls, dedicated to the liberty, literacy, and enrichment of its citizens, and serving as a model for other countries;

(2) basic security in the major cities and along key transportation routes is critical to the reconstruction and development of Afghanistan, including fostering implementation of the Bonn Agreement, achieving progress towards a democratic and tolerant government, and encouraging international private investment;

(3) Afghanistan and its people remain under serious threat from terrorism, insurgency, widespread crime, banditry, intimidation, rape, and suppression of minorities and women, and other grave violations of human rights continue to occur, especially in areas that do not have a routine presence of international security personnel;

(4) lethal clashes continue between the private armies of warlords, attacks against Afghan civilians and officials and United States and international organization personnel are on the rise, and threats against civilians and whole villages not to cooperate

with Americans or the central government are now routine;

(5) the growth, production, and trafficking of Afghan opium and its derivatives pose a serious threat to international peace and security and efforts toward reconstruction in Afghanistan;

(6) recruitment and training of the Afghan National Army and the Afghan National Police are seriously behind schedule and will not be at full strength for several years, leaving the central government and Afghan citizens vulnerable to the depredations of terrorists, insurgents, and the private armies of warlords;

(7) although the 4,500 soldiers of the International Security Assistance Force (ISAF) have provided much-needed security for the citizens of Kabul, it is not within their mandate or power to promote security to other areas, and human rights abuses are continuing in areas in and around Kabul where ISAF is not present;

(8) vastly disproportionate numbers of refugees returning from neighboring countries have gone to Kabul because of the security provided by ISAF and the insecurity of their home areas, overwhelming

Kabul and far exceeding its capacity for shelter, food, and employment;

(9) NATO has recently decided to take over responsibility for a limited ISAF, a welcome development that will not, unfortunately, provide any additional security in Kabul or elsewhere;

(10) the United States has stated on numerous occasions that it does not oppose the expansion of ISAF, but that heretofore other countries have not expressed a willingness to participate in an expanded force;

(11) the United States has not itself demonstrated a commitment to expansion of ISAF or a similar international security or peacekeeping force, a commitment to leadership that other nations may more likely follow;

(12) the Secretary of Defense has announced that the combat phase of the war in Afghanistan has ended, and that the United States will be focusing its efforts on a reconstruction phase utilizing lightly-armed, platoon-sized Provincial Reconstruction Teams to provide security for reconstruction efforts, rather than an expanded international peacekeeping or patrolling security force;

(13) the Provincial Reconstruction Teams may prove inadequate to provide a significant level of security to their regions, and are not tasked to secure the major transportation routes which are critical to the economic revival of Afghanistan;

(14) United States and foreign nongovernmental aid workers and Afghan civilian aid workers are at great risk of being robbed, beaten, and killed in areas of Afghanistan that are not being patrolled by United States forces or Afghan central government forces;

(15) such acts of theft, intimidation, and murder against foreign aid and Afghan civilian workers are occurring with increasing frequency, and are often deliberately committed by Taliban and other insurgent and rebel forces with the intention of creating sufficient terror to undermine and arrest any efforts to rebuild Afghanistan into a peaceful, democratic, and prosperous nation that prohibits terrorism and tyranny;

(16) the report of the Inspector General of the United States Agency for International Development (USAID) confirms that USAID workers are virtual captives in their compounds, able to venture out into the countryside for brief periods and only under

heavy armed escort, conditions which are counter-productive to their mission of assisting the people of Afghanistan;

(17) the Taliban and al-Qaeda may believe they only have to create enough terror and uncertainty in the country to undermine the creation of strong representative institutions, and wait until the United States leaves to again create chaos, exploit tribal rivalries, and plunge Afghanistan back into chaos;

(18) failure to secure a peaceful and democratic Afghanistan will diminish the credibility of efforts by the United States and the international community to promote peace and democracy elsewhere in the Muslim world; and

(19) unless general security can be provided in the major population areas, strategic highways, and border crossings and chokepoints, the goals for which the war in Afghanistan was fought may be lost and the efforts and lives spent in the attempt to liberate and rebuild Afghanistan may be wasted.

(b) SECURITY POLICY.—

(1) SECURITY ALONG HIGHWAYS.—The President shall take immediate steps to ensure that there is adequate security along the length of highways connecting major Afghan urban centers in order to

terminate and deter acts of banditry, illegal checkpoints, human rights abuses, terrorism, and intimidation against Afghan and foreign civilians and military personnel.

(2) DISARMAMENT, ETC. OF AFGHAN MILITIAS.—The President shall take immediate steps to support directly the disarmament, demobilization, and reintegration of Afghan militias and irregulars that are not formally part of the Afghan National Army or under the direct control of the central government in Afghanistan.

