

**INTERNATIONAL DISABILITY AND VICTIMS OF WARFARE AND  
CIVIL STRIFE ASSISTANCE ACT OF 2003; VARIOUS SIMPLE  
AND CONCURRENT RESOLUTIONS; BURMESE FREEDOM AND  
DEMOCRACY ACT OF 2003; AND MILLENNIUM CHALLENGE  
ACCOUNT AUTHORIZATION AND PEACE CORPS EXPANSION  
ACT OF 2003**

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**MARKUP**

BEFORE THE

**COMMITTEE ON  
INTERNATIONAL RELATIONS  
HOUSE OF REPRESENTATIVES**

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

ON

**H.R. 1462, H. Res. 58, H. Res. 177, H. Res. 194,  
H. Res. 199, H. Res. 237, H. Res. 242,  
H. Res. 264, H. Con. Res. 49, H. Con. Res. 80,  
H. Con. Res. 134, H. Con. Res. 154,  
H. Con. Res. 169, H. Con. Res. 209, H.R. 2330  
and H.R. 2441**

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**INTERNATIONAL DISABILITY AND VICTIMS OF WARFARE  
AND CIVIL STRIFE ASSISTANCE ACT OF 2003; VARIOUS  
SIMPLE AND CONCURRENT RESOLUTIONS; BURMESE  
FREEDOM AND DEMOCRACY ACT OF 2003; AND MILLEN-  
NIUM CHALLENGE ACCOUNT AUTHORIZATION AND PEACE  
CORPS EXPANSION ACT OF 2003**

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**THURSDAY, JUNE 12, 2003**

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON INTERNATIONAL RELATIONS,  
*Washington, DC.*

The Committee met, pursuant to call, at 10:35 a.m., in Room 2172, Rayburn House Office Building, Hon. Henry J. Hyde (Chairman of the Committee) presiding.

Chairman HYDE. The Committee will come to order. I ask unanimous consent that we may proceed with those present and who may immediately attend this hearing. We are short of a quorum for proceeding, but with unanimous consent we can. And so without objection, the Committee will come to order. And without objection, Mr. Menendez resigns from the Subcommittee on International Terrorism, Nonproliferation and Human Rights, and Ms. McCollum is assigned to that Subcommittee as the most junior Member.

Without objection, the Chairman is authorized to seek consideration of the following measures under suspension of the rules. Now, we have 14 resolutions which are noncontroversial and which have been reviewed by the Democratic minority, and they concur with the unanimous consent. So I will simply read the numbers of them:

H.R. 1462, H. Res. 58, H. Res. 177, as reported by the Subcommittee on Africa, H. Res. 194, as reported by the Subcommittee on Africa, H. Res. 199, as reported by the Subcommittee on Asia and the Pacific, H. Res. 237, H. Res. 242, H. Res. 264, H. Con. Res. 49, H. Con. Res. 80, H. Con. Res. 134, H. Con. Res. 154, H. Con. Res. 169, H. Con. Res. 209. Without objection, so ordered.

[The information referred to follows:]

108TH CONGRESS  
1ST SESSION

# H. R. 1462

To authorize assistance for individuals with disabilities in foreign countries, including victims of warfare and civil strife, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

MARCH 27, 2003

Mr. LANTOS (for himself, Mr. WOLF, Mr. BROWN of Ohio, Mr. SMITH of New Jersey, Mr. EVANS, Mr. PAYNE, Mr. PITTS, Mr. BERMAN, Mr. QUINN, Mr. WEXLER, Mr. CASE, Mr. CROWLEY, Mr. McDERMOTT, Ms. WOOLSEY, Mr. BLUMENAUER, Mr. SERRANO, Mr. ACKERMAN, Mr. SCHIFF, Mr. OLVER, Mr. HOEFFEL, Ms. MCCOLLUM, and Mr. LANGEVIN) introduced the following bill; which was referred to the Committee on International Relations

---

## A BILL

To authorize assistance for individuals with disabilities in foreign countries, including victims of warfare and civil strife, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “International Dis-  
5 ability and Victims of Warfare and Civil Strife Assistance  
6 Act of 2003”.

1 **SEC. 2. FINDINGS AND PURPOSE.**

2 (a) FINDINGS.—Congress makes the following find-  
3 ing:

4 (1)(A) According to the International Com-  
5 mittee of the Red Cross, there are tens of millions  
6 of landmines in over 60 countries around the world,  
7 and it has estimated that as many as 24,000 people  
8 are maimed or killed each year by landmines, mostly  
9 civilians, resulting in amputations and disabilities of  
10 various kinds.

11 (B) While the United States Government in-  
12 vests more than \$100,000,000 in mine action pro-  
13 grams annually, including funding for mine aware-  
14 ness and demining training programs, only about  
15 ten percent of these funds go to directly aid land-  
16 mine victims.

17 (C) The Patrick Leahy War Victims Fund, ad-  
18 ministered by the United States Agency for Inter-  
19 national Development, has provided essential pros-  
20 thetics and rehabilitation for landmine and other  
21 war victims in developing countries who are disabled  
22 and has provided long-term sustainable improve-  
23 ments in quality of life for victims of civil strife and  
24 warfare, addressing such issues as barrier-free acces-  
25 sibility, reduction of social stigmatization, and in-  
26 creasing economic opportunities.

1 (D) Enhanced coordination is needed among  
2 Federal agencies that carry out assistance programs  
3 in foreign countries for victims of landmines and  
4 other victims of civil strife and warfare to make bet-  
5 ter use of interagency expertise and resources.

6 (2) According to a review of Poverty and Dis-  
7 ability commissioned by the World Bank, “disabled  
8 people have lower education and income levels than  
9 the rest of the population. They are more likely to  
10 have incomes below poverty level than the non-dis-  
11 abled population, and they are less likely to have  
12 savings and other assets . . . [t]he links between  
13 poverty and disability go two ways—not only does  
14 disability add to the risk of poverty, but conditions  
15 of poverty add to the risk of disability.”.

16 (3) Numerous international human rights con-  
17 ventions and declarations recognize the need to pro-  
18 tect the rights of individuals regardless of their sta-  
19 tus, including those individuals with disabilities,  
20 through the principles of equality and non-discrimi-  
21 nation.

22 (b) PURPOSE.—The purpose of this Act is to author-  
23 ize assistance for individuals with disabilities, including  
24 victims of landmines and other victims of civil strife and  
25 warfare.



1 **SEC. 3. INTERNATIONAL DISABILITIES AND WAR VICTIMS**  
2 **ASSISTANCE.**

3 The Foreign Assistance Act of 1961 (22 U.S.C. 2151  
4 et seq.) is amended by inserting after section 134 the fol-  
5 lowing:

6 **“SEC. 135. INTERNATIONAL DISABILITIES AND WAR VIC-**  
7 **TIMS ASSISTANCE.**

8 “(a) **AUTHORIZATION.**—The President is authorized  
9 to furnish assistance to individuals with disabilities, in-  
10 cluding victims of civil strife and warfare, in foreign coun-  
11 tries.

12 “(b) **ACTIVITIES.**—The programs established pursu-  
13 ant to subsection (a) may include programs, projects, and  
14 activities such as the following:

15 “(1) Development of local capacity to provide  
16 medical and rehabilitation services for individuals  
17 with disabilities, including victims of civil strife and  
18 warfare, in foreign countries, such as—

19 “(A) support for and training of medical  
20 professionals, including surgeons, nurses, and  
21 physical therapists, to provide effective emer-  
22 gency and other medical care and for the devel-  
23 opment of training manuals relating to first aid  
24 and other medical treatment;

25 “(B) support for sustainable prosthetic  
26 and orthotic services; and

1           “(C) psychological and social rehabilitation  
2           of such individuals, together with their families  
3           as appropriate, for the reintegration of such in-  
4           dividuals into local communities.

5           “(2) Support for policy reform and educational  
6           efforts related to the needs and abilities of individ-  
7           uals with disabilities, including victims of civil strife  
8           and warfare.

9           “(3) Coordination of programs established pur-  
10          suant to subsection (a) with existing programs for  
11          individuals with disabilities, including victims of civil  
12          strife and warfare, in foreign countries.

13          “(4) Support for establishment of appropriate  
14          entities in foreign countries to coordinate programs,  
15          projects, and activities related to assistance for indi-  
16          viduals with disabilities, including victims of civil  
17          strife and warfare.

18          “(5) Support for primary, secondary, and voca-  
19          tional education, public awareness and training pro-  
20          grams and other activities that help prevent war-re-  
21          lated injuries and assist individuals with disabilities,  
22          including victims of civil strife and warfare, with  
23          their reintegration into society and their ability to  
24          make sustained social and economic contributions to  
25          society.

1       “(c) PRIORITY.—To the maximum extent feasible, as-  
2       sistance under this section shall be provided through non-  
3       governmental organizations, and, as appropriate, through  
4       governments to establish appropriate norms, standards,  
5       and policies related to rehabilitation and issues affecting  
6       individuals with disabilities, including victims of civil strife  
7       and warfare.

8       “(d) FUNDING.—Amounts made available to carry  
9       out the other provisions of this part (including chapter 4  
10      of part II of this Act) and the Support for East European  
11      Democracy (SEED) Act of 1989 are authorized to be  
12      made available to carry out this section and are authorized  
13      to be provided notwithstanding any other provision of  
14      law.”.

15      **SEC. 4. RESEARCH, PREVENTION, AND ASSISTANCE RE-**  
16    **LATED TO INTERNATIONAL DISABILITIES**  
17    **AND LANDMINE AND OTHER WAR VICTIMS.**

18      (a) AUTHORIZATION.—

19                      (1) IN GENERAL.—The Secretary of Health and  
20      Human Services, acting through the Director of the  
21      Centers for Disease Control and Prevention, is  
22      authorized—

23                              (A) to conduct programs in foreign coun-  
24      tries related to individuals with disabilities, in-

1 including victims of landmines and other victims  
2 of civil strife and warfare;

3 (B) to provide grants to nongovernmental  
4 organizations for the purpose of carrying out  
5 research, prevention, public awareness and as-  
6 sistance programs in foreign countries related  
7 to individuals with disabilities, including victims  
8 of landmines and other victims of civil strife  
9 and warfare.

10 (2) APPROVAL OF SECRETARY OF STATE.—Ac-  
11 tivities under programs established pursuant to  
12 paragraph (1) may be carried out in foreign coun-  
13 tries only in coordination with the Administrator of  
14 the United States Agency for International Develop-  
15 ment, and upon approval for such activities in such  
16 countries by the Secretary of State.

17 (b) ACTIVITIES.—Programs established pursuant to  
18 subsection (a) may include the following activities:

19 (1) Research on trauma, physical, psychological,  
20 and social rehabilitation, and continuing medical  
21 care related to individuals with disabilities, including  
22 victims of landmines and other victims of civil strife  
23 and warfare, including—

1 (A) conducting research on psychological  
2 and social factors that lead to successful recovery;  
3

4 (B) developing, testing, and evaluating  
5 model interventions that reduce post-traumatic  
6 stress and promote health and well-being;

7 (C) developing basic instruction tools for  
8 initial medical response to traumatic injuries;  
9 and

10 (D) developing basic instruction manuals  
11 for patients and healthcare providers, including  
12 for emergency and follow-up care, proper ampu-  
13 tation procedures, and reconstructive surgery.

14 (2) Facilitation of peer support networks for in-  
15 dividuals with disabilities, including victims of land-  
16 mines and other victims of civil strife and warfare,  
17 in foreign countries, including—

18 (A) establishment of organizations at the  
19 local level, administered by such individuals, to  
20 assess and address the physical, psychological,  
21 economic and social rehabilitation and other  
22 needs of such individuals, together with their  
23 families as appropriate, for the purpose of eco-  
24 nomic and social reintegration into local com-  
25 munities; and

1           (B) training related to the implementation  
2           of such peer support networks, including train-  
3           ing of outreach workers to assist in the estab-  
4           lishment of organizations such as those de-  
5           scribed in subparagraph (A) and assistance to  
6           facilitate the use of the networks by such indi-  
7           viduals.

8           (3) Sharing of expertise from limb-loss and dis-  
9           ability research centers in the United States with  
10          similar centers and facilities in war-affected coun-  
11          tries, including promoting increased health for indi-  
12          viduals with limb loss and limb deficiency and epide-  
13          miological research on secondary medical conditions  
14          related to limb loss and limb deficiency.

15          (4) Developing a database of best practices to  
16          address the needs of the war-related disabled  
17          through comprehensive examination of support ac-  
18          tivities related to such disability and access to med-  
19          ical care and supplies.

20          (c) AUTHORIZATION OF APPROPRIATIONS.—There  
21          are authorized to be appropriated to the Secretary of  
22          Health and Human Services to carry out this section such  
23          sums as may be necessary for each of fiscal years 2003  
24          through 2004.

1 **SEC. 5. EXPERTISE OF THE DEPARTMENT OF VETERANS**  
2 **AFFAIRS.**

3 The Secretary of Veterans Affairs is authorized—

4 (1) to provide advice and expertise on prosthetics, orthotics, physical and psychological rehabilitation and treatment, and disability assistance to other Federal departments and agencies, including providing for temporary assignment on a non-reimbursable basis of appropriate Department of Veterans Affairs personnel, with respect to the implementation of programs to provide assistance to victims of landmines and other victims of civil strife and warfare in foreign countries and landmine research and health-related programs, including programs established pursuant to section 135 of the Foreign Assistance Act of 1961 (as added by section 3 of this Act) and programs established pursuant to section 4 of this Act; and

19 (2) to provide technical assistance to private  
20 voluntary organizations on a reimbursable basis with  
21 respect to the planning, development, operation, and  
22 evaluation of such landmine assistance, research,  
23 and prevention programs.

○

108TH CONGRESS  
1ST SESSION

## H. RES. 58

Recognizing the accomplishments of Ignacy Jan Paderewski as a musician, composer, statesman, and philanthropist and recognizing the 11th Anniversary of the return of his remains to Poland.

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### IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 5, 2003

Ms. KAPTUR (for herself, Mr. McDERMOTT, Mr. SMITH of New Jersey, Mr. LANTOS, and Mr. BROWN of Ohio) submitted the following resolution; which was referred to the Committee on International Relations

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## RESOLUTION

Recognizing the accomplishments of Ignacy Jan Paderewski as a musician, composer, statesman, and philanthropist and recognizing the 11th Anniversary of the return of his remains to Poland.

Whereas Ignacy Jan Paderewski, born in Poland in 1860, was a brilliant and popular pianist who performed hundreds of concerts in Europe and the United States during the late 19th and early 20th centuries;

Whereas Paderewski often donated the proceeds of his concerts to charitable causes;

Whereas, during World War I, Paderewski worked for the independence of Poland and served as the first Premier of Poland;



Whereas in December 1919, Paderewski resigned as Premier of Poland, and in 1921 he left politics to return to his music;

Whereas the German invasion of Poland in 1939 spurred Paderewski to return to political life;

Whereas Paderewski fought against the Nazi dictatorship in World War II by joining the exiled Polish Government to mobilize the Polish forces and to urge the United States to join the Allied Forces;

Whereas Paderewski died in exile in America on June 29, 1941, while war and occupation imperiled all of Europe;

Whereas by the direction of United States President Franklin D. Roosevelt, Paderewski's remains were placed alongside America's honored dead in Arlington National Cemetery, where President Roosevelt said, "He may lie there until Poland is free.";

Whereas in 1963, United States President John F. Kennedy honored Paderewski by placing a plaque marking Paderewski's remains at the Mast of the Maine at Arlington National Cemetery;

Whereas in 1992, United States President George H.W. Bush, at the request of Lech Walesa, the first democratically elected President of Poland following World War II, ordered Paderewski's remains returned to his native Poland;

Whereas on June 26, 1992, the remains of Paderewski were removed from the Mast of the Maine at Arlington National Cemetery, and were returned to Poland on June 29, 1992;

Whereas on July 5, 1992, Paderewski's remains were interred in a crypt at the St. John Cathedral in Warsaw, Poland; and

Whereas Paderewski wished his heart to be forever enshrined in America, where his lifelong struggle for democracy and freedom had its roots and was cultivated, and now his heart remains at the Shrine of the Czestochowa in Doylestown, Pennsylvania: Now, therefore, be it

1       *Resolved*, That the House of Representatives—

2               (1) recognizes the accomplishments of Ignacy  
3       Jan Paderewski as a musician, composer, statesman,  
4       and philanthropist; and

5               (2) acknowledges the invaluable efforts of  
6       Ignacy Jan Paderewski in forging close Polish-American  
7       ties, on the 11th Anniversary of the return of  
8       Paderewski's remains to Poland.

○

**[COMMITTEE PRINT]**

JUNE 5, 2003

**[Showing H. Res. 177 As Reported by the Subcommittee on  
Africa]**

108TH CONGRESS  
1ST SESSION

**H. RES. 177**

Commending the people of the Republic of Kenya for conducting free and fair elections, for the peaceful and orderly transfer of power in their government, and for the continued success of democracy in their nation since that transition.

---

IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2003

Mr. GREEN of Wisconsin submitted the following resolution; which was referred to the Committee on International Relations

---

**RESOLUTION**

Commending the people of the Republic of Kenya for conducting free and fair elections, for the peaceful and orderly transfer of power in their government, and for the continued success of democracy in their nation since that transition.

Whereas on December 27, 2002, the Republic of Kenya successfully held presidential, parliamentary, and local elections;

Whereas these elections were widely praised by objective international observers as free and fair;

Whereas the Department of State stated that with these elections the Kenyan people “have made a strong demonstration of their democratic commitment and established an important example for the region and for the world”;

Whereas the European Union stated that “the overall conduct of the elections constitutes an example for other countries in the region”;

Whereas these elections signal a major step forward for Kenyan democracy, particularly when compared with other elections held in Kenya since it became an independent state in 1963;

Whereas the transition of power put in motion by these elections culminated on December 30, 2002, when former President Daniel Toroitich arap Moi peaceably transferred the Kenyan presidency to President Mwai Kibaki; and

Whereas these elections and the subsequent transfer of power from leader to leader represent the birth of a successful new democracy in Kenya: Now, therefore, be it

1       *Resolved*, That the House of Representatives—

2               (1) commends the people of the Republic of  
3       Kenya for conducting free and fair elections, and the  
4       Government of Kenya for its successful completion  
5       of a peaceful and orderly transition of power;

6               (2) expresses its desire to see this new democ-  
7       racy in Kenya continue to thrive, as it has in the  
8       months following the 2002 elections;

1           (3) urges other African countries to look to  
2 Kenya as an example of a working democracy in ac-  
3 tion and to follow the example set by the people of  
4 Kenya during this recent election process;

5           (4) reaffirms the friendship that exists between  
6 the people of the United States and people of Kenya,  
7 as two nations bound together by the shared values  
8 of democracy;

9           (5) offers its commitment to working to ensure  
10 democracy is able to grow and flourish as Kenya  
11 moves into the challenging future that lies ahead;  
12 and

13           (6) commends the Government of Kenya for its  
14 commitment and concrete steps taken—

15           (A) to strengthen democracy, human rights  
16 and the rule of law;

17           (B) to combat corruption;

18           (C) to provide free and universal primary  
19 education;

20           (D) to fight against HIV/AIDS; and

21           (E) to support the United States in the  
22 war on terrorism.

○

**[COMMITTEE PRINT]**

JUNE 5, 2003

**[Showing H. Res. 194 As Reported by the Subcommittee on  
Africa]**

108TH CONGRESS  
1ST SESSION

**H. RES. 194**

Regarding the importance of international efforts to abolish slavery and  
other human rights abuses in the Sudan.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 2003

Mr. CAPUANO (for himself, Mr. PAYNE, Mr. WOLF, Mr. ABERCROMBIE, Mr.  
FRANK of Massachusetts, Mr. RANGEL, Mr. SMITH of New Jersey, and  
Mr. WEXLER) submitted the following resolution; which was referred to  
the Committee on International Relations

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**RESOLUTION**

Regarding the importance of international efforts to abolish  
slavery and other human rights abuses in the Sudan.

Whereas the efforts of the government of Khartoum to sub-  
jugate the peoples of the southern Sudan have led to the  
death of more than 2,000,000 persons and the displace-  
ment of another 4,000,000 persons;

Whereas the Department of State's "Country Reports on  
Human Rights Practices for 2001" estimates that be-  
tween 5,000 and 15,000 Dinka women and children have

been abducted during the past 15 years, and that between 10,000 and 12,000 persons remain in captivity;

Whereas credible observers report that some of the abductees were sold into slavery and others were used as forced labor or drafted into the military, including children;

Whereas the Department of State's "Country Reports on Human Rights Practices for 2002" notes that persons held in government controlled "Peace" camps for internally displaced persons were reportedly subjected to forced labor;

Whereas the Special Rapporteur for Sudan to the General Assembly of the United Nations concluded, on November 4, 2002, that the dire human rights situation in Sudan had not significantly changed;

Whereas the United States Civilian Protection Monitoring Team (CPMT) reported in February 2003 that militia allied with the Government of Sudan and supported directly by Government of Sudan troops continued to abduct civilians in the western Upper Nile region of Sudan;

Whereas subsequent to the February 2003 report of the Civilian Protection Monitoring Team, the Government of Sudan restricted the movements of the CPMT and prevented it from carrying out its mandate;

Whereas the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights declares "[n]o one shall be held in slavery or servitude: slavery and the slave trade shall be prohibited in all their forms";

Whereas numerous human rights organizations, including Christian Solidarity International, the Center for Reli-

gious Freedom of Freedom House, and the American Anti-Slavery Group have demanded an end to slavery in all its forms and, in particular, to the abuses practiced by the Government of Sudan;

Whereas the National Association for the Advancement of Colored People adopted, in May 1995, a Resolution to Combat Modern Day Slavery stating that slavery in Sudan was an “irrefutable fact, corroborated by numerous sources,” and pledging that “we will not rest until these slaves are freed”;

Whereas the House of Representatives has repeatedly decried human rights abuses in Sudan and called for the abolition of the slave trade and of chattel slavery in Sudan;

Whereas the House of Representatives committed itself to practical measures to suppress the slave trade and chattel slavery in the Sudan by the passage, by a vote of 359–8, in the 107th Congress of H.R. 5531, the “Sudan Peace Act”, and the Senate passed a similar measure, S. 180, unanimously;

Whereas the United Nations Commission on Human Rights conducted its 59th session in Geneva from March 17 through April 25, 2003;

Whereas the head of the United States delegation to the United Nations Commission on Human Rights, Ambassador Jeane Kirkpatrick, declared in her opening address that “[t]he Commission has the solemn duty to speak for those who are denied the right to speak for themselves”;

Whereas Human Rights Watch and many other concerned persons and organizations have called upon the United Nations Commission on Human Rights to renew the



mandate of the Special Rapporteur on human rights for Sudan, and to condemn gross abuses of human rights and violations of international humanitarian law by the Sudanese Government and rebel Sudan People's Liberation Movement/Army (SPLM/A) forces; and

Whereas the United Nations Commission on Human Rights, by a vote of 26 to 24 with 3 abstentions, refused to classify Sudan as an "Item 9" country, one in which grave human rights problems justify the appointment of a Special Rapporteur to investigate abuses and to report on them: Now, therefore, be it

1       *Resolved*, That it is the sense of the House of Rep-  
2       resentatives that—

3               (1) slavery, under any circumstances, is an un-  
4       conscionable practice;

5               (2) the subjection inherent in slavery inevitably  
6       leads to other abuses, including torture and rape;

7               (3) human rights abuses and slavery in Sudan  
8       remain a matter of the most profound concern;

9               (4) the United States must condemn attempts  
10       to ignore or condone these outrages;

11              (5) the United States must make clear to all  
12       members of the United Nations Commission on  
13       Human Rights that the refusal to condemn slavery  
14       in Sudan undermines any moral authority that the  
15       Commission might seek to exert in other areas;

16              (6) the United States must work to re-classify  
17       Sudan as an "Item 9" country, requiring a Special

1       Rapporteur at the next session of the United Na-  
2       tions Commission on Human Rights; and

3               (7) the United States should encourage the  
4       United Nations to consider reinstating sanctions  
5       against Sudan and should urge the European Union,  
6       the African Union, and all others who express con-  
7       cern for human freedom and dignity to be engaged  
8       in activities that will convince Sudan to abolish slav-  
9       ery and respect human rights.

**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
**TO**  
**H. RES. 199**  
**AS REPORTED BY THE SUBCOMMITTEE ON ASIA**  
**AND THE PACIFIC**

Strike the preamble and insert the following:

Whereas according to the United States Department of State's 2002 Country Reports on Human Rights Practices in China, the Government of the People's Republic of China has "continued to commit numerous and serious [human rights] abuses", including "instances of . . . arbitrary arrest and detention, lengthy incommunicado detention, and denial of due process";

Whereas according to the 2002 Country Reports on Human Rights Practices in China, "the country's criminal procedures were not in compliance with international standards", "the lack of due process in the judicial system remained a serious problem", and "authorities routinely violated legal protections in the cases of political dissidents";

Whereas Dr. Yang Jianli, an internationally renowned scholar, prodemocracy activist, and President of the Foundation for China in the 21st Century, is an alien lawfully admitted for permanent residence into the United States;

Whereas Dr. Yang Jianli has been detained incommunicado by the Government of the People's Republic of China since April 26, 2002, when he was arrested for reportedly entering China with false or incomplete identity documents;

Whereas according to the United Nations Commission on Human Rights Resolution 1997/38, “prolonged incommunicado detention may . . . itself constitute a form of cruel, inhuman, or degrading treatment”, which is prohibited by international law;

Whereas Dr. Yang Jianli has been deprived of his basic human rights by being denied access to legal counsel and contact with his wife and two children (who are United States citizens), and has also been denied his right to trial within a reasonable time or to release;

Whereas on May 7, 2003, the United Nations Working Group on Arbitrary Detention expressed the opinion that “[t]he non-observance of Mr. Yang Jianli’s right to a fair trial is of such gravity as to give his deprivation of liberty an arbitrary character. Therefore, his arrest and detention is arbitrary being in contravention of Article 9 of the Universal Declaration on Human Rights and of Article 9 of the International Covenant on Civil and Political Rights”; and

Whereas the arbitrary imprisonment and the violation of the human rights of United States citizens and permanent resident aliens by the Government of the People’s Republic of China are sources of continuing, grave concern to the House of Representatives: Now, therefore, be it

Strike the resolving clause and insert the following:

- 1        *Resolved*, That—
- 2            (1) the House of Representatives—
- 3                (A) condemns and deplores the incommuni-
- 4                cado detention of Dr. Yang Jianli, and calls for
- 5                his immediate and unconditional release;

1 (B) condemns and deplores the lack of due  
2 process afforded to Dr. Yang;

3 (C) strongly urges the Government of the  
4 People's Republic of China to respond to the re-  
5 peated requests by Members of the House of  
6 Representatives for information about Dr.  
7 Yang's whereabouts and condition; and

8 (D) strongly urges the Government of the  
9 People's Republic of China to consider the im-  
10 plications for the broader relationship between  
11 the United States and the People's Republic of  
12 China of detaining permanent resident aliens of  
13 the United States without providing them ac-  
14 cess to legal counsel or family members; and

15 (2) it is the sense of the House of Representa-  
16 tives that the United States—

17 (A) should make the immediate release of  
18 Dr. Yang Jianli by the Government of the Peo-  
19 ple's Republic of China a top concern of United  
20 States foreign policy;

21 (B) should continue to make every effort  
22 to assist Dr. Yang Jianli and his family while  
23 discussions of his release are ongoing;

24 (C) should make it clear to the Govern-  
25 ment of the People's Republic of China that the

1 detention of United States citizens and perma-  
2 nent resident aliens and the infliction of human  
3 rights violations on these groups are not in the  
4 interest of the Government of the People's Re-  
5 public of China because they create obstacles to  
6 improved bilateral relations and cooperation  
7 with the United States; and

8 (D) should reiterate the deep concern of  
9 the United States regarding the continued im-  
10 prisonment of Dr. Yang Jianli and other  
11 United States citizens and permanent resident  
12 aliens whose human rights are being violated,  
13 and discuss their legal status and immediate  
14 humanitarian needs with the Government of the  
15 People's Republic of China.

108TH CONGRESS  
1ST SESSION

# H. RES. 237

Honoring the life and work of Walter Sisulu, a critical leader in the movement to free South Africa of apartheid, on the occasion of his death.

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IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2003

Ms. LEE (for herself, Mr. LANTOS, Mr. PAYNE, and Mr. MEEKS of New York) submitted the following resolution; which was referred to the Committee on International Relations

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## RESOLUTION

Honoring the life and work of Walter Sisulu, a critical leader in the movement to free South Africa of apartheid, on the occasion of his death.

Whereas Walter Sisulu, a critical leader in the movement to free South Africa of apartheid, died on Monday, May 5, 2003;

Whereas Sisulu helped free both black and white people from the bondage of segregation while driving home the concept of equality for all;

Whereas Sisulu, along with Nelson Mandela, was imprisoned for 26 years for his role in seeking true democratic representation in South Africa;

Whereas, in 1910, the Union of South Africa established a whites only government that limited voting rights and im-

plemented South Africa's segregation policy, and, in 1948, the National Party won an all-white general election on a campaign promise to introduce a system of apartheid to totally separate the races;

Whereas opposition to the apartheid system by the black majority was ruthlessly suppressed until 1994, and during that time Sisulu fought tirelessly against this policy, sacrificing his life to free black South Africans;

Whereas, after the victory over apartheid, Sisulu did not take a position in the new government but instead worked in the community to advance the quality of life for the average man and woman that the former government had so long ignored; and

Whereas Sisulu had a vision of a united and representative government that serves the needs of all its people, and dared to dream and worked to build such a united and representative government: Now, therefore, be it

1       *Resolved*, That the House of Representatives honors  
2 the life and work of Walter Sisulu, a critical leader in the  
3 movement to free South Africa of apartheid, on the occa-  
4 sion of his death.

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108TH CONGRESS  
1ST SESSION

# H. RES. 242

Expressing the condolences of the House of Representatives to the families of the victims of the terrorist suicide bombing attacks that occurred on May 16, 2003, in Casablanca, Morocco.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 20, 2003

Mr. LINCOLN DIAZ-BALART of Florida (for himself, Mr. TANNER, Mr. ENGLISH, and Mr. JOHN) submitted the following resolution; which was referred to the Committee on International Relations

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## RESOLUTION

Expressing the condolences of the House of Representatives to the families of the victims of the terrorist suicide bombing attacks that occurred on May 16, 2003, in Casablanca, Morocco.

Whereas on May 16, 2003, Casablanca, Morocco, was struck by a series of terrorist suicide bombing attacks that took the lives of many innocent individuals;

Whereas 42 people died as a result of the terrorist attacks and more than 100 people were injured;

Whereas Casablanca is a city well-known for its tolerance and its diverse range of religious and ethnic communities;

Whereas the United States will continue to stand together with the Kingdom of Morocco against the threat of inter-

national terrorism to both our nations and all peace-loving people;

Whereas the United States deeply appreciates the leadership shown by King Mohamed VI and the Kingdom of Morocco in the international campaign against terrorism;

Whereas Morocco and the United States have engaged in friendly diplomatic relations since 1786 and Morocco has proved its commitment to the United States many times over the past two centuries;

Whereas Morocco, which hosts the largest Voice of America facility in the world, has chosen the path of diversity and tolerance; and

Whereas the acts of murder committed on May 16, 2003, in Casablanca, Morocco, show once again that terrorism respects neither boundaries nor borders: Now, therefore, be it

1       *Resolved*, That the House of Representatives—

2               (1) offers its condolences and deepest sympathy  
3       to the families of the victims of the terrorist suicide  
4       bombing attacks that occurred on May 16, 2003, in  
5       Casablanca, Morocco, and expresses its hopes for a  
6       quick recovery to those individuals who were injured  
7       in the attacks;

8               (2) supports the provision of appropriate  
9       United States assistance to the people of Morocco in  
10       this time of sorrow and grief; and

1           (3) calls on the United States Government to  
2           continue to work with the Kingdom of Morocco as  
3           an ally in the fight against terrorism.

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.....  
(Original Signature of Member)

108TH CONGRESS  
1ST SESSION

## H. RES. 264

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### IN THE HOUSE OF REPRESENTATIVES

Mr. LANTOS (for himself, [see attached list of cosponsors]) submitted the following resolution; which was referred to the Committee on

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## RESOLUTION

Expressing sympathy for the victims of the devastating earthquake that struck Algeria on May 21, 2003.

Whereas, on the evening of May 21, 2003, a devastating and deadly earthquake of a magnitude of 6.8 on the Richter scale with a depth of 6 miles struck northern Algeria, killing more than 2,260 people, injuring more than 10,000, and leaving more than 200,000 homeless;

Whereas the earthquake of May 21, 2003, has left thousands of buildings in ruins and has severely disrupted health services, water supply lines, electricity, and telecommunications in Algeria and affected cities;

Whereas severe aftershocks with magnitudes greater than 4.0 have continued to terrify the people of Algeria and hamper rescue efforts;

Whereas the strength, courage, and determination of the Government and people of Algeria has been displayed since the earthquake;

Whereas the people of the United States and Algeria share strong friendship and mutual respect;

Whereas the United States airlifted to the earthquake-affected population 17,000 blankets, 1800 tents, electrical equipment, water purification kits, and 3 medical supply kits that will benefit 10,000 people over 3 months;

Whereas the United States has released \$50,000 to the Algerian Red Crescent Society for emergency relief supplies; and

Whereas the United Nations Children's Fund (UNICEF) launched an emergency appeal for humanitarian and relief assistance to address the devastation caused by the powerful earthquake: Now, therefore, be it

1       *Resolved*, That the House of Representatives—

2               (1) expresses its deepest sympathies to the peo-  
3       ple of Algeria and particularly to the families of the  
4       victims and the survivors for the tragic losses suf-  
5       fered as a result of the earthquake of May 21, 2003;

6               (2) expresses its support for the people and to  
7       the Government of Algeria as they continue their ef-  
8       forts to rebuild their cities and their lives;

1           (3) expresses support for humanitarian assist-  
2           ance provided by the United States Agency for  
3           International Development and other American and  
4           international relief organizations;

5           (4) recognizes the important role that is being  
6           played by the United States and the international  
7           community in providing assistance to alleviate the  
8           suffering of the people of Algeria; and

9           (5) encourages a continued commitment by the  
10          United States and other countries and international  
11          organizations to the rebuilding of the earthquake-af-  
12          fected areas in Algeria.

108TH CONGRESS  
1ST SESSION

## H. CON. RES. 49

Expressing the sense of the Congress that the sharp escalation of anti-Semitic violence within many participating States of the Organization for Security and Cooperation in Europe (OSCE) is of profound concern and efforts should be undertaken to prevent future occurrences.

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### IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 13, 2003

Mr. SMITH of New Jersey (for himself, Mr. CARDIN, Mr. WOLF, Mr. HOYER, Mr. LANTOS, Mr. WAMP, Ms. SLAUGHTER, Mr. ADERHOLT, and Mr. HASTINGS of Florida) submitted the following concurrent resolution; which was referred to the Committee on International Relations

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## CONCURRENT RESOLUTION

Expressing the sense of the Congress that the sharp escalation of anti-Semitic violence within many participating States of the Organization for Security and Cooperation in Europe (OSCE) is of profound concern and efforts should be undertaken to prevent future occurrences.

Whereas the expressions of anti-Semitism experienced throughout the region encompassing the participating States of the Organization for Security and Cooperation in Europe (OSCE) have included physical assaults, with some instances involving weapons or stones, arson of synagogues, and desecration of Jewish cultural sites, such as cemeteries and statues;

Whereas vicious propaganda and violence in many OSCE States against Jews, foreigners, and others portrayed as alien have reached alarming levels, in part due to the dangerous promotion of aggressive nationalism by political figures and others;

Whereas violence and other manifestations of xenophobia and discrimination can never be justified by political issues or international developments;

Whereas the Copenhagen Concluding Document adopted by the OSCE in 1990 was the first international agreement to condemn anti-Semitic acts, and the OSCE participating States pledged to “clearly and unequivocally condemn totalitarianism, racial and ethnic hatred, anti-Semitism, xenophobia and discrimination against anyone as well as persecution on religious and ideological grounds”;

Whereas the OSCE Parliamentary Assembly at its meeting in Berlin in July 2002 unanimously adopted a resolution that, *inter alia*, called upon participating States to “ensure aggressive law enforcement by local and national authorities, including thorough investigation of anti-Semitic criminal acts, apprehension of perpetrators, initiation of appropriate criminal prosecutions and judicial proceedings”;

Whereas Decision No. 6 adopted by the OSCE Ministerial Council at its Tenth Meeting in Porto, Portugal in December 2002 (the “Porto Ministerial Declaration”) condemned “the recent increase in anti-Semitic incidents in the OSCE area, recognizing the role that the existence of anti-Semitism has played throughout history as a major threat to freedom”;



Whereas the Porto Ministerial Declaration also urged “the convening of separately designated human dimension events on issues addressed in this decision, including on the topics of anti-Semitism, discrimination and racism and xenophobia”; and

Whereas on December 10, 2002, at the Washington Parliamentary Forum on Confronting and Combating anti-Semitism in the OSCE Region, representatives of the United States Congress and the German Parliament agreed to denounce all forms of anti-Semitism and agreed that “anti-Semitic bigotry must have no place in our democratic societies”: Now, therefore, be it

1       *Resolved by the House of Representatives (the Senate*  
2 *concurring)*, That it is the sense of the Congress that—

3           (1) officials of the executive branch and Mem-  
4       bers of Congress should raise the issue of anti-Semi-  
5       tism in their bilateral contacts with other countries  
6       and at multilateral fora, including meetings of the  
7       Permanent Council of the Organization for Security  
8       and Cooperation in Europe (OSCE) and the Twelfth  
9       Annual Session of the OSCE Parliamentary Assem-  
10      bly to be convened in July 2003;

11           (2) participating States of the OSCE should  
12      unequivocally condemn anti-Semitism (including vio-  
13      lence against Jews and Jewish cultural sites), racial  
14      and ethnic hatred, xenophobia, and discrimination,  
15      as well as persecution on religious grounds whenever  
16      it occurs;

1           (3) participating States of the OSCE should en-  
2           sure effective law enforcement by local and national  
3           authorities against criminal acts stemming from  
4           anti-Semitism, xenophobia, or racial or ethnic ha-  
5           tred, whether directed at individuals, communities,  
6           or property, including thorough investigation and  
7           prosecution of such acts;

8           (4) participating States of the OSCE should  
9           promote the creation of educational efforts through-  
10          out the region encompassing the participating States  
11          of the OSCE to counter anti-Semitic stereotypes and  
12          attitudes among younger people, increase Holocaust  
13          awareness programs, and help identify the necessary  
14          resources to accomplish this goal;

15          (5) legislators in all OSCE participating States  
16          should play a leading role in combating anti-Semi-  
17          tism and ensure that the resolution adopted at the  
18          2002 meeting of the OSCE Parliamentary Assembly  
19          in Berlin is followed up by a series of concrete ac-  
20          tions at the national level; and

21          (6) the OSCE should organize a separately des-  
22          ignated human dimension event on anti-Semitism as  
23          early as possible in 2003, consistent with the Porto  
24          Ministerial Declaration adopted by the OSCE at the

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- 1 Tenth Meeting of the OSCE Ministerial Council in
- 2 December 2002.

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108TH CONGRESS  
1ST SESSION

## H. CON. RES. 80

Expressing the sense of Congress relating to efforts of the Peace Parks Foundation in the Republic of South Africa to facilitate the establishment and development of transfrontier conservation efforts in southern Africa.

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### IN THE HOUSE OF REPRESENTATIVES

MARCH 6, 2003

Mr. BOEHLERT (for himself, Mr. ROYCE, Mr. HOUGHTON, Ms. WOOLSEY, Mr. GILCHREST, Mr. LANTOS, Mr. UDALL of Colorado, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. SANDERS, Ms. LEE, Ms. MILLENDER-MCDONALD, Mr. TOWNS, Mr. HASTINGS of Florida, Ms. SLAUGHTER, Mr. CUMMINGS, Mr. FATTAH, Mr. PAYNE, Mr. FALEOMAVAEGA, and Mr. OWENS) submitted the following concurrent resolution; which was referred to the Committee on International Relations

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## CONCURRENT RESOLUTION

Expressing the sense of Congress relating to efforts of the Peace Parks Foundation in the Republic of South Africa to facilitate the establishment and development of transfrontier conservation efforts in southern Africa.

Whereas on February 1, 1997, the Peace Parks Foundation was established in the Republic of South Africa as a non-profit company to facilitate the establishment of transfrontier conservation areas in the Southern African Development Community (SADC) countries;

Whereas the overall purpose of the Peace Parks Foundation is to facilitate the establishment and development of

transfrontier areas involving two or more countries without compromising national sovereignty, and allowing the free movement of humankind and animals across international borders within the peace park and thereby contributing to economic development, job creation, and peace and understanding between the countries concerned;

Whereas former South African President Nelson Mandela is a patron emeritus of the Peace Parks Foundation and the heads of state of the SADC countries are honorary patrons of the Foundation;

Whereas the Peace Parks Foundation has received the full support and endorsement for its efforts and activities from the heads of state of the SADC countries;

Whereas eight transfrontier conservation areas totaling approximately 232,000 square miles are supported by the Peace Parks Foundation in the SADC countries; and

Whereas the United States values peace and stability in the global community, and in particular Africa, and has long recognized the significance of sustainable economic development and the conservation of biodiversity: Now, therefore, be it

1        *Resolved by the House of Representatives (the Senate*  
2 *concurring)*, That it is the sense of Congress that—

3            (1) the United States should support efforts to  
4        facilitate the establishment and development of  
5        transfrontier conservation areas in the Southern Af-  
6        rican Development Community (SADC) countries;  
7        and

1           (2) nongovernmental organizations and founda-  
2           tions in the United States should be encouraged to  
3           support and promote sustainable economic develop-  
4           ment and benefits through the preservation of wild-  
5           life in peace parks on an expanded and inclusive  
6           basis to the benefit of the countries concerned and  
7           their people.