(c) SENSE OF CONGRESS.—It is the sense of the Congress that the President should take steps to implement section 206(d) of the Afghanistan Freedom Support Act of 2002 (Public Law 107–327) to expand significantly the International Security Assistance Force, or take such other steps as may be necessary, such as increasing the number and force levels of United States Provincial Reconstruction Teams, so as to—

(1) increase the area in which security is provided and undertake vital tasks related to promoting security, such as disarming warlords militias and irregulars;

(2) deter criminal activity, including rape, robbery, and intimidation of civilians; and

(3) safeguard highways in order to allow governmental and nongovernmental assistance and reconstruction personnel to move more freely in the countryside to provide humanitarian relief and rebuild Afghanistan.

SEC. 1815. GRANTS TO THE AFRICA SOCIETY.

(a) GRANTS TO THE AFRICA SOCIETY.—For any fiscal year, the Secretary of State is authorized to make grants to the Africa Society to carry out programs and activities that advance United States interests and values in Africa through public and private partnerships that facilitate the continent's political transition to more open democratic societies, support equitable economic growth through trade and investment, support efforts to promote transparency and openness through the public and private sectors, encourage civil society growth and development, and promote awareness of all Americans about Africa, consistent with a grant agreement under such terms as the Secretary of State considers necessary and appropriate.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $1,000,000 for the fiscal year 2004 and such sums as may be necessary for the fiscal year 2005.

SEC. 1816. ASSISTANCE TO TAMIL NADU.

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

(1) Several United States businesses invested more than $800,000,000 in capital in the Indian State of Tamil Nadu to build and operate state-of-the-art electric generation facilities to serve local customers.

(2) For nearly 2 years since these power plants went into service, the Tamil Nadu Electricity Board has violated the principle of contract sanctity by consistently refusing to pay the contractually-required price for the electricity produced by these companies.

(3) The Tamil Nadu Electricity Board now owes these United States companies in excess of $150,000,000 in arrearages despite repeated assurances by the Government of Tamil Nadu that the situation would be resolved.

(4) All of the projects are in a technical state of default on the principal of their loans and none of the United States companies is making a return on their equity.

(b) RESTRICTION.—No funds authorized by this Act (including any amendments made by this Act) or authorized under any other provision of law may be used to di-

rectly or indirectly support any programs, projects, or activities (other than humanitarian, health, or rule of law programs, projects, or activities) located in or designed to benefit the State of Tamil Nadu, India.

SEC. 1817. TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) TRANSFERS BY GRANT.—The President is authorized to transfer vessels to foreign countries on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j), as follows:

(1) BAHRAIN.—To the Government of Bahrain, the OLIVER HAZARD PERRY class guided missile frigate GEORGE PHILIP (FFG 12).

(2) PORTUGAL.—To the Government of Portugal, the OLIVER HAZARD PERRY class guided missile frigate SIDES (FFG 14).

(b) TRANSFERS BY SALE.—The President is authorized to transfer vessels to foreign countries on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) as follows:

(1) BRAZIL.—To the Government of Brazil, the SPRUANCE class destroyer O'BRIEN (DD 975).

(2) CHILE.—To the Government of Chile, the SPRUANCE class destroyer FLETCHER (DD 992).

(3) TURKEY.—To the Government of Turkey, the ANCHORAGE class dock landing ship ANCHORAGE (LSD 36).

(c) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted against the aggregate value of excess defense articles transferred to countries in any fiscal year under subsection (g) of that section.

(d) COSTS OF TRANSFERS ON GRANT BASIS.—Any expense incurred by the United States in connection with a transfer authorized to be made on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to the authority provided by subsection (a) shall be charged to the recipient (notwithstanding section 516(e)(1) of such Act).

(e) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—To the maximum extent practicable, the President shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a ship-

yard located in the United States, including a United States Navy shipyard.

(f) EXPIRATION OF AUTHORITY.—The authority to transfer a vessel under this section shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

SEC. 1818. ASSISTANCE TO COMBAT HIV/AIDS IN CERTAIN COUNTRIES OF THE CARIBBEAN REGION.

Section 1(f)(2)(B)(ii)(VII) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a(f)(2)(B)(ii)(VII)) is amended by inserting after ''Zambia,'' the following: ''Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Jamaica, Montserrat, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Saint Lucia, Suriname, Trinidad and Tobago, Dominican Republic,''.

SEC. 1819. REPORT ON PROGRESS MADE IN MODIFYING THE ENHANCED HIPC INITIATIVE.