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108TH CONGRESS  
1ST SESSION

# H. CON. RES. 134

Acknowledging the deepening relationship between the United States and the Republic of Djibouti and recognizing Djibouti's role in combating terrorism.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2003

Mr. ROYCE (for himself, Mr. PAYNE, Mr. FLAKE, and Mr. JEFFERSON) submitted the following concurrent resolution; which was referred to the Committee on International Relations

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## CONCURRENT RESOLUTION

Acknowledging the deepening relationship between the United States and the Republic of Djibouti and recognizing Djibouti's role in combating terrorism.

Whereas the Republic of Djibouti attained independence in 1977 and has since maintained good relations with the United States;

Whereas Djibouti lies at the junction of the Red Sea and the Gulf of Aden, a strategic maritime passage;

Whereas during the first Persian Gulf War, Djibouti provided important assistance to the United States and its coalition partners, including access to its modern ports and airports;

Whereas the Republic of Djibouti is a voice of moderation in the African Union, the Organization of the Islamic Conference, and the Arab League;

Whereas for over a decade, Djibouti has been a force for stability in the conflict-prone Horn of Africa;

Whereas since the terrorist attacks of September 11, 2001, Djibouti has been a full and active partner with the United States in the global war on terrorism;

Whereas Djibouti has hosted United States military forces for over one year and has allowed United States and other coalition military forces to conduct extensive training exercises;

Whereas the United States Central Command has chosen Djibouti as the headquarters of the Combined Joint Task Force-Horn of Africa, a key anchor of the United States Central Command's antiterrorist efforts;

Whereas President Ismail Omar Guelleh of the Republic of Djibouti visited the United States in January, 2003 to discuss strengthening bilateral cooperation, economic development, and other issues, and was warmly received by President George W. Bush and members of his cabinet;

Whereas Djibouti suffers one of the highest infant mortality rates in Africa;

Whereas the executive branch plans to establish an office of the United States Agency for International Development in Djibouti;

Whereas the executive branch recently established a transmission facility in Djibouti to support international broadcasting by the United States of Arabic language programs throughout the Middle East; and



Whereas Djibouti is a key ally of the United States in a strategically important region: Now, therefore, be it

1       *Resolved by the House of Representatives (the Senate*  
2 *concurring)*, That the Congress—

3           (1) acknowledges the deepening relationship be-  
4       tween the United States and the Republic of  
5       Djibouti;

6           (2) recognizes the support and assistance  
7       Djibouti has provided in combating terrorism;

8           (3) applauds the Republic of Djibouti for wel-  
9       coming the presence of United States military forces  
10       for training and other purposes; and

11          (4) encourages expanded relations between the  
12       United States and the Republic of Djibouti on issues  
13       of importance to the two countries, including assist-  
14       ance programs aimed at promoting economic devel-  
15       opment in Djibouti.

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108TH CONGRESS  
1ST SESSION

# H. CON. RES. 154

Concerning the transition to democracy in the Republic of Burundi.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 12, 2003

Mr. PAYNE submitted the following concurrent resolution; which was referred to the Committee on International Relations

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## CONCURRENT RESOLUTION

Concerning the transition to democracy in the Republic of Burundi.

Whereas more than 100,000 people have died and hundreds of thousands have been displaced due to the decade-long civil war in the Republic of Burundi;

Whereas in 2001, 19 political parties from Burundi signed an historic peace agreement in Arusha, Tanzania, which was mediated by former South African President Nelson Mandela;

Whereas in November 2001, a transitional national government for Burundi was established, consisting of representatives from political parties that signed the 2001 peace agreement, with President Pierre Buyoya as interim head of state for the initial 18 months, and current Vice President Domitien Ndayizeye as successor head of

state for the remaining 18 months of the 36-month transition period;

Whereas the Government of South Africa has deployed more than 600 troops to provide protection for the politicians who are returning to Burundi and to support of the transitional national government;

Whereas although the formation of the transitional national government in Burundi offers hope for a permanent peace, Burundi still faces daunting challenges in the short-term, such as armed extremist groups which refused to sign the 2001 peace agreement and which continue to terrorize the civilian population and threaten the stability of the transitional government;

Whereas the Government of Burundi continues to face serious economic problems and a crushing external debt burden; and

Whereas hundreds of thousands of refugees from Burundi remain in desperate conditions in refugee camps in Tanzania and other neighboring countries: Now, therefore, be it

1        *Resolved by the House of Representatives (the Senate*  
2 *concurring), That Congress—*

3            (1) strongly commends the efforts of former  
4        South African President Nelson Mandela and others  
5        involved in the historic peace agreement for the Re-  
6        public of Burundi that was signed in 2001 in  
7        Arusha, Tanzania;

1           (2) calls on the President to significantly in-  
2       crease development and economic assistance to Bu-  
3       rundi;

4           (3) strongly urges the President to work with  
5       Congress to lift restrictions imposed on Burundi  
6       shortly after the 1996 coup in Burundi;

7           (4) strongly urges the President, acting through  
8       the Administrator of the United States Agency for  
9       International Development (USAID), to establish a  
10      USAID mission in Burundi;

11          (5) calls on the Administrator of USAID to  
12      provide funds in support of demobilization programs  
13      and to support efforts designed to bring lasting  
14      peace and democracy to Burundi; and

15          (6) strongly urges the international community  
16      to assist Burundi in its debt relief efforts, including  
17      through the Heavily Indebted Poor Countries Initia-  
18      tive.

○

108TH CONGRESS  
1ST SESSION

## H. CON. RES. 169

Expressing the sense of Congress that the United States Government should support the human rights and dignity of all persons with disabilities by pledging support for the drafting and working toward the adoption of a thematic convention on the human rights and dignity of persons with disabilities by the United Nations General Assembly to augment the existing United Nations human rights system, and for other purposes.

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### IN THE HOUSE OF REPRESENTATIVES

MAY 8, 2003

Mr. LANTOS (for himself, Mr. HYDE, Mr. LANGEVIN, and Mr. RAMSTAD) submitted the following concurrent resolution; which was referred to the Committee on International Relations

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## CONCURRENT RESOLUTION

Expressing the sense of Congress that the United States Government should support the human rights and dignity of all persons with disabilities by pledging support for the drafting and working toward the adoption of a thematic convention on the human rights and dignity of persons with disabilities by the United Nations General Assembly to augment the existing United Nations human rights system, and for other purposes.

Whereas all people are endowed with an inestimable dignity, which is based on autonomy and self-determination, and which requires that every person be placed at the center of all decisions affecting such person, and the inherent

equality of all people and the ethical requirement of every society to honor and sustain the freedom of any individual with appropriate communal support;

Whereas more than 600,000,000 people have a disability;

Whereas more than two-thirds of all persons with disabilities live in developing countries, and only 2 percent of children with disabilities in the developing world receive any education or rehabilitation;

Whereas during the last 2 decades, a substantial shift has occurred globally in governmental and nongovernmental institutions from an approach of charity toward persons with disabilities to the recognition of the inherent universal human rights of persons with disabilities;

Whereas the United Nations has authoritatively endorsed and helped to advance progress toward realizing the human rights of persons with disabilities, as exemplified by the United Nations Standard Rules on the Equalization of Opportunities for Persons with Disabilities (adopted by the United Nations General Assembly in Resolution 48/96 of December 20, 1993), which are monitored by a United Nations Special Rapporteur;

Whereas because of the slow and uneven progress of ensuring that persons with disabilities enjoy their universal human rights in law and in practice, every society and the international community remain challenged to identify and implement the processes which best protect the dignity of persons with disabilities and which fully implement their inherent human rights;

Whereas greater and more rapid progress must be achieved toward overcoming the relative invisibility of persons with

disabilities in many societies, national laws, and existing international human rights instruments; and

Whereas, accordingly, the United Nations General Assembly in November 2001, adopted an historic resolution to establish an ad hoc committee open to all United Nations member nations to consider proposals for a comprehensive and integral treaty to protect and promote the rights and dignity of persons with disabilities: Now, therefore, be it

1       *Resolved by the House of Representatives (the Senate*  
2 *concurring)*, That it is the sense of Congress that—

3           (1) the United States should play a leading role  
4       in the drafting of a thematic United Nations conven-  
5       tion that affirms the human rights and dignity of  
6       persons with disabilities, and that—

7           (A) is consistent with the spirit of the  
8       American with Disabilities Act of 1990, the  
9       United States Constitution, and other rights en-  
10      joyed by United States citizens with disabilities;

11          (B) promotes inclusion, independence, po-  
12      litical enfranchisement, and economic self-suffi-  
13      ciency of persons with disabilities as  
14      foundational requirements for any free and just  
15      society; and

16          (C) provides protections that are at least  
17      as strong as the rights that are now recognized

1           under international human rights law for other  
2           vulnerable populations; and

3           (2) the President should instruct the Secretary  
4           of State to send to the United Nations Ad Hoc Com-  
5           mittee meetings a United States delegation that in-  
6           cludes individuals with disabilities who are recog-  
7           nized leaders in the United States disability rights  
8           movement.

○



108TH CONGRESS  
1ST SESSION

# H. CON. RES. 209

Commending the signing of the United States-Adriatic Charter, a charter of partnership among the United States, Albania, Croatia, and Macedonia.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 5, 2003

Mr. ENGEL (for himself, Mr. BEREUTER, Mr. WEXLER, Mr. KIRK, Mrs. KELLY, Mr. FALEOMAVAEGA, Mrs. NAPOLITANO, and Mr. SHIMKUS) submitted the following concurrent resolution; which was referred to the Committee on International Relations

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## CONCURRENT RESOLUTION

Commending the signing of the United States-Adriatic Charter, a charter of partnership among the United States, Albania, Croatia, and Macedonia.

Whereas the United States has an enduring interest in the independence, territorial integrity, and security of Albania, Croatia, and The Former Yugoslav Republic of Macedonia and supports their full integration in the community of democratic Euro-Atlantic states;

Whereas Albania, Croatia, and Macedonia have taken clear and positive steps to advance their integration into Europe by establishing close cooperative relations among themselves and with their neighbors, as well as their promotion of regional cooperation;

Whereas Albania, Croatia, and Macedonia have already contributed to European security and to the peace and security of southeast Europe through the resolution of conflicts in the region and their regional cooperation in the Southeast Europe Defense Ministerial;

Whereas on May 2, 2003, the United States-Adriatic Charter was signed in Tirana, Albania, by Secretary of State Colin Powell, Albanian Foreign Minister Ilir Meta, Croatian Foreign Minister Tonino Picula, and Macedonian Foreign Minister Ilinka Mitreva;

Whereas the Adriatic Charter affirms the commitment of Albania, Croatia, and Macedonia to the values and principles of the North Atlantic Treaty Organization (NATO) and to joining the Alliance at the earliest possible time;

Whereas Secretary of State Powell stated that the Adriatic Charter “reaffirms our partners’ dedication to work individually, with each other, and with their neighbors to build a region of strong democracies powered by free market economies . . . [i]t underscores the importance we place on their eventual full integration into NATO and other European institutions . . . [a]nd most importantly, the Charter promises to strengthen the ties that bind the peoples of the region to the United States, to one another, and to a common future within the Euro-Atlantic family”; and

Whereas 75 commandos of the armed forces of the Republic of Albania were sent to Iraq as part of the coalition forces during Operation Iraqi Freedom as a sign of its commitment to promote international freedom and security: Now, therefore, be it

1       *Resolved by the House of Representatives (the Senate*  
2 *concurring), That Congress—*

3           (1) strongly supports the United States-Adriatic  
4 Charter and commends Albania, Croatia, and Mac-  
5 edonia for their continued efforts to become full-  
6 fledged members of the North Atlantic Treaty Orga-  
7 nization (NATO) and the European Union;

8           (2) urges NATO to invite Albania, Croatia, and  
9 Macedonia to join NATO as soon as these countries  
10 demonstrate the ability to assume the responsibilities  
11 of NATO membership;

12          (3) welcomes and supports the aspirations of  
13 Albania, Croatia, and Macedonia to join the Euro-  
14 pean Union at the earliest opportunity;

15          (4) recognizes that Albania, Croatia, and Mac-  
16 edonia are making important strides to bring their  
17 economic, military, and political institutions into  
18 conformance with the standards of NATO and other  
19 Euro-Atlantic institutions; and

20          (5) commends Secretary of State Powell for his  
21 personal support of the Adriatic Charter.

○

Chairman HYDE. The next item on the agenda is H.R. 2330, Burmese Freedom and Democracy Act of 2003, which I call up for purposes of markup and move its favorable recommendation to the House. Without objection, the bill will be considered as read and open for amendment at any point.

[H.R. 2330 follows:]

108TH CONGRESS  
1ST SESSION

# H. R. 2330

To sanction the ruling Burmese military junta, to strengthen Burma's democratic forces and support and recognize the National League of Democracy as the legitimate representative of the Burmese people, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 2003

Mr. LANTOS (for himself, Mr. KING of New York, Mr. HYDE, Mr. SMITH of New Jersey, Mr. RANGEL, Ms. ROS-LEHTINEN, Mr. MENENDEZ, Mr. ROHRBACHER, Mr. FALEOMAVAEGA, Mr. PITTS, Mr. LEVIN, Mr. SOUDER, Mr. ACKERMAN, Mr. SHERMAN, Mr. GEORGE MILLER of California, Mr. CROWLEY, Mr. HOEFFEL, Mr. BROWN of Ohio, Mr. ENGEL, Mr. BLUMENAUER, Mr. SCHIFF, Mr. ANDREWS, Mr. MCGOVERN, Mr. OLVER, Mr. FARR, Mr. EVANS, and Mr. ABERCROMBIE) introduced the following bill; which was referred to the Committee on International Relations, and in addition to the Committees on Ways and Means, Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To sanction the ruling Burmese military junta, to strengthen Burma's democratic forces and support and recognize the National League of Democracy as the legitimate representative of the Burmese people, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Burmese Freedom and  
3 Democracy Act of 2003”.

4 **SEC. 2. FINDINGS.**

5 Congress makes the following findings:

6 (1) The State Peace and Development Council  
7 (SPDC) has failed to transfer power to the National  
8 League for Democracy (NLD) whose parliamentar-  
9 ians won an overwhelming victory in the 1990 elec-  
10 tions in Burma.

11 (2) The SPDC has failed to enter into meaning-  
12 ful, political dialogue with the NLD and ethnic mi-  
13 norities and has dismissed the efforts of United Na-  
14 tions Special Envoy Razali bin Ismail to further  
15 such dialogue.

16 (3) According to the State Department’s “Re-  
17 port to the Congress Regarding Conditions in  
18 Burma and U.S. Policy Toward Burma” dated  
19 March 28, 2003, the SPDC has become “more  
20 confrontational” in its exchanges with the NLD.

21 (4) On May 30, 2003, the SPDC, threatened by  
22 continued support for the NLD throughout Burma,  
23 brutally attacked NLD supporters, killed and in-  
24 jured scores of civilians, and arrested democracy ad-  
25 vocate Aung San Suu Kyi and other activists.

1           (5) The SPDC continues egregious human  
2 rights violations against Burmese citizens, uses rape  
3 as a weapon of intimidation and torture against  
4 women, and forcibly conscripts child-soldiers for the  
5 use in fighting indigenous ethnic groups.

6           (6) The SPDC has demonstrably failed to co-  
7 operate with the United States in stopping the flood  
8 of heroin and methamphetamines being grown, re-  
9 fined, manufactured, and transported in areas under  
10 the control of the SPDC serving to flood the region  
11 and much of the world with these illicit drugs.

12           (7) The SPDC provides safety, security, and  
13 engages in business dealings with narcotics traf-  
14 fickers under indictment by United States authori-  
15 ties, and other producers and traffickers of nar-  
16 cotics.

17           (8) The International Labor Organization  
18 (ILO), for the first time in its 82-year history,  
19 adopted in 2000, a resolution recommending that  
20 governments, employers, and workers organizations  
21 take appropriate measures to ensure that their rela-  
22 tions with the SPDC do not abet the government-  
23 sponsored system of forced, compulsory, or slave  
24 labor in Burma, and that other international bodies  
25 reconsider any cooperation they may be engaged in

1 with Burma and, if appropriate, cease as soon as  
2 possible any activity that could abet the practice of  
3 forced, compulsory, or slave labor.

4 (9) The SPDC has integrated the Burmese  
5 military and its surrogates into all facets of the  
6 economy effectively destroying any free enterprise  
7 system.

8 (10) Investment in Burmese companies and  
9 purchases from them serve to provide the SPDC  
10 with currency that is used to finance its instruments  
11 of terror and repression against the Burmese people.

12 (11) On April 15, 2003, the American Apparel  
13 and Footwear Association expressed its “strong sup-  
14 port for a full and immediate ban on U.S. textiles,  
15 apparel and footwear imports from Burma” and  
16 called upon the United States Government to “im-  
17 pose an outright ban on U.S. imports” of these  
18 items until Burma demonstrates respect for basic  
19 human and labor rights of its citizens.

20 (12) The policy of the United States, as articu-  
21 lated by the President on April 24, 2003, is to offi-  
22 cially recognize the NLD as the legitimate represent-  
23 ative of the Burmese people as determined by the  
24 1990 election.



1 **SEC. 3. BAN AGAINST TRADE THAT SUPPORTS THE MILI-**  
2 **TARY REGIME OF BURMA.**

3 (a) GENERAL BAN.—

4 (1) IN GENERAL.—Notwithstanding any other  
5 provision of law, until such time as the President de-  
6 termines and certifies to Congress that Burma has  
7 met the conditions described in paragraph (3), no  
8 article may be imported into the United States that  
9 is produced, mined, manufactured, grown, or assem-  
10 bled in Burma.

11 (2) BAN ON IMPORTS FROM CERTAIN COMPA-  
12 NIES.—The import restrictions contained in para-  
13 graph (1) shall apply to, among other entities—

14 (A) the SPDC, any ministry of the SPDC,  
15 a member of the SPDC or an immediate family  
16 member of such member;

17 (B) known narcotics traffickers from  
18 Burma or an immediate family member of such  
19 narcotics trafficker;

20 (C) the Union of Myanmar Economics  
21 Holdings Incorporated (UMEHI) or any com-  
22 pany in which the UMEHI has a fiduciary in-  
23 terest;

24 (D) the Myanmar Economic Corporation  
25 (MEC) or any company in which the MEC has  
26 a fiduciary interest;

1 (E) the Union Solidarity and Development  
2 Association (USDA); and

3 (F) any successor entity for the SPDC,  
4 UMEHI, MEC, or USDA.

5 (3) CONDITIONS DESCRIBED.—The conditions  
6 described in this paragraph are the following:

7 (A) The SPDC has made substantial and  
8 measurable progress to end violations of inter-  
9 nationally recognized human rights including  
10 rape, and the Secretary of State, after consulta-  
11 tion with the ILO Secretary General and rel-  
12 evant nongovernmental organizations, reports to  
13 the appropriate congressional committees that  
14 the SPDC no longer systematically violates  
15 workers rights, including the use of forced and  
16 child labor, and conscription of child-soldiers.

17 (B) The SPDC has made measurable and  
18 substantial progress toward implementing a  
19 democratic government including—

20 (i) releasing all political prisoners;

21 (ii) allowing freedom of speech and  
22 the press;

23 (iii) allowing freedom of association;

24 (iv) permitting the peaceful exercise of  
25 religion; and

1 (v) bringing to a conclusion an agree-  
2 ment between the SPDC and the demo-  
3 cratic forces led by the NLD and Burma's  
4 ethnic nationalities on the transfer of  
5 power to a civilian government accountable  
6 to the Burmese people through democratic  
7 elections under the rule of law.

8 (C) Pursuant to section 706(2) of the For-  
9 eign Relations Authorization Act, Fiscal Year  
10 2003 (Public Law 107–228), Burma has not  
11 been designated as a country that has failed de-  
12 monstrably to make substantial efforts to ad-  
13 here to its obligations under international coun-  
14 ternarcotics agreements and to take other effec-  
15 tive counternarcotics measures, including, but  
16 not limited to (i) the arrest and extradition of  
17 all individuals under indictment in the United  
18 States for narcotics trafficking, (ii) concrete  
19 and measurable actions to stem the flow of il-  
20 licit drug money into Burma's banking system  
21 and economic enterprises, and (iii) actions to  
22 stop the manufacture and export of  
23 methamphetamines.

24 (4) APPROPRIATE CONGRESSIONAL COMMIT-  
25 TEES.—In this subsection, the term “appropriate

1 congressional committees” means the Committees on  
2 Foreign Relations and Appropriations of the Senate  
3 and the Committees on International Relations and  
4 Appropriations of the House of Representatives.

5 (b) WAIVER AUTHORITIES.—The President may  
6 waive the prohibitions described in this section for any or  
7 all products imported from Burma to the United States  
8 if the President determines and notifies the Committees  
9 on Appropriations and Foreign Relations of the Senate  
10 and the Committees on Appropriations, International Re-  
11 lations, and Ways and Means of the House of Representa-  
12 tives that to do so is in the national security interest of  
13 the United States.

14 (c) DURATION OF TRADE BAN.—The President may  
15 terminate the restrictions contained in this Act upon the  
16 request of a democratically elected government in Burma,  
17 provided that all the conditions in subsection (a)(3) have  
18 been met.

19 **SEC. 4. FREEZING ASSETS OF THE BURMESE REGIME IN**  
20 **THE UNITED STATES.**

21 Not later than 60 days after the date of enactment  
22 of this Act, the Secretary of the Treasury shall direct, and  
23 promulgate regulations to the same, that any United  
24 States financial institution holding funds belonging to the  
25 SPDC or the assets of those individuals who hold senior

1 positions in the SPDC or its political arm, the Union Soli-  
2 darity Development Association, shall promptly report  
3 those assets to the Office of Foreign Assets Control. The  
4 Secretary of the Treasury may take such action as may  
5 be necessary to secure such assets or funds.

6 **SEC. 5. LOANS AT INTERNATIONAL FINANCIAL INSTITU-**  
7 **TIONS.**

8 The Secretary of the Treasury shall instruct the  
9 United States executive director to each appropriate inter-  
10 national financial institution in which the United States  
11 participates, to oppose, and vote against the extension by  
12 such institution of any loan or financial or technical assist-  
13 ance to Burma until such time as the conditions described  
14 in section 3(a)(3) are met.

15 **SEC. 6. EXPANSION OF VISA BAN.**

16 (a) IN GENERAL.—

17 (1) VISA BAN.—The President is authorized to  
18 deny visas and entry to the former and present lead-  
19 ership of the SPDC or the Union Solidarity Develop-  
20 ment Association.

21 (2) UPDATES.—The Secretary of State shall co-  
22 ordinate on a biannual basis with representatives of  
23 the European Union to ensure that an individual  
24 who is banned from obtaining a visa by the Euro-  
25 pean Union for the reasons described in paragraph

1 (1) is also banned from receiving a visa from the  
2 United States.

3 (b) PUBLICATION.—The Secretary of State shall post  
4 on the Department of State’s website the names of individ-  
5 uals whose entry into the United States is banned under  
6 subsection (a).

7 **SEC. 7. CONDEMNATION OF THE REGIME AND DISSEMINA-**  
8 **TION OF INFORMATION.**

9 Congress encourages the Secretary of State to high-  
10 light the abysmal record of the SPDC to the international  
11 community and use all appropriate fora, including the As-  
12 sociation of Southeast Asian Nations Regional Forum and  
13 Asian Nations Regional Forum, to encourage other states  
14 to restrict financial resources to the SPDC and Burmese  
15 companies while offering political recognition and support  
16 to Burma’s democratic movement including the National  
17 League for Democracy and Burma’s ethnic groups.

18 **SEC. 8. SUPPORT DEMOCRACY ACTIVISTS IN BURMA.**

19 (a) IN GENERAL.—The President is authorized to  
20 use all available resources to assist Burmese democracy  
21 activists dedicated to nonviolent opposition to the regime  
22 in their efforts to promote freedom, democracy, and  
23 human rights in Burma, including a listing of constraints  
24 on such programming.

25 (b) REPORTS.—

1           (1) FIRST REPORT.—Not later than 3 months  
2 after the date of enactment of this Act, the Sec-  
3 retary of State shall provide the Committees on Ap-  
4 propriations and Foreign Relations of the Senate  
5 and the Committees on Appropriations and Inter-  
6 national Relations of the House of Representatives  
7 a comprehensive report on its short- and long-term  
8 programs and activities to support democracy activ-  
9 ists in Burma, including a list of constraints on such  
10 programming.

11           (2) REPORT ON RESOURCES.—Not later than 6  
12 months after the date of enactment of this Act, the  
13 Secretary of State shall provide the Committees on  
14 Appropriations and Foreign Relations of the Senate  
15 and the Committees on Appropriations and Inter-  
16 national Relations of the House of Representatives  
17 a report identifying resources that will be necessary  
18 for the reconstruction of Burma, after the SPDC is  
19 removed from power, including—

- 20                   (A) the formation of democratic institu-  
21 tions;  
22                   (B) establishing the rule of law;  
23                   (C) establishing freedom of the press;

1           (D) providing for the successful reintegration  
2           of military officers and personnel into Bur-  
3           mese society; and

4           (E) providing health, educational, and eco-  
5           nomic development.

○



Chairman HYDE. And the Chair yields to Mr. Lantos.

Mr. LANTOS. Mr. Chairman, thank you for scheduling today's markup of the Burmese Freedom and Democracy Act, which I introduced last week with your strong support and that of my good friend and colleague from New York, Peter King. I also want to express my appreciation to the other 20 Members of the our Committee who have co-sponsored this most important measure. I also wish to note, Mr. Chairman, that the measure was unanimously approved by the Asia and Pacific Subcommittee on Tuesday of this week, and I want to thank Chairman Leach and Ranking Democratic Member Faleomavaega for their strong support.

Mr. Chairman, rarely does Congress have the opportunity to respond immediately to fast-breaking international developments to effect a decisive and dramatic change in U.S. foreign policy. We have just such an opportunity now as we consider imposing sanctions on the ruthless military regime in Burma. The history of my bill is instructive. I first proposed sanctioning Yangon last year, but when the Burmese military regime released from its grip the democratic activist and Nobel laureate Aung San Suu Kyi, a woman of extraordinary courage, it appeared that dialogue and national reconciliation in Burma might be possible. But last week, the Yangon regime, fearing Aung San Suu Kyi's rising popularity, again jailed her, murdered a number of her fellow freedom fighters, and with these actions Burma's military dictatorship has sunk to new lows, securing its place in the world's rogue's gallery of chronic human rights abusers.

News from the United Nations that Aung San Suu Kyi was not injured in the arrest does not diminish our outrage. The Yangon regime has committed itself to destroying all democratic opposition in Burma and extending its reign of terror over a captive nation.

Mr. Chairman, dialogue with the Yangon regime is dead. National reconciliation in Burma is dead. We must adopt a new approach toward Burma today, and that new approach must be a strong sanctions regime. In this connection, I want to call all of my colleagues' attention to an editorial in today's *Wall Street Journal* by Secretary of State Colin Powell entitled, "It is Time to Turn the Tables on Burma's Thugs." I would like that it be included in the record.

Chairman HYDE. Without objection, so ordered.

[The information referred to follows:]

ARTICLE SUBMITTED FOR THE RECORD BY THE HONORABLE TOM LANTOS, A  
REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

"IT'S TIME TO TURN THE TABLES ON BURMA'S THUGS"

BY SECRETARY COLIN L. POWELL

Op-Ed  
*Wall Street Journal*  
June 12, 2003

United Nations Special Envoy Razali Ismail has just visited Burma and was able to bring us news that Aung San Suu Kyi, a Nobel Peace Prize winner and the leader of a peaceful democratic party known as the National League for Democracy, is well and unharmed. The thoughts and prayers of free people everywhere have been with her these past two weeks. Our fears for her current state of health are now somewhat lessened.

On May 30, her motorcade was attacked by thugs, and then the thugs who run the Burmese government placed her under “protective custody.” We can take comfort in the fact that she is well. Unfortunately, the larger process that Ambassador Razali and Aung San Suu Kyi have been pursuing—to restore democracy in Burma—is failing despite their good will and sincere efforts. It is time to reassess our policy toward a military dictatorship that has repeatedly attacked democracy and jailed its heroes.

There is little doubt on the facts. Aung San Suu Kyi’s party won an election in 1990 and since then has been denied its place in Burmese politics. Her party has continued to pursue a peaceful path, despite personal hardships and lengthy periods of house arrest or imprisonment for her and her followers. Hundreds of her supporters remain in prison, despite some initial releases and promises by the junta to release more. The party’s offices have been closed and their supporters persecuted. Ambassador Razali has pursued every possible opening and worked earnestly to help Burma make a peaceful transition to democracy. Despite initial statements last year, the junta—which shamelessly calls itself the State Peace and Development Council (SPDC)—has now refused his efforts and betrayed its own promises.

At the end of last month, this rejection manifested itself in violence. After the May 30 attack on Aung San Suu Kyi’s convoy, we sent U.S. Embassy officers to the scene to gather information. They reported back that the attack was planned in advance. A series of trucks followed her convoy to a remote location, blocked it and then unloaded thugs to swarm with fury over the cars of democracy supporters. The attackers were brutal and organized; the victims were peaceful and defenseless. The explanation by the Burmese military junta of what happened doesn’t hold water. The SPDC has not made a credible report of how many people were killed and injured. It was clear to our embassy officers that the members of the junta were responsible for directing and producing this staged riot.

We have called for a full accounting of what happened that day. We have called for Aung San Suu Kyi to be released from confinement of any kind. We have called for the release of the other leaders of the National League for Democracy who were jailed by the SPDC before and after the attack. We have called for the offices of the National League for Democracy to be allowed to reopen. We are in touch with other governments who are concerned about the fate of democracy’s leader and the fate of democracy in Burma to encourage them, too, to pressure the SPDC. The Bush administration agrees with members of Congress, including Sen. Mitch McConnell, who has been a leading advocate of democracy in Burma, that the time has come to turn up the pressure on the SPDC.

Here’s what we’ve done so far. The State Department has already extended our visa restrictions to include all officials of an organization related to the junta—the Union Solidarity and Development Association—and the managers of state-run enterprises so that they and their families can be banned as well.

The United States already uses our voice and our vote against loans to Burma from the World Bank and other international financial institutions. The State Department reports honestly and frankly on the crimes of the SPDC in our reports on Human Rights, Trafficking in Persons, Drugs, and International Religious Freedom. In all these areas, the junta gets a failing grade. We also speak out frequently and strongly in favor of the National League for Democracy, and against the SPDC. I will press the case in Cambodia next week when I meet with the leaders of Southeast Asia, despite their traditional reticence to confront a member and neighbor of their association, known as Asean.

Mr. McConnell has introduced the Burmese Freedom and Democracy Act in the Senate; Reps. Henry Hyde and Tom Lantos have introduced a similar bill in the House. We support the goals and intent of the bills and are working with the sponsors on an appropriate set of new steps. Those who follow this issue will know that our support for legislation is in fact a change in the position of this administration and previous ones as well. Simply put, the attack on Ms. Suu Kyi’s convoy and the utter failure of the junta to accept efforts at peaceful change cannot be the last word on the matter. The junta that oppresses democracy inside Burma must find that its actions will not be allowed to stand.

There are a number of measures that should now be taken, many of them in the proposed legislation. It’s time to freeze the financial assets of the SPDC. It’s time to ban remittances to Burma so that the SPDC cannot benefit from the foreign exchange. With legislation, we can, and should, place restrictions on travel-related transactions that benefit the SPDC and its supporters. We also should further limit commerce with Burma that enriches the junta’s generals. Of course, we would need to ensure consistency with our World Trade Organization and other international obligations. Any legislation will need to be carefully crafted to take into account our

WTO obligations and the president's need for waiver authority, but we should act now.

By attacking Aung San Suu Kyi and her supporters, the Burmese junta has finally and definitively rejected the efforts of the outside world to bring Burma back into the international community. Indeed, their refusal of the work of Ambassador Razali and of the rights of Aung San Suu Kyi and her supporters could not be clearer. Our response must be equally clear if the thugs who now rule Burma are to understand that their failure to restore democracy will only bring more and more pressure against them and their supporters.

Mr. LANTOS. Our legislation imposes a range of severe sanctions on Burma, Mr. Chairman, including an end to all trade, the freezing of Burmese assets in the United States, codification of the prohibition of international financial institution lending to Burma, expansion of Burmese visa ban, and support for Burma's democratic activists led by Aung San Suu Kyi. Our legislation is strong and it is comprehensive, but the desperate situation calls for just such a powerful piece of legislation.

With the approval of this bill, Congress will have a direct impact on the pocketbooks of Burmese generals who run Burma's factories while suppressing democracy in that country. The international community must follow our lead to have a far-reaching impact on Burma's military junta. The Europeans, already tough on Burma, must adopt import sanctions. The Thais and the Chinese must stop their efforts to develop cozy economic and political relations with the Burmese dictatorship, and they must recognize that national reconciliation cannot happen as long as the current military regime is in power.

Mr. Chairman, I urge all of my colleagues to approve this legislation, and I earnestly hope that the leadership of the House will permit a swift consideration on the Floor. I also urge all of our colleagues in the Senate to follow suit. Each day the United States and the international community fails to act is a day Aung San Suu Kyi continues to rot in a Burmese jail along with the democratic hope in Burma she embodies.

Thank you, Mr. Chairman.

Chairman HYDE. Thank you, Mr. Chairman. I mean, I hope not in my lifetime.

Mr. LANTOS. I accept your good wishes, Mr. Chairman.

Chairman HYDE. The gentleman from Pennsylvania, Mr. Pitts.

Mr. PITTS. Thank you, Mr. Chairman. I strongly support H.R. 2330, the Burmese Freedom and Democracy Act, and am offering an amendment to increase the findings, particularly to highlight the ethnic cleansing in which the ruling dictatorship is involved. I traveled to the Thai-Burma border in January, met with numerous NGOs and refugee groups, victims groups, and government officials. Numerous reports by NGOs and media, the State Department, the U.N., and other governments show that the SPDC has committed horrifying human rights abuses against its citizens.

One of the most heart wrenching aspects of our trip was visiting an orphanage and listening to the stories about the tragedy of these young lives. One little 8-year-old boy who could not even smile, had lost both parents. He was trafficked across the border to Thailand. Somehow he escaped from his owners and reached the safety of the refugee camps. To hear the stories of these children and people, to see the victims of those who have been killed and

wounded by the SPDC and to see their suffering is just tragic. The dictatorship should, I concur, release Aung San Suu Kyi from detention and engage in dialogue with the ethnic minorities. I urge adoption of the amendments and the bill.

Thank you.

Chairman HYDE. Thank you, Mr. Pitts.

Mr. PAYNE. Mr. Chairman.

Chairman HYDE. Mr. Payne.

Mr. PAYNE. Thank you, Mr. Chairman. I too stand in strong support of this amendment and deplore in the strongest possible terms the May 30th nationwide crackdown in Burma, which is consistent with what has been going on there for decades. The attack by armed goons supported by the Burma's military regime on the 1991 Nobel Peace Prize recipient Aung San Suu Kyi is an insult and an offense to all freedom-loving peoples around the world. Even worse, it is reported that several of her supporters have been brutally killed.

When I traveled to Burma several years ago, I had the opportunity to meet with Aung San Suu Kyi, and I was certainly impressed by her staunch commitment to freedom and her refusal to yield to unremitting government pressure. The people in Burma work for no salaries. They go to Thailand to work for a dollar a day in horrible situations, so you can imagine how bad it is in Burma. Youngsters demonstrated several years ago and were given 15-year prison terms for having a peaceful demonstration. I wrote and spoke to the Second Secretary on my visit there, the second in command, the military command, and asked that relief be given to these young people, but to date I have not heard of any of the sentencings being commuted.

I was also very proud to hear that Archbishop Desmond Tutu, a man that I have known and admired, has called for the international community to immediately impose sanctions on Burma's regime. I urge the United States to cooperate promptly in this regard. Failure to act decisively would be to miss an opportunity to reaffirm our support for liberty and justice in Burma.

Thank you, Mr. Chairman. I yield back the balance of my time.

Chairman HYDE. The Chair recognizes Mr. Rohrabacher.

Mr. ROHRABACHER. Thank you very much. I would like to congratulate the Chair and Mr. Lantos for this legislation. This speaks to the heart and soul of the United States of America, because Burma has absolutely no strategic interests for the United States. And it can be argued that our operation in Iraq to help free those people from that gangster had something to do with our own national security. It cannot be argued that in the case with Burma. So why should we stand tall now? To let the rest of the world know that we are serious about liberty and justice for all, that we do believe in human rights, and that even when it has nothing to do with our national security, we are going to stand with those people who are oppressed.

The Burmese dictatorship has been in power. They used to call themselves the SCLORC, which I thought was actually a fitting name. They changed their name to some benevolently sounding title now; I will continue to call them the SLORC. They have now changed the name of their country from Burma to Myanmar. That

is okay. When we get rid of the dictatorship, if the people want to be called the citizens of Myanmar, we will do that. Until then, I will refer to it as Burma.

But the only thing that these dictators have done over these many, many decades, has brought their people tyranny. They have created a land where drugs are about the only thing that are produced. Let us not forget that this dictatorship has overseen the production of more heroin than in any other country of the world, although the actual production now in Afghanistan, I might add, is at an alarming rate at this moment. And the dictators of Burma have brought tyranny and misery to their people at a country that used to be the bread basket of Asia, and now their people are eating insects. I was there several years ago, met with Aung San Suu Kyi, who was in detention, and I couldn't help but notice on the streets that the people were eating insects.

As I say, this bill reaffirms our commitment to democracy. And if there is, however, a national security interest that ties us to the people of Burma, let us recognize what the dictatorship is doing in Burma. They are making Burma a vassal state of Communist China. The Communist Chinese have pumped billions of dollars worth of weaponry into Burma. That is how they have managed to maintain their control of those people. In return, China is raping the natural resources of that country; all the way from their teakwood, to their gems, and the other minerals in this very wealthy country. Instead of wealth, the people are living in abject poverty.

So today, I am very proud to join with Tom Lantos, who over the years has been so active in this issue, and call on our colleagues and on the people of the United States to stand with the oppressed people in Burma and for democracy and human rights.

Thank you very much.

Chairman HYDE. The gentleman from American Samoa, Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. And I want to thank you and Mr. Lantos for your support and sponsorship of this proposed legislation. I want to say that it is an honor for me to say that we favorably reported this bill out of our Subcommittee on Asia and the Pacific, the gentleman from Iowa and myself, and want to commend you both for bringing this to the attention of the Members of the Committee.

Mr. Chairman, I think the time has run out. I recall 5 years ago I had the privilege of meeting with some of the foreign officials of the ASEAN countries, and we kept asking them what should we do with the situation in Burma, whom they recognize as a member of the ASEAN Association. They said, well, you have to be patient with these people. You have to work with them and gradually work with them about democracy.

Well, Mr. Chairman, I think the time has come now that we need to call a spade a spade. This country has not in any way provided any form of democratization, and I think it is time that we need to put sanctions on the government of Burma and let them know that our Nation stands firm not only for Miss Kyi, but for all the freedom loving people in that country that earnestly needs our assistance. And I sincerely hope my colleagues will support our rec-

ommendation, at least my recommendation, that this bill be reported favorably to the Floor of the House.

Thank you, Mr. Chairman.

Chairman HYDE. Thank you.

Mr. Blumenauer, the gentleman from Oregon.

Mr. BLUMENAUER. Thank you, Mr. Chairman. I appreciate what you and Mr. Lantos are doing, bringing this forward at a particularly difficult time for this troubled country. Like many of my colleagues, one of my most memorable moments was spending an afternoon with Aung San Suu Kyi and my family. I am convinced that we do a lot of work in this Committee, Mr. Chairman, on monumental issues. This is a time where this legislation can make a big difference in terms of the world stage and in terms of mobilizing what Congress can do. And I would hope that each of us, as Members of the Committee, do not just support the legislation, co-sponsor it, and speak in behalf of it, but also use it as an opportunity in our own communities to be able to put some leverage. There are opportunities dealing with Thailand just this month where we can make a difference.

I take modest exception—it almost never happens with my friend Mr. Rohrabacher. But I do think that this impacts our national interest. We have seen what has happened with the destabilization of the drug traffic. But this is truly a rogue nation in a troubled part of the world, and if we cannot use our power to unite world opinion against an outlaw regime, and when we have a woman who is truly a beacon of democracy, I think that this is a failure on our part in terms of international diplomacy.

So I salute what you are doing now, but I hope that we take this to heart. The stars are aligned, I think, where we can really make a difference, not with military might, but with the tools of diplomacy, of moral suasion, of economic impact, and with the tremendous investment that we have made in Southeast Asia, where we can make a difference. And the United States needs to do this for our own interests in Southeast Asia. So I appreciate what you are doing, but I hope that we could individually redouble our efforts to make the most of this opportunity.