Within 90 days after the date of the enactment of this Act, and annually thereafter, the Secretary of the Treasury shall submit to the Committees on Financial Services, on Appropriations, and on International Relations of the House of Representatives and the Committees on Foreign Relations and on Appropriations of the Senate a written report that describes the progress made in modi-

fying the Enhanced HIPC Initiative (as defined in section 1625(e)(3) of the International Financial Institutions Act) as called for in section 501 of of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003.

DIVISION E—ASSISTANCE FOR VIET NAM

TITLE XX—CONDITIONS ON INCREASED NONHUMANITARIAN ASSISTANCE TO THE GOVERNMENT OF VIET NAM

SEC. 2001. BILATERAL NONHUMANITARIAN ASSISTANCE.

(a) ASSISTANCE.—

(1) IN GENERAL.—United States nonhumanitarian assistance may not be provided to the Government of Viet Nam in an amount exceeding the amount so provided for fiscal year 2003—

(A) for fiscal year 2004 unless not later than 30 days after the date of the enactment of this Act the President determines and certifies to Congress that the requirements of subparagraphs (A) through (D) of paragraph (2) have been met during the 12–month period ending on the date of the certification; and

(B) for each subsequent fiscal year unless the President determines and certifies to Congress in the most recent annual report submitted pursuant to section 501 that the requirements of subparagraphs (A) through (E) of paragraph (2) have been met during the 12–month period covered by the report.

(2) REQUIREMENTS.—The requirements of this paragraph are that—

(A) the Government of Viet Nam has made substantial progress toward releasing all political and religious prisoners from imprisonment, house arrest, and other forms of detention;

(B)(i) the Government of Viet Nam has made substantial progress toward respecting the right to freedom of religion, including the right to participate in religious activities and institutions without interference by or involvement of the Government; and

(ii) has made substantial progress toward returning estates and properties confiscated from the churches;

(C) the Government of Viet Nam has made substantial progress toward allowing Viet-

namese nationals free and open access to United States refugee programs;

(D) the Government of Viet Nam has made substantial progress toward respecting the human rights of members of ethnic minority groups in the Central Highlands and elsewhere in Viet Nam; and

(E)(i) neither any official of the Government of Viet Nam nor any agency or entity wholly or partly owned by the Government of Viet Nam was complicit in a severe form of trafficking in persons; or

(ii) the Government of Viet Nam took all appropriate steps to end any such complicity and hold such official, agency, or entity fully accountable for its conduct.

(b) EXCEPTION.—

(1) CONTINUATION OF ASSISTANCE IN THE NATIONAL INTEREST.—Notwithstanding the failure of the Government of Viet Nam to meet the requirements of subsection (a)(2), the President may waive the application of subsection (a) for any fiscal year if the President determines that the provision to the Government of Viet Nam of increased United States nonhumanitarian assistance would promote the pur-

poses of this Act or is otherwise in the national interest of the United States.

(2) EXERCISE OF WAIVER AUTHORITY.—The President may exercise the authority under paragraph (2) with respect to—

(A) all United States nonhumanitarian assistance to Viet Nam; or

(B) one or more programs, projects, or activities of such assistance.

(c) DEFINITIONS.—In this section:

(1) SEVERE FORM OF TRAFFICKING IN PERSONS.—The term ''severe form of trafficking in persons'' means any activity described in section 103(8) of the Trafficking Victims Protection Act of 2000 (Public Law 106–386 (114 Stat. 1470); 22 U.S.C. 7102(8)).

(2) UNITED STATES NONHUMANITARIAN ASSISTANCE.—The term ''United States nonhumanitarian assistance'' means—

(A) any assistance under the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2 of part I of that Act, relating to the Overseas Private Investment Corporation), other than—

(i) disaster relief assistance, including any assistance under chapter 9 of part I of that Act;

(ii) assistance which involves the provision of food (including monetization of food) or medicine; and

(iii) assistance for refugees; and

(B) sales, or financing on any terms, under the Arms Export Control Act.

TITLE XXI—ASSISTANCE TO SUPPORT HUMAN RIGHTS AND DEMOCRACY IN VIET NAM

SEC. 2101. ASSISTANCE.

(a) IN GENERAL.—The President is authorized to provide assistance, through appropriate nongovernmental organizations, for the support of individuals and organizations to promote democracy and internationally recognized human rights in Viet Nam.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the President to carry out subsection (a) $2,000,000 for each of the fiscal years 2004 and 2005.

TITLE XXII—UNITED STATES PUBLIC DIPLOMACY

SEC. 2201. RADIO FREE ASIA TRANSMISSIONS TO VIET NAM.

(a) POLICY OF THE UNITED STATES.—It is the policy of the United States to take such measures as are necessary to overcome the jamming of Radio Free Asia by the Government of Viet Nam, including the active pursuit of broadcast facilities in close geographic proximity to Viet Nam.