Chairman HYDE. Thank you. We have two amendments at the desk, both of which have been distributed to everyone, one from Mr. Lantos, one from Mr. Pitts. They are perfectly acceptable. And by unanimous consent, the Chair moves that they be adopted. Without objection, so ordered.

[The information referred to follows:]

**AMENDMENT TO H.R. 2330**  
**OFFERED BY MR. LANTOS**

Page 8, line 12, strike “security”.

Page 9, line 23, strike “ensure” and all that follows through line 2, on page 10 and insert the following:

- 1 allow officials of the United States and the European
- 2 Union to ensure a high degree of coordination of lists of
- 3 individuals banned from obtaining a visa by the European
- 4 Union for the reason described in paragraph (1) and those
- 5 banned from receiving a visa from the United States.

**AMENDMENT TO H.R. 2330****OFFERED BY MR. PITTS**

Page 3, insert the following after line 5 and redesignate the succeeding paragraphs accordingly:

1           (6) The SPDC is engaged in ethnic cleansing  
2           against minorities within Burma, including the  
3           Karen, Karenni, and Shan people, which constitutes  
4           a crime against humanity and has directly led to  
5           more than 600,000 internally displaced people living  
6           within Burma and more than 130,000 people from  
7           Burma living in refugee camps along the Thai-  
8           Burma border.

9           (7) The ethnic cleansing campaign of the SPDC  
10          is in sharp contrast to the traditional peaceful coex-  
11          istence in Burma of Buddhists, Muslims, Christians,  
12          and people of traditional beliefs.

Page 4, add the following after line 24:

13          (15) The United States must work closely with  
14          other nations, including Thailand, a close ally of the  
15          United States, to highlight attention to the SPDC's  
16          systematic abuses of human rights in Burma, to en-  
17          sure that nongovernmental organizations promoting  
18          human rights and political freedom in Burma are al-  
19          lowed to operate freely and without harassment, and



1 to craft a multilateral sanctions regime against  
2 Burma in order to pressure the SPDC to meet the  
3 conditions identified in section 3(a)(3) of this Act.

Chairman HYDE. The Chair notes the presence of a reporting quorum, and the Chair suggests that all statements that the Members might have on this issue by unanimous consent may be placed in the record.

The question occurs on the motion to report the bill, H.R. 2330, favorably, as amended. All in favor say aye. Opposed, nay. The ayes have it. The motion to report favorably is adopted.

Without objection, the Chairman is authorized to move to go to conference pursuant to House Rule 22. Without objection, the bill will be reported favorably to the House in the form of a single amendment in the nature of a substitute incorporating the amendments adopted here today.

Without objection, all Members may insert statements into the record on the bills which we agreed to, the 14 bills we agreed to by unanimous consent.

Mr. LANTOS. Mr. Chairman.

Chairman HYDE. Mr. Lantos.

Mr. LANTOS. I just want to express my deep appreciation to all of my colleagues for their very eloquent and powerful statements.

Chairman HYDE. Thank you.

Pursuant to notice, I now call up H.R. 2441, the Millennium Challenge Account Authorization and Peace Corps Expansion Act of 2003. For purposes of markup, I move its favorable recommendation to the House. Without objection, the bill will be considered as read and open for amendment at any point.

[H.R. 2441 follows:]

.....  
 (Original Signature of Member)

108TH CONGRESS  
 1ST SESSION

**H. R.** \_\_\_\_\_

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IN THE HOUSE OF REPRESENTATIVES

Mr. HYDE (for himself, Mr. LANTOS, Mr. GREEN of Wisconsin, Ms. HARRIS, Ms. LEE, Mr. CROWLEY, Mr. LAHOOD, and Mr. JANKLOW) introduced the following bill; which was referred to the Committee on

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**A BILL**

To establish the Millennium Challenge Account to provide increased support for developing countries that have fostered democracy and the rule of law, invested in their citizens, and promoted economic freedom; to assess the impact and effectiveness of United States economic assistance; to authorize the expansion of the Peace Corps; and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
 2 *tives of the United States of America in Congress assembled,*

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

2 (a) SHORT TITLE.—This Act may be cited as the  
 3 “Millennium Challenge Account Authorization and Peace  
 4 Corps Expansion Act of 2003”.

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

Sec. 1. Short title; table of contents.

DIVISION A—MILLENNIUM CHALLENGE ACCOUNT

TITLE I—GENERAL PROVISIONS

Sec. 101. Definitions.

Sec. 102. 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. 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 limita-  
 tions.

Sec. 308. Millennium Challenge Advisory Council.

Sec. 309. Enhancing data collection and monitoring and evaluation capabili-  
 ties.

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. Definitions.  
Sec. 1002. 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. Authorization of appropriations.

1           **DIVISION A—MILLENNIUM**  
2                   **CHALLENGE ACCOUNT**  
3           **TITLE I—GENERAL PROVISIONS**

4   **SEC. 101. DEFINITIONS.**

5           In this division:

6                   (1) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate congressional committees” means—

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

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

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

1           (3) COMPACT.—The term “Compact” means  
2 the Millennium Challenge Compact described in sec-  
3 tion 204 of this Act.

4           (4) CORPORATION.—The term “Corporation”  
5 means the Millennium Challenge Corporation estab-  
6 lished under section 301 of this Act.

7           (5) COUNCIL.—The term “Council” means the  
8 Millennium Challenge Advisory Council established  
9 under section 308 of this Act.

10          (6) MILLENNIUM DEVELOPMENT GOALS.—The  
11 term “Millennium Development Goals” means the  
12 key objectives described in the United Nations Mil-  
13 lennium Declaration, as contained in United Nations  
14 General Assembly Resolution 55/2 (September  
15 2000), which aim to eradicate extreme poverty and  
16 hunger, achieve universal primary education, pro-  
17 mote gender equality and empower women, reduce  
18 child mortality, improve maternal health, combat  
19 HIV/AIDS, malaria, and other infectious diseases,  
20 ensure environmental sustainability, and develop a  
21 global partnership for development.

22 **SEC. 102. SUNSET.**

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

1                   **TITLE II—MILLENNIUM**  
2                   **CHALLENGE ASSISTANCE**

3   **SEC. 201. FINDINGS; STATEMENT OF POLICY.**

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

5               (1) A principal objective of United States for-  
6               eign assistance programs, as stated in section 101 of  
7               the Foreign Assistance Act of 1961, is the “encour-  
8               agement and sustained support of the people of de-  
9               veloping countries in their efforts to acquire the  
10              knowledge and resources essential to development  
11              and to build the economic, political, and social insti-  
12              tutions which will improve the quality of their lives”.

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

17             (3) Inequalities between men and women under-  
18             mine development and poverty-reduction efforts in  
19             fundamental ways. A woman’s limited access to re-  
20             sources and restrictions on the exercise of her rights,  
21             including the right to participate in social and polit-  
22             ical processes, disables her from maximizing her con-  
23             tribution to her family’s health, education, and gen-  
24             eral well-being.

1           (4) On March 14, 2002, the President noted  
2 the successes of development assistance programs:  
3 “The advances of free markets and trade and de-  
4 mocracy and rule of law have brought prosperity to  
5 an ever-widening circle of people in this world. Dur-  
6 ing our lifetime, per capita income in the poorest  
7 countries has nearly doubled. Illiteracy has been cut  
8 by one-third, giving more children a chance to learn.  
9 Infant mortality has been almost halved, giving more  
10 children a chance to live.”

11           (5) Development is neither an easy process nor  
12 a linear one. There are successes and there are fail-  
13 ures. Today, too many people are still living in pov-  
14 erty, disease has eroded many of the economic and  
15 social gains of previous decades, and many countries  
16 have not adopted policies, for a variety of reasons,  
17 that would enable them to compete in an open and  
18 equitable international economic system.

19           (6) More countries and more people will be able  
20 to participate in and benefit from the opportunities  
21 afforded by the global economy if the following con-  
22 ditions for sound and sustainable economic develop-  
23 ment are met:

24           (A) SECURITY.—Security is necessary for  
25 economic development. Persistent poverty and



1 oppression can lead to hopelessness, despair,  
2 and to failed states that become havens for ter-  
3 rorists.

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

12 (C) DEMOCRACY AND THE RULE OF  
13 LAW.—Democratic development, political plu-  
14 ralism, and respect for internationally recog-  
15 nized human rights are intrinsically linked to  
16 economic and social progress. The ability of  
17 people to participate in the economic and polit-  
18 ical processes affecting their lives is essential to  
19 sustained growth. The rule of law and a com-  
20 mitment to fight corruption is also critical to  
21 the development of a prosperous society.

22 (D) INVESTMENTS IN PEOPLE.—Economic  
23 growth and democracy can be sustained only if  
24 both men and women have the basic tools and  
25 capabilities that foster the opportunity for par-

1            participation in the economic, social, and political  
2            life of their countries. Successful development  
3            of countries requires citizens who are literate,  
4            healthy, and prepared and able to work.

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

12          (8) It is in the national interest of the United  
13          States to help those countries that are implementing  
14          the economic and political reforms necessary for de-  
15          velopment to occur.

16          (9) On March 14, 2002, the President stated  
17          that the “growing divide between wealth and pov-  
18          erty, between opportunity and misery, is both a chal-  
19          lenge to our compassion and a source of instability  
20          . . . [w]e must confront it . . . [w]e must include  
21          every African, every Asian, every Latin American,  
22          every Muslim, in an expanding circle of develop-  
23          ment.”.

24          (10) The President has pledged that funds re-  
25          quested for the Millennium Challenge Account shall

1 be in addition to, and not a substitute for, existing  
2 development and humanitarian programs.

3 (11) Development assistance alone is not suffi-  
4 cient to stimulate economic growth and development.  
5 Assistance has been shown to have a positive impact  
6 on growth and development in developing countries  
7 with sound policies and institutions. If countries  
8 have poor policies and institutions, however, it is  
9 highly unlikely that assistance will have a net posi-  
10 tive effect.

11 (12) Economic development, and the achieve-  
12 ment of the Millennium Development Goals, must be  
13 a shared responsibility between donor and recipient  
14 countries.

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

19 (1) increases support by donor countries to  
20 those developing countries that are fostering democ-  
21 racy and the rule of law, investing in their people,  
22 and promoting economic freedom for all their people;

23 (2) recognizes, however, that it is the devel-  
24 oping countries themselves that are primarily re-  
25 sponsible for the achievement of those goals;

1           (3) seeks to coordinate the disparate develop-  
2           ment assistance policies of donor countries, and to  
3           harmonize the trade and finance policies of donor  
4           countries with their respective development assist-  
5           ance programs; and

6           (4) aims to reduce poverty by significantly in-  
7           creasing the economic growth trajectory of bene-  
8           ficiary countries through investing in the productive  
9           potential of the people of such countries.

10 **SEC. 202. AUTHORIZATION OF ASSISTANCE.**

11           (a) ASSISTANCE.—The President, acting through the  
12 Chief Executive Officer of the Millennium Challenge Cor-  
13 poration, is authorized to provide assistance to eligible  
14 countries to support policies and programs that advance  
15 the progress of such countries in achieving lasting eco-  
16 nomic growth and poverty reduction and are in further-  
17 ance of the purposes of this title.

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

21           (1) FOSTERING DEMOCRATIC SOCIETIES,  
22 HUMAN RIGHTS, AND THE RULE OF LAW.—The as-  
23 sistance should promote—

24                   (A) political, social, and economic plu-  
25                   ralism;

- 1 (B) respect for the rule of law;
- 2 (C) anti-corruption initiatives and law en-  
3 forcement;
- 4 (D) development of institutions of demo-  
5 cratic governance, including electoral and legis-  
6 lative processes;
- 7 (E) transparent and accountable public ad-  
8 ministration at all levels of government;
- 9 (F) a fair, competent, and independent ju-  
10 diciary; and
- 11 (G) a free and independent media.

12 (2) FOSTERING INVESTMENT IN EDUCATION  
13 AND HEALTH INFRASTRUCTURE AND SYSTEMS.—

14 The assistance should foster improved educational  
15 opportunities and health conditions, particularly for  
16 women and children, including through—

17 (A) support for programs and personnel  
18 that promote broad-based primary education,  
19 including through the development of academic  
20 curricula, by making available textbooks and  
21 other educational materials, and through appro-  
22 priate use of technology;

23 (B) support for programs to strengthen  
24 and build institutions, including primary health

1 care systems, infrastructure, facilities, and per-  
2 sonnel that provide quality health care;

3 (C) support for improved systems for the  
4 delivery of healthy water and sanitation serv-  
5 ices; and

6 (D) support for programs that reduce child  
7 mortality (including those programs that com-  
8 bat HIV/AIDS, malaria, tuberculosis, and other  
9 infectious diseases, consistent with sections  
10 104(c), 104A, 104B, and 104C of the Foreign  
11 Assistance Act of 1961).

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

17 (A) the reform and restructuring of bank-  
18 ing and financial systems, including by allowing  
19 foreign competition in the banking and financial  
20 sectors, where appropriate;

21 (B) the development of transparent and ef-  
22 ficient commercial codes and reduction in the  
23 regulatory burden on business;

24 (C) the protection of property rights, in-  
25 cluding private property and intellectual prop-

1           erty rights, including through the adoption and  
2           effective enforcement of intellectual property  
3           treaties or international agreements;

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

6           (E) a strong commitment to sound mone-  
7           tary and budgetary policies;

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

11          (G) the protection of internationally recog-  
12          nized workers' rights; and

13          (H) the capacity of eligible countries to  
14          ameliorate damage to the environment and re-  
15          spect other environmental standards.

16 **SEC. 203. ELIGIBILITY AND RELATED REQUIREMENTS.**

17       (a) ASSISTANCE FOR LOW INCOME COUNTRIES.—

18           (1) FISCAL YEAR 2004.—A country shall be eli-  
19           gible to receive assistance under section 202 for fis-  
20           cal year 2004 if—

21           (A) the country is eligible for assistance  
22           from the International Development Associa-  
23           tion, and the per capita income of the country  
24           is equal to or less than the historical ceiling of  
25           the International Development Association for

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

3 (B) subject to paragraph (3), the country  
4 is not ineligible to receive United States eco-  
5 nomic assistance by reason of the application of  
6 section 116, 490, or 620A of the Foreign As-  
7 sistance Act of 1961, or by reason of the appli-  
8 cation of any other provision of law; and

9 (C) the Chief Executive Officer of the Cor-  
10 poration determines that the country has dem-  
11 onstrated a commitment to—

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

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

16 (iii) promote sound economic policies  
17 that promote economic freedom and oppor-  
18 tunity.

19 (2) FISCAL YEARS 2005 AND 2006.—A country  
20 shall be eligible to receive assistance under section  
21 202 for fiscal years 2005 and 2006 if—

22 (A) the per capita income of the country is  
23 equal to or less than the historical ceiling of the  
24 International Development Association for the  
25 fiscal year involved, as defined by the Inter-



1 national Bank for Reconstruction and Develop-  
2 ment;

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

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

8 (3) RULE OF CONSTRUCTION.—For the pur-  
9 poses of determining whether a country is eligible  
10 for receiving assistance under section 202 pursuant  
11 to paragraph (1)(B), the exercise by the President,  
12 the Secretary of State, or any other officer or em-  
13 ployee of the United States of any waiver or suspen-  
14 sion of any provision of law referred to in such para-  
15 graph shall not be construed as satisfying the re-  
16 quirement of such paragraph.

17 (b) ASSISTANCE FOR LOWER MIDDLE INCOME  
18 COUNTRIES.—

19 (1) IN GENERAL.—In addition to countries de-  
20 scribed in subsection (a), a country shall be eligible  
21 to receive assistance under section 202 for fiscal  
22 year 2006 if the country—

23 (A) is classified as a lower middle income  
24 country in the then most recent edition of the  
25 World Development Report for Reconstruction

1 and Development published by the International  
2 Bank for Reconstruction and Development;

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

5 (C) meets the requirements of clauses (i)  
6 through (iii) of subsection (a)(1)(C), as deter-  
7 mined by the Chief Executive Officer.

8 (2) LIMITATION.—The total amount of assist-  
9 ance provided to countries under this subsection for  
10 fiscal year 2006 may not exceed 20 percent of the  
11 total amount of assistance provided to all countries  
12 under section 202 for fiscal year 2006.

13 (c) ASSISTANCE FOR SELECTED LOW INCOME COUN-  
14 TRIES.—

15 (1) IN GENERAL.—A country shall be eligible to  
16 receive assistance for any of fiscal years 2004  
17 through 2006 solely for the purpose of becoming eli-  
18 gible to receive assistance under subsection (a) if the  
19 country—

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

22 (B) demonstrates a commitment to meet-  
23 ing the requirements of clauses (i) through (iii)  
24 of subsection (a)(1)(C), as determined by the  
25 Chief Executive Officer; but

1 (C) fails to meet the eligibility criteria nec-  
2 essary to receive assistance under section 202,  
3 as established under subsection (e).

4 (2) ADMINISTRATION.—Assistance for countries  
5 eligible by reason of the application of this sub-  
6 section shall be provided through the United States  
7 Agency for International Development.

8 (3) ALLOCATION OF FUNDS.—Of the amount  
9 authorized to be appropriated under section 207(a)  
10 for a fiscal year, not more than 15 percent of such  
11 amount is authorized to be appropriated to the  
12 President for the fiscal year to carry out this sub-  
13 section.

14 (d) GENERAL AUTHORITY TO DETERMINE ELIGI-  
15 BILITY.—

16 (1) GENERAL AUTHORITY.—The Chief Execu-  
17 tive Officer shall determine whether or not a country  
18 is eligible to receive assistance under section 202.

19 (2) CONGRESSIONAL NOTIFICATION.—Not later  
20 than 7 days after making a determination of eligi-  
21 bility for a country under paragraph (1), the Chief  
22 Executive Officer shall provide notice thereof to the  
23 appropriate congressional committees. Such notice  
24 shall include a certification of the determination of  
25 the Chief Executive Officer that the country meets

1 the requirements of clauses (i) through (iii) of sub-  
2 section (a)(1)(C) in accordance with such subsection,  
3 subsection (a)(2)(C), subsection (b)(1)(C), or sub-  
4 section (c)(1)(B), as the case may be.

5 (e) ELIGIBILITY CRITERIA.—

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

11 (A) shall consult in-person with the appro-  
12 priate congressional committees with respect to  
13 the establishment of eligibility criteria and  
14 methodology that the Chief Executive Officer  
15 proposes to use for purposes of determining eli-  
16 gibility under this section;

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

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

22 (2) REVISIONS TO CRITERIA AND METHOD-  
23 OLOGY.—If the Chief Executive Officer proposes to  
24 use revised or different criteria from the criteria de-  
25 scribed in paragraph (1) in making a determination

1 of eligibility for a country under this section, then,  
2 not later than 15 days prior to making such deter-  
3 mination, the Chief Executive Officer shall consult  
4 in-person with the appropriate congressional com-  
5 mittees with respect to such revised or different cri-  
6 teria and methodology in accordance with paragraph  
7 (1)(A) and shall prepare and transmit a written re-  
8 port in accordance with paragraph (1)(C).

9 (f) FORM OF ASSISTANCE; RECIPIENTS.—

10 (1) FORM OF ASSISTANCE.—Assistance pro-  
11 vided under section 202 for a country shall be pro-  
12 vided to one or more of the entities described in  
13 paragraph (2) on a nonrepayable basis and in ac-  
14 cordance with a fair, open, and competitive selection  
15 process that results in the awarding of such assist-  
16 ance on a merit basis using selection criteria that  
17 are made public by the Corporation in advance and  
18 are otherwise in accordance with standard and cus-  
19 tomary best practices for the provision of similar  
20 types of assistance.

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

23 (A) The national government of the coun-  
24 try.

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

3 (C) Nongovernmental organizations, in-  
4 cluding for-profit, not-for-profit, and voluntary  
5 organizations.

6 (D) International organizations and trust  
7 funds.

8 (g) CONGRESSIONAL NOTIFICATION.—The Chief Ex-  
9 ecutive Officer may not make any grant or enter into any  
10 contract for assistance for a country under section 202  
11 that exceeds \$5,000,000 until 15 days after the date on  
12 which the Chief Executive Officer provides notification of  
13 the proposed grant or contract to the appropriate congres-  
14 sional committees in accordance with the procedures appli-  
15 cable to reprogramming notifications under section 634A  
16 of the Foreign Assistance Act of 1961.

17 **SEC. 204. MILLENNIUM CHALLENGE COMPACT.**

18 (a) COMPACT.—The President, acting through the  
19 Chief Executive Officer of the Corporation, may provide  
20 assistance to an eligible country under section 202 only  
21 if the country enters into a contract with the United  
22 States, to be known as a “Millennium Challenge Com-  
23 pact”, that establishes a multi-year plan for achieving  
24 shared development objectives in furtherance of the pur-  
25 poses of this title, and only if the President, acting

1 through the Chief Executive Officer, provides to Congress  
2 notice regarding such Compact pursuant to subsection (h).

3 (b) ELEMENTS.—The Compact shall take into ac-  
4 count the national development strategy of the eligible  
5 country and shall contain—

6 (1) the specific objectives that the country and  
7 the United States expect to achieve;

8 (2) the responsibilities of the country and the  
9 United States in the achievement of such objectives;

10 (3) regular benchmarks to measure, where ap-  
11 propriate, progress toward achieving such objectives;

12 (4) an identification of the intended bene-  
13 ficiaries, disaggregated by income level, gender, and  
14 age, to the maximum extent practicable;

15 (5) a multi-year financial plan, including the es-  
16 timated amount of contributions by the Corporation  
17 and the country and proposed mechanisms to imple-  
18 ment the plan and provide oversight, that describes  
19 how the requirements of paragraphs (1) through (4)  
20 will be met, including identifying the role of civil so-  
21 ciety in the achievement of such requirements;

22 (6) where appropriate, a description of the re-  
23 sponsibility of other donors in the achievement of  
24 such objectives; and

1           (7) a plan to ensure appropriate fiscal account-  
2           ability for the use of assistance provided under sec-  
3           tion 202.

4           (c) DEFINITION.—In subsection (b), the term “na-  
5           tional development strategy” means any strategy to  
6           achieve market-driven economic growth that has been de-  
7           veloped by the government of the country in consultation  
8           with a wide variety of civic participation, including non-  
9           governmental organizations, private and voluntary organi-  
10          zations, academia, women and student organizations, local  
11          trade and labor unions, and the business community.

12          (d) ADDITIONAL PROVISION RELATING TO PROHIBI-  
13          TION ON TAXATION.—In addition to the elements de-  
14          scribed in subsection (b), each Compact shall contain a  
15          provision that states that assistance provided by the  
16          United States under the Compact shall be exempt from  
17          taxation by the government of the eligible country.

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

20                 (1) shall take into account the local-level per-  
21                 spectives of the rural and urban poor in the eligible  
22                 country; and

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



1 (f) CONSULTATION.—During any discussions with a  
2 country for the purpose of entering into a Compact with  
3 the country, officials of the Corporation participating in  
4 such discussions shall, at a minimum, consult with appro-  
5 priate officials of the United States Agency for Inter-  
6 national Development, particularly with those officials re-  
7 sponsible for the appropriate region or country on develop-  
8 ment issues related to the Compact.

9 (g) COORDINATION WITH OTHER DONORS.—To the  
10 maximum extent feasible, activities undertaken to achieve  
11 the objectives of the Compact shall be undertaken in co-  
12 ordination with the assistance activities of other donors.

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

17 (1) shall consult in-person with the appropriate  
18 congressional committees with respect to the pro-  
19 posed Compact;

20 (2) shall provide notification of the proposed  
21 Compact to the appropriate congressional commit-  
22 tees in accordance with the procedures applicable to  
23 reprogramming notifications under section 634A of  
24 the Foreign Assistance Act of 1961;

1           (3) shall prepare and transmit to such commit-  
2       tees a written report that contains a detailed sum-  
3       mary of the proposed Compact and a copy of the full  
4       text of the Compact; and

5           (4) shall publish such detailed summary and  
6       full text of the proposed Compact in the Federal  
7       Register and on the Internet website of the Corpora-  
8       tion.

9       (i) ASSISTANCE FOR DEVELOPMENT OF COMPACT.—  
10   Notwithstanding subsection (a), the Chief Executive Offi-  
11   cer may enter into contracts or make grants for any eligi-  
12   ble country for the purpose of facilitating the development  
13   of the Compact between the United States and the coun-  
14   try.

15   **SEC. 205. SUSPENSION AND TERMINATION OF ASSISTANCE.**

16       (a) SUSPENSION OF ASSISTANCE.—

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

20               (A) the country is engaged in activities  
21               which are contrary to the national security in-  
22               terests of the United States;

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

1           forcibly detained through extra-constitutional  
2           processes; or

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

5           (2) REINSTATEMENT.—The President may re-  
6           instate assistance for a country under this title only  
7           if the President determines that the country has  
8           demonstrated a commitment to correcting each con-  
9           dition for which assistance was suspended under  
10          paragraph (1).

11          (3) CONGRESSIONAL NOTIFICATION.—A suspen-  
12          sion of assistance under paragraph (1), or a rein-  
13          statement of assistance under paragraph (2), shall  
14          be effective beginning 15 days after the date on  
15          which the President transmits to the appropriate  
16          congressional committees a report that contains the  
17          determination of the President under paragraph (1)  
18          or paragraph (2), as the case may be.

19          (b) TERMINATION OF ASSISTANCE.—

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

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

3               (2) CONGRESSIONAL NOTIFICATION.—A termi-  
4       nation of assistance under paragraph (1) shall be ef-  
5       fective beginning 15 days after the date on which  
6       the President, acting through the Chief Executive  
7       Officer, provides notification of the proposed termi-  
8       nation of assistance to the congressional committees  
9       specified in section 634A(a) of the Foreign Assist-  
10      ance Act of 1961 in accordance with the procedures  
11      applicable to reprogramming notifications under that  
12      section.

13 **SEC. 206. ANNUAL REPORT.**

14       (a) REPORT.—Not later than April 1, 2005, and not  
15      later than April 1 of each year thereafter, the Chief Exec-  
16      utive Officer of the Corporation shall prepare and trans-  
17      mit to the appropriate congressional committees a report  
18      on the implementation of this title for the preceding year.

19       (b) CONTENTS.—The report shall include the fol-  
20      lowing:

21               (1) A description and assessment of the eligi-  
22      bility criteria and methodology utilized by the Chief  
23      Executive Officer to determine eligibility for each  
24      country under section 203.

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

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

7           (B) For each country, the analysis shall—

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

12                 (ii) identify economic policy reforms condu-  
13 cive to economic development that are sup-  
14 ported by assistance provided under this title;

15                 (iii) describe, in quantified terms to the ex-  
16 tent practicable, the progress made in achieving  
17 assistance objectives for the country;

18                 (iv) describe the amount and nature of eco-  
19 nomic assistance provided by other major do-  
20 nors which further the purposes of this title;  
21 and

22                 (v) discuss the commitment and contribu-  
23 tion of the country to achieving the assistance  
24 objectives contained in its Compact.

1 **SEC. 207. AUTHORIZATION OF APPROPRIATIONS; RELATED**  
2 **AUTHORITIES.**

3 (a) AUTHORIZATION OF APPROPRIATIONS.—There  
4 are authorized to be appropriated to the President, acting  
5 through the Chief Executive Officer of the Corporation,  
6 to carry out this division (other than title IV)  
7 \$1,300,000,000 for fiscal year 2004, \$3,000,000,000 for  
8 fiscal year 2005, and \$5,000,000,000 for fiscal year 2006.

9 (b) ADDITIONAL AUTHORITIES.—Amounts appro-  
10 priated pursuant to the authorization of appropriations  
11 under subsection (a)—

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

14 (2) are authorized to remain available until ex-  
15 pended; and

16 (3) are in addition to amounts otherwise avail-  
17 able for such purposes.

18 **TITLE III—MILLENNIUM**  
19 **CHALLENGE CORPORATION**

20 **SEC. 301. MILLENNIUM CHALLENGE CORPORATION.**

21 (a) ESTABLISHMENT.—There is hereby established in  
22 the executive branch a corporation to be known as the  
23 “Millennium Challenge Corporation” that shall be respon-  
24 sible for carrying out title II.

1 (b) GOVERNMENT CORPORATION.—The Corporation  
2 shall be a Government corporation, as defined in section  
3 103 of title 5, United States Code.

4 **SEC. 302. CHIEF EXECUTIVE OFFICER.**

5 (a) APPOINTMENT.—The Corporation shall be head-  
6 ed by an individual who shall serve as Chief Executive Of-  
7 ficer of the Corporation, who shall be appointed by the  
8 President, by and with the advice and consent of the Sen-  
9 ate.

10 (b) COMPENSATION AND RANK.—

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

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

19 “Chief Executive Officer, Millennium Challenge  
20 Corporation.”.

21 (c) AUTHORITIES AND DUTIES.—The Chief Execu-  
22 tive Officer shall exercise the powers and discharge the  
23 duties of the Corporation and any other duties, as con-  
24 ferred on the Chief Executive Officer by the President.

1 (d) AUTHORITY TO APPOINT OFFICERS.—The Chief  
2 Executive Officer shall appoint all officers of the Corpora-  
3 tion.

4 **SEC. 303. BOARD OF DIRECTORS.**

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

7 (b) DUTIES.—The Board may prescribe, amend, and  
8 repeal bylaws, rules, regulations, and procedures gov-  
9 erning the manner in which the business of the Corpora-  
10 tion may be conducted and in which the powers granted  
11 to it by law may be exercised.

12 (c) MEMBERSHIP.—

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

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

20 (B) four other individuals who shall be ap-  
21 pointed by the President, by and with the ad-  
22 vice and consent of the Senate, of which—

23 (i) one individual shall be appointed  
24 from among a list of individuals submitted



1 by the majority leader of the House of  
2 Representatives;

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

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

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

13 (2) EX-OFFICIO MEMBERS.—In addition to  
14 members of the Board described in paragraph (1),  
15 the Director of the Office of Management and Budg-  
16 et, the President and Chief Executive Officer of the  
17 Overseas Private Investment Corporation, the Direc-  
18 tor of the Trade and Development Agency, and the  
19 Director of the Peace Corps shall be non-voting  
20 members, ex officio, of the Board.

21 (d) TERMS.—

22 (1) OFFICERS OF FEDERAL GOVERNMENT.—  
23 Each member of the Board described in paragraphs  
24 (1)(A) and (2) of subsection (c) shall serve for a  
25 term that is concurrent with the term of service of

1 the individual's position as an officer within the  
2 other Federal department or agency.

3 (2) OTHER MEMBERS.—Each member of the  
4 Board described in subsection (c)(1)(B) shall be ap-  
5 pointed for a term of 3 years and may be re-  
6 appointed for a term of an additional 2 years.

7 (3) VACANCIES.—A vacancy in the Board shall  
8 be filled in the manner in which the original appoint-  
9 ment was made.

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

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

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

18 (h) COMPENSATION.—

19 (1) OFFICERS OF FEDERAL GOVERNMENT.—

20 (A) IN GENERAL.—A member of the Board  
21 described in paragraphs (1)(A) and (2) of sub-  
22 section (c) may not receive additional pay, al-  
23 lowances, or benefits by reason of their service  
24 on the Board.

1 (B) TRAVEL EXPENSES.—Each such mem-  
2 ber of the Board shall receive travel expenses,  
3 including per diem in lieu of subsistence, in ac-  
4 cordance with applicable provisions under sub-  
5 chapter I of chapter 57 of title 5, United States  
6 Code.

7 (2) OTHER MEMBERS.—

8 (A) IN GENERAL.—Except as provided in  
9 paragraph (2), a member of the Board de-  
10 scribed in subsection (c)(1)(B)—

11 (i) shall be paid compensation out of  
12 funds made available for the purposes of  
13 this title at the daily equivalent of the  
14 highest rate payable under section 5332 of  
15 title 5, United States Code, for each day  
16 (including travel time) during which the  
17 member is engaged in the actual perform-  
18 ance of duties as a member of the Board;  
19 and

20 (ii) while away from the member's  
21 home or regular place of business on nec-  
22 essary travel, as determined by the Chief  
23 Executive Officer, in the actual perform-  
24 ance of duties as a member of the Board,  
25 shall be paid per diem, travel, and trans-

1 portation expenses in the same manner as  
2 is provided under subchapter I of chapter  
3 57 of title 5, United States Code.

4 (B) LIMITATION.—A member of the Coun-  
5 cil may not be paid compensation under sub-  
6 paragraph (A)(i) for more than thirty days in  
7 any calendar year.

8 **SEC. 304. INTERAGENCY COORDINATION.**

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

15 **SEC. 305. POWERS OF THE CORPORATION; RELATED PROVI-**  
16 **SIONS.**

17 (a) POWERS.—The Corporation—

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

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

24 (3) may make and perform such contracts,  
25 grants, and other agreements with any individual,

1 corporation, or other private or public entity, how-  
2 ever designated and wherever situated, as may be  
3 necessary for carrying out the functions of the Cor-  
4 poration;

5 (4) may determine and prescribe the manner in  
6 which its obligations shall be incurred and its ex-  
7 penses allowed and paid, including expenses for rep-  
8 resentation not exceeding \$95,000 in any fiscal year;

9 (5) may lease, purchase, or otherwise acquire,  
10 own, hold, improve, use or otherwise deal in and  
11 with such property (real, personal, or mixed) or any  
12 interest therein, wherever situated, as may be nec-  
13 essary for carrying out the functions of the Corpora-  
14 tion;

15 (6) may accept gifts or donations of services or  
16 of property (real, personal, or mixed), tangible or in-  
17 tangible, in furtherance of the purposes of this divi-  
18 sion;

19 (7) may hire or obtain passenger motor vehi-  
20 cles;

21 (8) may use the United States mails in the  
22 same manner and on the same conditions as the Ex-  
23 ecutive departments (as defined in section 101 of  
24 title 5, United States Code);

1           (9) may, with the consent of any Executive  
2 agency (as defined in section 105 of title 5, United  
3 States Code), use the information, services, facilities,  
4 and personnel of that agency on a full or partial re-  
5 imbursement in carrying out the purposes of this di-  
6 vision; and

7           (10) may sue and be sued, complain, and de-  
8 fend, in its corporate name in any court of com-  
9 petent jurisdiction.

10       (b) OFFICES.—

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

14           (2) OTHER OFFICES.—The Corporation may es-  
15 tablish other offices in any place or places outside  
16 the United States in which the Corporation may  
17 carry out any or all of its operations and business.

18       (c) COOPERATION WITH OTHER FEDERAL DEPART-  
19 MENTS AND AGENCIES.—In order to avoid unnecessary  
20 expense and duplication of functions, efforts, and activities  
21 between the Corporation and other Federal departments  
22 and agencies the Chief Executive Officer, or the Chief Ex-  
23 ecutive Officer's designee—

24           (1)(A) shall consult, to the maximum extent  
25 practicable, with the Administrator of the United

1 States Agency for International Development, or the  
2 Administrator's designee, in order to coordinate the  
3 activities of the Corporation and the Agency for  
4 International Development; and

5 (B) shall consult with the heads of other de-  
6 partments and agencies to ensure similar coordina-  
7 tion of activities;

8 (2)(A) shall ensure proper coordination of ac-  
9 tivities of the Corporation with the provision of de-  
10 velopment assistance of relevant international finan-  
11 cial institutions, including the International Bank  
12 for Reconstruction and Development, the Inter-  
13 national Monetary Fund, and the regional multilat-  
14 eral development banks; and

15 (B) shall provide to each United States Execu-  
16 tive Director (or other United States representative)  
17 to the relevant international financial institutions a  
18 copy of each proposed Compact between the United  
19 States and an eligible country and a copy of each  
20 such final Compact.

21 (d) POSITIONS WITH FOREIGN GOVERNMENTS.—  
22 When approved by the Corporation, in furtherance of its  
23 purposes, employees of the Corporation (including individ-  
24 uals detailed to the Corporation) may accept and hold of-  
25 fices or positions to which no compensation is attached

1 with governments or governmental agencies of foreign  
2 countries or with international organizations.

3 **SEC. 306. TRANSPARENCY AND ACCOUNTABILITY OF THE**  
4 **CORPORATION.**

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

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

10 (a) **DETAIL OF PERSONNEL.**—Upon request of the  
11 Chief Executive Officer of the Corporation, the head of  
12 an agency may detail any employee of such agency to the  
13 Corporation on a fully or partially reimbursable basis. Any  
14 employee so detailed remains, for the purpose of pre-  
15 serving such employee's allowances, privileges, rights, se-  
16 niority, and other benefits, an employee of the agency  
17 from which detailed.

18 (b) **LIMITATION ON TOTAL SERVICE.**—

19 (1) **IN GENERAL.**—Except as provided in para-  
20 graph (2), no individual may serve in or under the  
21 Corporation (whether as an employee of the Cor-  
22 poration, a detailee to the Corporation, or a com-  
23 bination thereof) for a total period exceeding 5  
24 years.

25 (2) **EXCEPTIONS.**—



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

8           (B) OFFICERS.—Nothing in this sub-  
9           section shall limit the period for which an indi-  
10          vidual may serve as an officer of the Corpora-  
11          tion appointed pursuant to section 302(d) nor  
12          shall any period of service as such an officer be  
13          taken into account for purposes of applying this  
14          subsection.

15       (c) REEMPLOYMENT RIGHTS.—

16           (1) IN GENERAL.—An employee of an agency  
17           who is serving under a career or career conditional  
18           appointment (or the equivalent), and who, with the  
19           consent of the head of such agency, transfers to the  
20           Corporation, is entitled to be reemployed in such em-  
21           ployee's former position or a position of like senior-  
22           ity, status, and pay in such agency, if such  
23           employee—

24           (A) is separated from the Corporation—

1 (i) by reason of the application of sub-  
2 section (b); or

3 (ii) for any other reason, other than  
4 misconduct, neglect of duty, or malfea-  
5 sance; and

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

9 (2) SPECIFIC RIGHTS.—An employee who satis-  
10 fies paragraph (1) is entitled to be reemployed (in  
11 accordance with such paragraph) within 30 days  
12 after applying for reemployment and, on reemploy-  
13 ment, is entitled to at least the rate of basic pay to  
14 which such employee would have been entitled had  
15 such employee never transferred.

16 (d) BASIC PAY.—The Chief Executive Officer may fix  
17 the rate of basic pay of employees of the Corporation with-  
18 out regard to the provisions of—

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

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

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

1 (e) ASSIGNMENT TO UNITED STATES EMBASSIES.—  
2 An employee of the Corporation, including an individual  
3 detailed to or contracted by the Corporation, may be as-  
4 signed to a United States diplomatic mission or consular  
5 post, or United States Agency for International Develop-  
6 ment field mission.

7 (f) PRIVILEGES AND IMMUNITIES.—The Secretary of  
8 State shall seek to ensure that an employee of the Cor-  
9 poration, including an individual detailed to or contracted  
10 by the Corporation, and the members of the family of such  
11 employee, while the employee is performing duties in any  
12 country or place outside the United States, enjoy the privi-  
13 leges and immunities that are enjoyed by a member of  
14 the Foreign Service, or the family of a member of the For-  
15 eign Service, as appropriate, of comparable rank and sal-  
16 ary of such employee, if such employee or a member of  
17 the family of such employee is not a national of or perma-  
18 nently resident in such country or place.

19 (g) RESPONSIBILITY OF CHIEF OF MISSION.—An  
20 employee of the Corporation, including an individual de-  
21 tailed to or contracted by the Corporation, and a member  
22 of the family of such employee, shall be subject to section  
23 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927)  
24 in the same manner as United States Government employ-  
25 ees while the employee is performing duties in any country

1 or place outside the United States if such employee or  
2 member of the family of such employee is not a national  
3 of or permanently resident in such country or place.

4 (h) ALLOCATION OF FUNDS.—

5 (1) IN GENERAL.—The Corporation may allo-  
6 cate or transfer to the United States Agency for  
7 International Development or any other agency any  
8 part of any funds available for carrying out the pur-  
9 poses of this division. Such funds shall be available  
10 for obligation and expenditure for the purposes for  
11 which authorized, in accordance with authority  
12 granted in this title or under authority governing the  
13 activities of the agencies of the United States Gov-  
14 ernment to which such funds are allocated or trans-  
15 ferred.

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

21 (3) USE OF SERVICES.—For carrying out the  
22 purposes of this division, the Corporation may utilize  
23 the services and facilities of, or procure commodities  
24 from, any agency under such terms and conditions

1 as may be agreed to by the head of the agency and  
2 the Corporation.

3 (i) FUNDING LIMITATION.—Of the funds allocated  
4 under subsection (h) in any fiscal year, not more than 7  
5 percent of such funds may be used for administrative ex-  
6 penses.

7 (j) OTHER AUTHORITIES.—Except to the extent in-  
8 consistent with the provisions of this division, the adminis-  
9 trative authorities under chapters 1 and 2 of part III of  
10 the Foreign Assistance Act of 1961 shall apply to the pro-  
11 vision of assistance under this division to the same extent  
12 and in the same manner as such authorities apply to the  
13 provision of economic assistance under part I of such Act.

14 (k) APPLICABILITY OF GOVERNMENT CORPORATION  
15 CONTROL ACT.—

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

21 (2) CONFORMING AMENDMENT.—Section  
22 9101(3) of title 31, United States Code, is amended  
23 by adding at the end the following:

24 “(Q) the Millennium Challenge Corpora-  
25 tion.”