(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to such amounts as are otherwise authorized to be appropriated for the Broadcasting Board of Governors, there are authorized to be appropriated to carry out the policy under subsection (a) $9,100,000 for the fiscal year 2004 and $1,100,000 for the fiscal year 2005.

SEC. 2202. UNITED STATES EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS WITH VIET NAM.

It is the policy of the United States that programs of educational and cultural exchange with Viet Nam should actively promote progress toward freedom and democracy in Viet Nam by providing opportunities to Vietnamese nationals from a wide range of occupations and perspectives to see freedom and democracy in action and, also, by ensuring that Vietnamese nationals who have al-

ready demonstrated a commitment to these values are included in such programs.

TITLE XXIII—UNITED STATES REFUGEE POLICY

SEC. 2301. REFUGEE RESETTLEMENT FOR NATIONALS OF VIET NAM.

(a) POLICY OF THE UNITED STATES.—It is the policy of the United States to offer refugee resettlement to nationals of Viet Nam (including members of the Montagnard ethnic minority groups) who were eligible for the Orderly Departure Program (ODP), Resettlement Opportunities for Vietnamese Returnees (ROVR) or any other United States refugee program and who were deemed ineligible due to administrative error or who for reasons beyond the control of such individuals (including insufficient or contradictory information or the inability to pay bribes demanded by officials of the Government of Viet Nam) were unable or failed to apply for such programs in compliance with deadlines imposed by the Department of State.

(b) AUTHORIZED ACTIVITY.—Of the amounts authorized to be appropriated to the Department of State for Migration and Refugee Assistance for each of the fiscal years 2004, 2005, and 2006, such sums as may be necessary are authorized to be made available for the protec-

tion (including resettlement in appropriate cases) of Vietnamese refugees and asylum seekers, including Montagnards in Cambodia.

TITLE XIV—ANNUAL REPORT ON PROGRESS TOWARD FREEDOM AND DEMOCRACY IN VIET NAM

SEC. 2401. ANNUAL REPORT.

(a) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act and every 12 months thereafter, the Secretary of State shall submit to the Congress a report on the following:

(1)(A) The determination and certification of the President that the requirements of section 2001(a)(2) have been met, if applicable.

(B) The determination of the President under section 2001(b)(2), if applicable.

(2) Efforts by the United States Government to secure transmission sites for Radio Free Asia in countries in close geographical proximity to Viet Nam in accordance with section 2201(a).

(3) Efforts to ensure that programs with Viet Nam promote the policy set forth in section 302 and with section 102 of the Human Rights, Refugee, and Other Foreign Policy Provisions Act of 1996 regard-

ing participation in programs of educational and cultural exchange.

(4) Steps taken to carry out the policy under section 2301(a).

(5) Lists of persons believed to be imprisoned, detained, or placed under house arrest, tortured, or otherwise persecuted by the Government of Viet Nam due to their pursuit of internationally recognized human rights. In compiling such lists, the Secretary shall exercise appropriate discretion, including concerns regarding the safety and security of, and benefit to, the persons who may be included on the lists and their families. In addition, the Secretary shall include a list of such persons and their families who may qualify for protection under United States refugee programs.

(6) A description of the development of the rule of law in Viet Nam, including, but not limited to—

(A) progress toward the development of institutions of democratic governance;

(B) processes by which statutes, regulations, rules, and other legal acts of the Government of Viet Nam are developed and become binding within Viet Nam;

(C) the extent to which statutes, regulations, rules, administrative and judicial decisions, and other legal acts of the Government of Viet Nam are published and are made accessible to the public;

(D) the extent to which administrative and judicial decisions are supported by statements of reasons that are based upon written statutes, regulations, rules and other legal acts of the Government of Viet Nam;

(E) the extent to which individuals are treated equally under the laws of Viet Nam without regard to citizenship, race, religion, political opinion, or current or former associations;

(F) the extent to which administrative and judicial decisions are independent of political pressure or governmental interference and are reviewed by entities of appellate jurisdiction; and

(G) the extent to which laws in Viet Nam are written and administered in ways that are consistent with international human rights standards, including the requirements of the

International Covenant on Civil and Political Rights.

(b) CONTACTS WITH OTHER ORGANIZATIONS.— In preparing the report under subsection (a), the Secretary shall, as appropriate, consult with and seek input from nongovernmental organizations, human rights advocates (including Vietnamese-Americans and human rights advocates in Viet Nam), and the United States Commission on Religious Freedom.

Passed the House of Representatives July 16, 2003.

Attest:

Clerk.