1 (l) INSPECTOR GENERAL.—

2 (1) IN GENERAL.—The Inspector General of  
3 the United States Agency for International Develop-  
4 ment shall serve as Inspector General of the Cor-  
5 poration, and, in acting in such capacity, may con-  
6 duct reviews, investigations, and inspections of all  
7 aspects of the operations and activities of the Cor-  
8 poration.

9 (2) AUTHORITY OF THE BOARD.—In carrying  
10 out its responsibilities under this subsection, the In-  
11 spector General shall report to the Board of Direc-  
12 tors.

13 (3) REIMBURSEMENT.—The Corporation shall  
14 reimburse the United States Agency for Inter-  
15 national Development for all expenses incurred by  
16 the Inspector General in connection with the Inspec-  
17 tor General's responsibilities under this subsection.

18 (m) COMPTROLLER GENERAL.—

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

22 (2) SCOPE.—The activities and financial trans-  
23 actions of the Corporation for any fiscal year during  
24 which Federal funds are available to finance any  
25 portion of its operations may be evaluated, inves-

1       tigated, or audited by the Comptroller General in ac-  
2       cordance with such rules and regulations as may be  
3       prescribed by the Comptroller General.

4           (3) ACCESS AND RECORDS.—Any evaluation, in-  
5       vestigation, or audit shall be conducted at the place  
6       or places where pertinent information of the Cor-  
7       poration is normally kept. The representatives of the  
8       General Accounting Office shall have access to all  
9       books, accounts, financial records, reports, files, and  
10      other papers or property belonging to or in use by  
11      the Corporation and necessary to facilitate the eval-  
12      uation, investigation, or audit; and full facilities for  
13      verifying transactions with the balances and securi-  
14      ties held by depositories, fiscal agents, and  
15      custodians shall be afforded to such representatives.  
16      All such books, accounts, financial records, reports,  
17      files, and other papers or property of the Corpora-  
18      tion shall remain in the possession and custody of  
19      the Corporation throughout the period beginning on  
20      the date such possession or custody commences and  
21      ending three years after such date, but the General  
22      Accounting Office may require the retention of such  
23      books, accounts, financial records, reports, files, pa-  
24      pers, or property for a longer period under section  
25      3523(c) of title 31, United States Code.

1           (4) REPORT.—A report of such audit, evalua-  
2           tion, or investigation shall be made by the Comp-  
3           troller General to the appropriate congressional com-  
4           mittees and to the President, together with such rec-  
5           ommendations with respect thereto as the Comp-  
6           troller General shall deem advisable.

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

8           (1) the term “agency” means an Executive  
9           agency, as defined by section 105 of title 5, United  
10          States Code; and

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

15   **SEC. 308. MILLENNIUM CHALLENGE ADVISORY COUNCIL.**

16          (a) ESTABLISHMENT.—There is hereby established in  
17          the executive branch an advisory council to the Corpora-  
18          tion to be known as the Millennium Challenge Advisory  
19          Council.

20          (b) FUNCTIONS.—

21          (1) GENERAL FUNCTIONS.—The Council shall  
22          advise and consult with the Chief Executive Officer  
23          of the Corporation and the Board of Directors with  
24          respect to policies and programs designed to further  
25          the purposes of this division and shall periodically



1 report to the Congress with respect to the activities  
2 of the Corporation. In addition, the Council shall re-  
3 view on an annual basis the criteria and method-  
4 ology used to determine eligibility of countries for  
5 assistance under title II and make recommendations  
6 to the Chief Executive Officer and the Board to im-  
7 prove the effectiveness of such criteria and method-  
8 ology in order to achieve the purposes of this divi-  
9 sion.

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

15 (A) evaluate the accomplishments of the  
16 Corporation;

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

19 (C) make recommendations to the Chief  
20 Executive Officer, the Board of Directors, and  
21 Congress, for the purpose of guiding the future  
22 direction of the Corporation and of helping to  
23 ensure that the purposes and programs of the  
24 Corporation are carried out in ways that are ec-  
25 nomical, efficient, responsive to changing

1 needs in developing countries and to changing  
2 relationships among people, and in accordance  
3 with law;

4 (D) make such other evaluations, assess-  
5 ments, and recommendations as the Council  
6 considers appropriate.

7 (3) PUBLIC PARTICIPATION.—The Council may  
8 provide for public participation in its activities, con-  
9 sistent with section 552b of title 5, United States  
10 Code.

11 (c) MEMBERSHIP.—

12 (1) IN GENERAL.—The Council shall consist of  
13 seven individuals, who shall be appointed by the  
14 Chief Executive Officer, and who shall be broadly  
15 representative of nongovernmental entities with ex-  
16 pertise and interest in international trade and eco-  
17 nomic development, including business and business  
18 associations, trade and labor unions, private and vol-  
19 untary organizations, foundations, public policy or-  
20 ganizations, academia, and other entities as the  
21 Chief Executive Officer determines appropriate.

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

25 (d) COMPENSATION.—

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

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

11 (B) while away from the member's home  
12 or regular place of business on necessary travel,  
13 as determined by the Chief Executive Officer, in  
14 the actual performance of duties as a member  
15 of the Council, shall be paid per diem, travel,  
16 and transportation expenses in the same man-  
17 ner as is provided under subchapter I of chap-  
18 ter 57 of title 5, United States Code.

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

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

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

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

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

15 (1) MEETINGS.—The Council shall hold a reg-  
16 ular meeting during each calendar quarter and shall  
17 meet at the call of the President, the Chief Execu-  
18 tive Officer, the Chairperson of the Board, the  
19 Chairperson of the Council, or two members of the  
20 Council.

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

1 waiving of notice of meetings, and keeping of min-  
2 utes of meetings.

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

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

11 (2) CONTENTS.—Each report shall contain a  
12 summary of the advice and recommendations pro-  
13 vided by the Council to the Chief Executive Officer  
14 and the Board during the period covered by the re-  
15 port and such recommendations (including rec-  
16 ommendations for administrative or legislative ac-  
17 tion) as the Council considers appropriate to make  
18 to the Congress.

19 (3) ADDITIONAL REQUIREMENT.—Not later  
20 than 90 days after receiving each such report, the  
21 Chief Executive Officer shall transmit to Congress a  
22 copy of the report, together with any comments con-  
23 cerning the report that the Chief Executive Officer  
24 considers appropriate.

1 (j) ADMINISTRATIVE ASSISTANCE.—The Chief Exec-  
2 utive Officer shall make available to the Council such per-  
3 sonnel, administrative support services, and technical as-  
4 sistance as are necessary to carry out its functions effec-  
5 tively.

6 (k) TERMINATION.—Section 14(a)(2)(B) of the Fed-  
7 eral Advisory Committee Act (5 U.S.C. App.; relating to  
8 the termination of advisory committees) shall not apply  
9 to the Council. Notwithstanding section 102 of this Act,  
10 the authorities of the Council shall terminate on December  
11 31, 2007.

12 **SEC. 309. ENHANCING DATA COLLECTION AND MONI-**  
13 **TORING AND EVALUATION CAPABILITIES.**

14 (a) IN GENERAL.—The President, acting through the  
15 Chief Executive Officer of the Corporation, is authorized  
16 to provide assistance (through grant, contract, and, where  
17 applicable, in coordination with appropriate international  
18 organizations) to appropriate nongovernmental organiza-  
19 tions in order to assist the Corporation to improve the  
20 quality and accuracy of the criteria that are utilized to  
21 determine a country's eligibility for assistance under title  
22 II.

23 (b) USE OF ASSISTANCE.—Assistance provided under  
24 subsection (a) may be used to facilitate—

1 (1) data collection and research which are di-  
2 rectly related to the eligibility criteria used under  
3 section 203, particularly as the criteria relate to  
4 women and children;

5 (2) the monitoring and evaluation capabilities  
6 of recipients under section 203(f); and

7 (3) the strengthening of the trade index to ac-  
8 cess data on actual trade barriers.

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

12 **TITLE IV—PROVISIONS RELAT-**  
13 **ING TO UNITED STATES ECO-**  
14 **NOMIC ASSISTANCE**

15 **SEC. 401. DEFINITION.**

16 In this title, the term “United States economic assist-  
17 ance” means any bilateral economic assistance, from any  
18 budget functional category, that is provided by any depart-  
19 ment or agency of the United States to a foreign country,  
20 including such assistance that is intended—

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

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

4 (C) to promote international trade and for-  
5 eign direct investment as a means of aiding eco-  
6 nomic growth;

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

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

13 (F) to protect refugees and promote dura-  
14 ble solutions to aid refugees;

15 (G) to promote sound environmental prac-  
16 tices;

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

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

22 (J) to improve the technical capacities of  
23 governments to reduce production of and de-  
24 mand for illicit narcotics; and



1 (K) to otherwise promote through bilateral  
2 foreign economic assistance the national objec-  
3 tives of the United States.

4 **SEC. 402. FRAMEWORK FOR ASSISTANCE.**

5 (a) SENSE OF CONGRESS.—It is the sense of Con-  
6 gress that a coherent framework for United States eco-  
7 nomic assistance should be established in accordance with  
8 this section.

9 (b) ELEMENTS.—The framework described in sub-  
10 section (a) includes the following elements:

11 (1) The United States Agency for International  
12 Development, under the direction and foreign policy  
13 guidance of the Secretary of State, should be respon-  
14 sible for—

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

21 (B) providing assistance to countries that  
22 are suffering from conflicts or are in post-con-  
23 flict situations in order to provide humanitarian  
24 relief, transition assistance, and reconstruction  
25 assistance;

1 (C) providing assistance to help moderate-  
2 to-poorly performing countries achieve develop-  
3 ment progress in the areas described in part I  
4 of the Foreign Assistance Act of 1961, includ-  
5 ing progress toward becoming eligible for assist-  
6 ance under this title, and to promote inter-  
7 national health worldwide, as well as assisting  
8 in the development of country and regional de-  
9 velopment strategies;

10 (D) addressing transnational problems,  
11 such as environmental degradation, food insecur-  
12 ity, and health problems; and

13 (E) assisting other Federal departments  
14 and agencies, including the Corporation estab-  
15 lished under title III, to carry out assistance ac-  
16 tivities abroad, including providing technical as-  
17 sistance and advice to such departments and  
18 agencies, coordinating its assistance programs  
19 with such departments and agencies, and using  
20 its field offices to help implement such assist-  
21 ance.

22 (2) The Corporation established under title III  
23 should provide assistance to countries that have  
24 demonstrated a commitment to bolstering democ-  
25 racy, good governance, and the rule of law, to invest-

1 ing in the health and educations of their people, and  
2 to promoting sound economic policies that foster  
3 economic opportunity for their people.

4 (3) The Department of State should be respon-  
5 sible for allocating security assistance to support key  
6 foreign policy objectives of the United States and  
7 shall administer assistance in such areas as non-pro-  
8 liferation, anti-terrorism, counter-narcotics, and re-  
9 lief for refugees.

10 (4) Other Federal departments and agencies  
11 with expertise in international development-related  
12 activities, such as the Overseas Private Investment  
13 Corporation, the Trade and Development Agency,  
14 the Department of Agriculture, the Department of  
15 Health and Human Services, and the Centers for  
16 Disease Control and Prevention, to the extent such  
17 departments and agencies have the authority to  
18 carry out development-related programs, and in co-  
19 ordination with the Department of State and the  
20 United States Agency for International Develop-  
21 ment, should provide expertise in specific technical  
22 areas and shall provide assistance, including assist-  
23 ance provided with funds made available from the  
24 Corporation to assist United States Government  
25 international development activities.

1 **SEC. 403. REPORT RELATING TO IMPACT AND EFFECTIVE-**  
2 **NESS OF ASSISTANCE.**

3 (a) REPORT.—Not later than December 31, 2004,  
4 and December 31 of each third year thereafter, the Presi-  
5 dent shall transmit to Congress a report which analyzes,  
6 on a country-by-country basis, the impact and effective-  
7 ness of United States economic assistance furnished under  
8 the framework established in section 402 to each country  
9 during the preceding three fiscal years. The report shall  
10 include the following for each recipient country:

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

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

24 (B) specify the extent to which those objec-  
25 tives were not achieved, with an explanation of  
26 why they were not achieved.

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

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

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

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

17          (6) A comparison of the analysis provided in  
18          the report with relevant analyses by international fi-  
19          nancial institutions, other international organiza-  
20          tions, other donor countries, or nongovernmental or-  
21          ganizations.

22          (b) LISTING OF MOST AND LEAST SUCCESSFUL AS-  
23          SISTANCE PROGRAMS.—The report required by this sec-  
24          tion shall identify—

1           (1) each country in which United States eco-  
2           nomic assistance has been most successful, as indi-  
3           cated by the extent to which the specific objectives  
4           the United States sought to achieve in providing the  
5           assistance for the country, as referred to in sub-  
6           section (a)(1)(A), were achieved; and

7           (2) each country in which United States eco-  
8           nomic assistance has been least successful, as indi-  
9           cated by the extent to which the specific objectives  
10          the United States sought to achieve in providing the  
11          assistance for the country, as referred to in sub-  
12          section (a)(1)(A), were not achieved.

13 For each country listed pursuant to paragraph (2), the  
14 report shall explain why the assistance was not more suc-  
15 cessful and shall specify what the United States has done  
16 as a result.

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

1 **DIVISION B—REAUTHORIZATION**  
2 **AND EXPANSION OF THE**  
3 **PEACE CORPS**

4 **TITLE X—GENERAL PROVISIONS**

5 **SEC. 1001. DEFINITIONS.**

6 In this division:

7 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**  
8 **TEES.**—The term “appropriate congressional com-  
9 mittees” means the Committee on International Re-  
10 lations of the House of Representatives and the  
11 Committee on Foreign Relations of the Senate.

12 (2) **DIRECTOR.**—The term “Director” means  
13 the Director of the Peace Corps.

14 (3) **HOST COUNTRY.**—The term “host country”  
15 means a country whose government has invited the  
16 Peace Corps to establish a Peace Corps program  
17 within the territory of the country.

18 (4) **PEACE CORPS VOLUNTEER.**—The term  
19 “Peace Corps volunteer” means a volunteer or a vol-  
20 unteer leader under the Peace Corps Act.

21 (5) **RETURNED PEACE CORPS VOLUNTEER.**—  
22 The term “returned Peace Corps volunteer” means  
23 a person who has been certified by the Director as  
24 having served satisfactorily as a Peace Corps volun-  
25 teer.

1 **SEC. 1002. FINDINGS.**

2 Congress makes the following findings:

3 (1) The Peace Corps was established in 1961 to  
4 promote world peace and friendship through the  
5 service abroad of volunteers who are United States  
6 citizens. The spirit of service and commitment to  
7 helping others is a fundamental component of de-  
8 mocracy.

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

12 (3) The three goals codified in the Peace Corps  
13 Act which have guided the Peace Corps and its vol-  
14 unteers over the years, can work in concert to pro-  
15 mote global acceptance of the principles of inter-  
16 national peace and nonviolent coexistence among  
17 peoples of diverse cultures and systems of govern-  
18 ment.

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

25 (5) After more than 40 years of operation, the  
26 Peace Corps remains the world's premier inter-



1 national service organization dedicated to promoting  
2 grassroots development by working with families and  
3 communities to improve health care for children, ex-  
4 pand agricultural production, teach in schools, fight  
5 infectious diseases, protect the environment, and ini-  
6 tiate small business opportunities.

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

12 (7) The Peace Corps is an independent agency,  
13 and, therefore, no Peace Corps personnel or volun-  
14 teers should be used to accomplish any goal other  
15 than the goals established by the Peace Corps Act.

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

21 (9) In fiscal year 2003, the Peace Corps is op-  
22 erating with an annual budget of \$295,000,000 in  
23 70 countries, with more than 7,000 Peace Corps vol-  
24 unteers.

1           (10) There is deep misunderstanding and mis-  
2 information in many parts of the world, particularly  
3 in countries with substantial Muslim populations,  
4 with respect to United States values and ideals. A  
5 new or expanded Peace Corps presence in such  
6 places could foster better understanding between the  
7 people of the United States and such countries.

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

13           (12) President George W. Bush has called for  
14 the doubling of the number of Peace Corps volun-  
15 teers in service.

16           (13) Any expansion of the Peace Corps should  
17 not jeopardize the quality of the Peace Corps volun-  
18 teer experience and, therefore, necessitates, among  
19 other things, an appropriate increase in field and  
20 headquarters support staff.

21           (14) In order to ensure that the proposed ex-  
22 pansion of the Peace Corps preserves the integrity of  
23 the program and the security of volunteers, the inte-  
24 grated Planning and Budget System supported by

1 the Office of Planning and Policy Analysis should  
2 continue its focus on strategic planning.

3 (15) A streamlined, bipartisan Peace Corps Na-  
4 tional Advisory Council composed of distinguished  
5 returned Peace Corps volunteers, former Peace  
6 Corps staff, and other individuals with diverse back-  
7 grounds and expertise can be a source of ideas and  
8 suggestions that may be useful to the Director of the  
9 Peace Corps as the Director discharges the duties  
10 and responsibilities as head of the agency.

11 **TITLE XI—AMENDMENTS TO**  
12 **PEACE CORPS ACT; RELATED**  
13 **PROVISIONS**

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

15 (a) RECRUITMENT OF VOLUNTEERS.—Section 2A of  
16 the Peace Corps Act (22 U.S.C. 2501–1) is amended by  
17 adding at the end the following new sentence: “As an inde-  
18 pendent agency, the Peace Corps shall be responsible for  
19 recruiting all of its volunteers.”.

20 (b) DETAILS AND ASSIGNMENTS.—Section 5(g) of  
21 the Peace Corps Act (22 U.S.C. 2504(g)) is amended by  
22 striking “*Provided, That*” and inserting “*Provided, That*  
23 such detail or assignment furthers the fulfillment of Peace  
24 Corps’ development and public diplomacy goals as de-  
25 scribed in section 2: *Provided further, That*”.

1 **SEC. 1102. REPORTS AND CONSULTATIONS.**

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

6 **“SEC. 11. ANNUAL REPORTS; CONSULTATIONS ON NEW INI-**  
7 **TIATIVES.**

8 “(a) ANNUAL REPORTS.—The Director shall trans-  
9 mit to Congress, at least once in each fiscal year, a report  
10 on operations under this Act. Each report shall contain  
11 information—

12 “(1) describing efforts undertaken to improve  
13 coordination of activities of the Peace Corps with ac-  
14 tivities of international voluntary service organiza-  
15 tions, such as the United Nations volunteer pro-  
16 gram, and of host country voluntary service organi-  
17 zations, including—

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

24 “(B) recommendations for improving co-  
25 ordination of development projects between the

1 Peace Corps and any such international or host  
2 country voluntary service organizations;

3 “(2) describing—

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

9 “(B) the rationale for undertaking such  
10 new initiatives;

11 “(C) an estimate of the cost of such initia-  
12 tives; and

13 “(D) the impact on the safety of volun-  
14 teers;

15 “(3) describing in detail the Peace Corps plans,  
16 including budgetary plans, to have 14,000 volunteers  
17 in service by 2007 while maintaining the quality of  
18 the volunteer experience, ensuring the safety and se-  
19 curity of all volunteers, and providing for appro-  
20 priate administrative and other support; and

21 “(4) describing standard security procedures for  
22 any country in which the Peace Corps operates pro-  
23 grams or is considering doing so, as well as any spe-  
24 cial security procedures contemplated because of  
25 changed circumstances in specific countries, and as-

1       sessing whether security conditions would be  
2       enhanced—

3               “(A) by co-locating volunteers with inter-  
4               national or local nongovernmental organiza-  
5               tions; or

6               “(B) with the placement of multiple volun-  
7               teers in one location.

8       “(b) CONSULTATIONS ON NEW INITIATIVES.—The  
9       Director of the Peace Corps shall consult with the appro-  
10      priate congressional committees with respect to any major  
11      new initiatives not previously discussed in the latest an-  
12      nual report submitted to Congress under subsection (a)  
13      or in budget presentations. Whenever possible, such con-  
14      sultations should take place prior to the initiation of such  
15      initiatives, or as soon as practicable thereafter.”.

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

20              (1) describing the student loan forgiveness pro-  
21              grams currently available to Peace Corps volunteers  
22              upon completion of their service;

23              (2) comparing such programs with other Gov-  
24              ernment-sponsored student loan forgiveness pro-  
25              grams; and

1           (3) recommending any additional student loan  
2 forgiveness programs which could attract more ap-  
3 plications from low- and middle-income individuals  
4 who are carrying considerable student-loan debt bur-  
5 dens.

6           (c) ANNUAL REPORT TO CONGRESS ON THE FED-  
7 ERAL EQUAL OPPORTUNITY RECRUITMENT PROGRAM  
8 (FEORP).—Not later than 90 days after the date of en-  
9 actment of this Act and annually thereafter, the Director  
10 shall report on the progress of the Peace Corps in recruit-  
11 ing historically underrepresented groups. The Director  
12 shall prepare this report in accordance with section 7201  
13 of title 5, United States Code, and subpart B of part 720  
14 of title 5, Code of Federal Regulations.

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

21           (1) describes the medical screening procedures  
22 and standards of the Office of Medical Services/  
23 Screening Unit of the Peace Corps to determine  
24 whether an applicant for Peace Corps service has  
25 worldwide clearance, limited clearance, a deferral pe-

1       riod, or is not medically, including psychologically,  
2       qualified to serve in the Peace Corps as a volunteer;

3               (2) describes the procedures and criteria for  
4       matching applicants for Peace Corps service with a  
5       host country to ensure that the applicant, reasonable  
6       accommodations notwithstanding, can complete at  
7       least two years of volunteer service without interrup-  
8       tion to host country national projects due to foresee-  
9       able medical conditions; and

10              (3) with respect to each of fiscal years 2000  
11       through 2002 and the first six months of fiscal year  
12       2003, states the number of—

13                      (A) medical screenings conducted;

14                      (B) applicants who have received world-  
15       wide clearance, limited clearance, deferral peri-  
16       ods, and medical disqualifications to serve;

17                      (C) Peace Corps volunteers who the agency  
18       has had to separate from service due to the dis-  
19       covery of undisclosed medical information; and

20                      (D) Peace Corps volunteers who have ter-  
21       minated their service early due to medical, in-  
22       cluding psychological, reasons.



1 **SEC. 1103. SPECIAL VOLUNTEER RECRUITMENT AND**  
2 **PLACEMENT FOR CERTAIN COUNTRIES.**

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

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

10 (2) lists the countries that the Director has de-  
11 termined should be priorities for special recruitment  
12 and placement of Peace Corps volunteers.

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

21 **SEC. 1104. GLOBAL INFECTIOUS DISEASES INITIATIVE; CO-**  
22 **ORDINATION OF HIV/AIDS ACTIVITIES.**

23 (a) INITIATIVE.—

24 (1) IN GENERAL.—The Director, in cooperation  
25 with international public health experts, such as the  
26 Centers for Disease Control and Prevention, the Na-

1        tional Institutes of Health, the World Health Orga-  
2        nization, the Pan American Health Organization,  
3        and local public health officials, shall expand the  
4        Peace Corps' program of training for Peace Corps  
5        volunteers in the areas of education, prevention, and  
6        treatment of infectious diseases which are prevalent  
7        in host countries in order to ensure that the Peace  
8        Corps increases its contribution to the global cam-  
9        paign against such diseases.

10        (2) ADDITIONAL REQUIREMENT.—Activities for  
11        the education, prevention, and treatment of infec-  
12        tious diseases in host countries by the Peace Corps  
13        shall be undertaken in a manner that is consistent  
14        with activities authorized under sections 104(c),  
15        104A, 104B, and 104C of the Foreign Assistance  
16        Act of 1961.

17        (b) COORDINATION OF HIV/AIDS ACTIVITIES.—

18        (1) IN GENERAL.—The Director should des-  
19        ignate an officer or employee of the Peace Corps  
20        who is located in the United States to coordinate all  
21        HIV/AIDS activities within the Peace Corps. Such  
22        individual may be an individual who is an officer or  
23        employee of the Peace Corps on the date of the en-  
24        actment of this Act.

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

8           (c) DEFINITIONS.—In this section:

9           (1) AIDS.—The term “AIDS” means the ae-  
10 quired immune deficiency syndrome.

11           (2) HIV.—The term “HIV” means the human  
12 immunodeficiency virus, the pathogen that causes  
13 AIDS.

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

17           (4) INFECTIOUS DISEASES.—The term “infec-  
18 tious diseases” means HIV/AIDS, tuberculosis, and  
19 malaria.

20 **SEC. 1105. PEACE CORPS NATIONAL ADVISORY COUNCIL.**

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

24           (1) in subsection (b)(2)—

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

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

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

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

11 (2) in subsection (c)(2)—

12 (A) in subparagraph (A)—

13 (i) in the first sentence—

14 (I) by striking “fifteen” and in-  
15 sserting “eleven”; and

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

20 (ii) by striking the second sentence  
21 and inserting the following: “Six of the  
22 members shall be former Peace Corps vol-  
23 unteers, at least one of whom shall have  
24 been a former staff member abroad or in  
25 the Washington headquarters, and not

1 more than six shall be members of the  
2 same political party.”;

3 (B) by striking subparagraph (B);

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

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

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

10 (E) in subparagraph (I), by striking  
11 “President shall nominate” and inserting “Di-  
12 rector shall appoint”; and

13 (F) by redesignating subparagraphs (C),  
14 (D), (E), (F), (G), (H), and (I) as subpara-  
15 graphs (B), (C), (D), (E), (F), (G), and (H),  
16 respectively; and

17 (3) by amending subsection (g) to read as fol-  
18 lows:

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

24 **SEC. 1106. READJUSTMENT ALLOWANCES.**

25 The Peace Corps Act is amended—

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

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

11 **SEC. 1107. PROGRAMS AND PROJECTS OF RETURNED**  
12 **PEACE CORPS VOLUNTEERS AND FORMER**  
13 **STAFF.**

14 (a) PURPOSE.—The purpose of this section is to pro-  
15 vide support for returned Peace Corps volunteers to de-  
16 velop and carry out programs and projects to promote the  
17 objectives of the Peace Corps Act, as set forth in section  
18 2(a) of that Act (22 U.S.C. 2501(a)).

19 (b) GRANTS TO CERTAIN NONPROFIT CORPORA-  
20 TIONS.—

21 (1) GRANT AUTHORITY.—

22 (A) IN GENERAL.—To carry out the pur-  
23 pose of this section, and subject to the avail-  
24 ability of appropriations, the Director may  
25 award grants on a competitive basis to private

1 nonprofit corporations for the purpose of ena-  
2 bling returned Peace Corps volunteers to use  
3 their knowledge and expertise to develop and  
4 carry out the programs and projects described  
5 in paragraph (2).

6 (B) DELEGATION OF AUTHORITY AND  
7 TRANSFER OF FUNDS.—The Director may dele-  
8 gate the authority to award grants under sub-  
9 paragraph (A) and may transfer funds author-  
10 ized under this section subject to the notifica-  
11 tion procedures of section 634A of the Foreign  
12 Assistance Act of 1961 to the Chief Executive  
13 Officer of the Corporation for National and  
14 Community Service (referred to in this section  
15 as the “Corporation”).

16 (2) PROGRAMS AND PROJECTS.—Such pro-  
17 grams and projects may include—

18 (A) educational programs designed to en-  
19 rich the knowledge and interest of elementary  
20 school and secondary school students in the ge-  
21 ography and cultures of other countries where  
22 the volunteers have served;

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

1           (C) audio-visual projects that utilize mate-  
2           rials collected by the volunteers during their  
3           service that would be of educational value to  
4           communities.

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

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

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

23                (2) the nonprofit corporation will give consider-  
24                ation to funding individual programs or projects by



1 returned Peace Corps volunteers, in amounts of not  
2 more than \$50,000, under this section;

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

7 (4) the nonprofit corporation will not receive  
8 grant funds for programs or projects under this sec-  
9 tion for a third or subsequent year unless the non-  
10 profit corporation makes available, to carry out the  
11 programs or projects during that year, non-Federal  
12 contributions—

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

16 (B) provided directly or through donations  
17 from private entities, in cash or in kind, fairly  
18 evaluated, including plant, equipment, or serv-  
19 ices; and

20 (5) the nonprofit corporation shall manage,  
21 monitor, and submit reports to the Peace Corps or  
22 the Corporation, as the case may be, on each pro-  
23 gram or project for which the nonprofit corporation  
24 receives a grant under this section.

1 (d) STATUS OF THE FUND.—Nothing in this section  
2 shall be construed to make any nonprofit corporation sup-  
3 ported under this section an agency or establishment of  
4 the Federal Government or to make the members of the  
5 board of directors or any officer or employee of such non-  
6 profit corporation an officer or employee of the United  
7 States.

8 (e) FACTORS IN AWARDING GRANTS.—In deter-  
9 mining the number of nonprofit corporations to receive  
10 grants under this section for any fiscal year, the Peace  
11 Corps or the Corporation—

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

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

18 (f) CONGRESSIONAL OVERSIGHT.—Grant recipients  
19 under this section shall be subject to the appropriate over-  
20 sight procedures of Congress.

21 (g) FUNDING.—

22 (1) IN GENERAL.—There is authorized to be  
23 appropriated to carry out this section up to  
24 \$10,000,000. Such sum shall be in addition to funds

1 made available to the Peace Corps under this divi-  
2 sion.

3 (2) AVAILABILITY.—Amounts appropriated pur-  
4 suant to paragraph (1) are authorized to remain  
5 available until expended.

6 (h) CRISIS CORPS.—

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

11 (2) INCREASE IN NUMBER OF CRISIS CORPS AS-  
12 SIGNMENTS.—The Director, in consultation with the  
13 governments of host countries and appropriate non-  
14 governmental organizations, shall increase the num-  
15 ber of available Crisis Corps assignments for re-  
16 turned Peace Corps volunteers to at least 120 as-  
17 signments in fiscal year 2004, 140 assignments in  
18 fiscal year 2005, 160 assignments in fiscal year  
19 2006, and 165 assignments in fiscal year 2007.

20 **SEC. 1108. DECLARATION OF POLICY.**

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

1 **SEC. 1109. AUTHORIZATION OF APPROPRIATIONS.**

2 Section 3(b)(1) of the Peace Corps Act (22 U.S.C.  
3 2502(b)(1)) is amended by striking “and \$365,000,000  
4 fiscal year 2003” and inserting “\$365,000,000 for fiscal  
5 year 2003, \$366,868,000 for fiscal year 2004,  
6 \$411,800,000 for fiscal year 2005, \$455,930,000 for fis-  
7 cal year 2006, and \$499,400,000 for fiscal year 2007”.

Chairman HYDE. The Chair yields himself 5 minutes for purposes of a statement.

Today, the Committee will consider the Millennium Challenge Account Authorization and Peace Corps Expansion Act of 2003. My remarks this morning will be centered on the Millennium Challenge Account, an initiative based on the revolutionary idea that countries must be accountable for their actions, be responsible for developing and advancing their own plans and progress, and must show results in order to receive economic assistance from the American taxpayers.

The Millennium Challenge Account was developed and advanced by a President willing to take a risk with a bold new idea. However, demanding accountability from our foreign aid programs is not such a new idea. In the past and most recently in the 107th Congress, I introduced a bill, the Foreign Aid Effectiveness Act, which required the President to describe the actual results of U.S. foreign assistance relative to the goals, and identify the most and least successful foreign assistance programs. Elements of this initiative are incorporated into the bill which we are considering this morning.

In March 2002, President Bush announced his intention to create a new development assistance program called the Millennium Challenge Account—the MCA. The program, if authorized, will be above and beyond existing aid, and will distribute U.S. economic aid to developing countries that are determined to govern justly, invest in their people, and encourage economic freedom. We are here today to debate and report a bipartisan bill that authorizes the President's proposal.

In March, the Committee held a hearing on the proposal and heard from three Administration witnesses on the proposed structure and organization of the Millennium Challenge Corporation, the new organization proposed to manage MCA assistance. Members also heard testimony and had the opportunity to question witnesses from respected charities such as "Save the Children" and "Bread for the World," as well as experts from the Heritage Foundation and the Center for Global Development on eligibility criteria for the MCA.

At that hearing, our witnesses did not dispute that many U.S. aid programs have not achieved desired results over the years. Some assistance has allowed corrupt leaders to amass personal fortunes and remain in power beyond the will of the citizenry. Other aid has allowed leaders and governments to abdicate responsibility for effective governance and pursue detrimental, self-destructive, or personally self-enriching policies with little results to show in the end.

The mixed results of the past should not lead us to turn our backs on the developing world—just the opposite. Now is the time for American leadership and for America to recognize and help those countries that respect the rights of citizens, promote democracy, and encourage economic freedom and prosperity. However, we need to demonstrate what works and what does not. And we need to hold accountable those governments and leaders who do not choose the right path of reform.

The President's proposal is a serious attempt to address the concern that existing U.S. development assistance programs have had mixed results over the years and, in many cases, have failed to achieve stated goals. The President's proposal—a new type of foreign aid based on performance and accountability—is a step in the right direction and is supported by the Heritage Foundation, the *Wall Street Journal*, and other organizations that have previously characterized foreign assistance as inefficient and ineffective.

To alleviate concerns that he may be abandoning the people of the developing world who live under governments that do not meet such standards, the President has made clear his intention that the MCA will not replace existing development assistance programs nor subtract from their budgets. To fund the MCA, the President has proposed an additional \$5 billion to the current development assistance budget of \$10 billion, phased in over a 3-year period. The President's fiscal year 2004 budget requests \$1.3 billion for the first year of the initiative, and his proposal calls for MCA funding to increase to \$3.3 billion in fiscal year 2005 and \$5 billion in fiscal year 2006. The Administration forwarded its proposed MCA authorizing bill to Congress in February, and I have been working with Mr. Lantos, the Administration, and other Members of the Committee and of Congress to devise a compromise bill that will accomplish this goal.

As we report the MCA authorization bill today, our overriding principle should be to ensure success of this initiative from the start, demand results from its endeavors, and receive value for taxpayer dollars. President Bush announced that the MCA has a separate and distinct development assistance program that will be available only to countries which meet three criteria: They must display good governance, invest in the health and education of their people, and enact sound policies which promote economic freedom.

The United States must be more selective in aid distribution if the assistance is to be effective and a positive contribution to development. As proposed by the President and endorsed in the legislation before you today, MCA assistance will reward only those recipients who willingly adopt good policies and institutions. Of the 70 or so countries currently eligible for development assistance, it is possible that only 10 countries will meet the strict criteria stipulated by the President and endorsed in this bill. At the funding levels proposed, this may mean a very high level of assistance for MCA-eligible countries. The Administration believes this will create a competition among cusp countries which may accelerate reforms and the adoption of good policies. I endorse this approach.

The President's proposal for a Millennium Challenge Account deserves the support of Congress. We should embrace the idea of increasing U.S. economic assistance but only to those countries that demonstrate a commitment to human rights, democratic ideals and practices, and investments in people. Reporting out a Millennium Challenge Account bill and working to support final passage of an act through Congress in 2003 is one of the most important priorities of this Committee, and I am pleased to open today's meeting of the Committee by recognizing my good friend and colleague Tom Lantos for any remarks he may wish to make.

[The prepared statement of Mr. Hyde follows:]

PREPARED STATEMENT OF THE HONORABLE HENRY J. HYDE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS, AND CHAIRMAN, COMMITTEE ON INTERNATIONAL RELATIONS

H.R. 2441

Good morning and welcome to this scheduled meeting of the Committee on International Relations. Today the Committee will consider the Millennium Challenge Account Authorization and Peace Corps Expansion Act of 2003. My remarks this morning will be centered on the Millennium Challenge Account, an initiative based on the revolutionary idea that countries must be accountable for their actions, be responsible for developing and advancing their own plans of progress, and must show results in order to receive economic assistance from the American taxpayer.

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Mr. LANTOS. Thank you very much, Mr. Chairman.

Mr. Chairman, first I commend you for your most serious and successful effort in bringing the Millennium Challenge Account legislation before our Committee today, and I want to thank you personally and your staff for the extraordinary bipartisanship that you have demonstrated throughout our lengthy deliberations. This is the second time this year we have met on this important issue, testifying to your leadership and to your commitment to the cause of international development and the reduction of poverty globally.

As I said at our March hearing, the Millennium Challenge Account as conceived by the President and crafted by this Committee marks the beginning of a revolution in United States international development assistance. By recognizing the importance of democratic rule, good governance, and human rights, in achieving sustainable levels of economic growth, and social development, the MCA creates the political and economic linkages critical to reducing poverty and achieving progress.

At the same time, Mr. Chairman, the MCA removes the Cold War era strategic calculus from the development assistance equation. Each potential recipient of our assistance is to be judged on its own merits based on their commitment to progress and our commitment to the political, economic, social, and humanitarian value of development assistance.

Finally, Mr. Chairman, the MCA implicitly endorses a critical aspect of our approach to combating international terrorism. Although the Administration hasn't focused on this point, modern terrorism of the kind that struck our Nation on September 11th is fueled in part by the desperation and hopelessness that pervades much of the developing world. The MCA provides new hope and, as such, represents a powerful antidote to terrorism and other forms of violent conflict that have stalled the developing world. There are many powerful reasons to support this legislation, not the least of which is its contribution to defeating international terrorism and strife.



As we have learned recently from our experience with SARS, HIV/AIDS, Ebola, West Nile virus, Monkeypox, and other diseases, our world is much too small to ignore the threats that often emanate from less developed regions.

Mr. Chairman, when we last considered this subject, I expressed a range of concerns about various aspects of the Administration's initial proposal. I am pleased to say today that the bill before us, painstakingly crafted with meticulous care and in a bipartisan fashion by the Committee's Republican and Democratic staffs, has addressed satisfactorily every one of my earlier concerns and the bill before us has my strong support.

The Administration's initial proposal relegated USAID, the most capable agency within the U.S. Government in administering international assistance, to a bit part in managing this massive account. Our bipartisan bill restores USAID to its rightful role by providing its administrator with a seat and a vote on the Millennium Challenge Corporation's board of directors. Together with the inter-agency coordination our bill requires, this improvement promises to strengthen the MCA considerably.

Our bipartisan bill also addresses my earlier concerns about the rigid application of strict eligibility criteria. By mandating Congressional and civil society consultations on the finalization of criteria, by providing for an annual reevaluation process, and by authorizing limited assistance to those countries on the cusp of eligibility, our legislation safeguards against the inherent arbitrary nature of mechanically selecting qualified states.

Mr. Chairman, the MCA represents a giant step in the right direction, one that has been long overdue. I hope that by approving this historic measure on a bipartisan basis we will bury the taboo that has characterized foreign assistance in Congress, especially since 1994.

Historically, the United States has ranked near the bottom of the list in foreign assistance per capita of all industrialized nations. Now, I am very mindful of the enormous sums we spend for a global security umbrella. Yet the MCA will now go a long way toward erasing our national embarrassment of being the last in number in providing foreign assistance per capita. We will still not reach the per capita levels of development assistance of Denmark, of Norway, or of the Netherlands, but this measure marks a new beginning. Our work is not complete with today's vote, however, and it can be easily undone. If the President and the majority in Congress will fail to fully fund this initiative, as I have reason to believe that they might, approval today could be a Pyrrhic legislative victory and a sizeable setback for our national security at the hands of tax cut-induced fiscal constraints. Already, Mr. Chairman, there are reports that the appropriations allocations for this year will significantly reduce U.S. foreign aid funding, which includes funding for this all important initiative.

Mr. Chairman, as I have said before, while the massive tax cuts that this Congress and the President have enacted will provide enormous benefits to the wealthiest in our country, they are forcing our Nation to cut back on essential and necessary spending both for domestic programs and such foreign assistance programs as we incorporate in MCA.

I call on President Bush and I call on the majority in this Congress to maintain our core development programs at this year's level and to fund fully this new initiative. The President said that MCA would be, and I quote, "new money," and I expect him to keep his word.

Mr. Chairman, allow me to conclude by addressing the reauthorization of the Peace Corps, which is also included in this legislation. It is fitting that we consider the MCA and the Peace Corps jointly, because both are critical to enhancing U.S. International development assistance. Since President Kennedy first deployed the Peace Corps in 1961, the program's 168,000 volunteers have made an immeasurable contribution to reducing poverty and promoting American values literally all over the globe. Reauthorizing this inspirational initiative is clearly in our national interests and in the interests of reducing poverty and restoring hope worldwide.

Two of our colleagues deserve recognition for bringing the Peace Corps reauthorization before us. Ms. Betty McCollum, who recently joined us on this Committee, and Sam Farr, a former Peace Corps volunteer himself, were instrumental in crafting this bill and I am deeply indebted to both of them.

Mr. Chairman, today we will take the first steps toward reauthorizing the Peace Corps and setting the Millennium Challenge Account on the path to passage. Both initiatives offer the best hope to defeat international poverty and international terrorism. I strongly urge all of my colleagues to support this carefully crafted bipartisan bill.

Thank you, Mr. Chairman.

Mr. SMITH OF NEW JERSEY. Mr. Chairman, move to strike the last word.

Chairman HYDE. The gentleman from New Jersey, Mr. Smith.

Mr. SMITH OF NEW JERSEY. Thank you very much, Mr. Chairman. Mr. Chairman, I just want to congratulate you and Mr. Lantos on drafting an outstanding bill. In reading the text very carefully, I was concerned that the human rights provisions might not be strong enough. But now I appreciate your assurance that we will have report language that would make it abundantly clear that we do not want to be rewarding human rights violators just because other criteria articulated in the bill may have been met so that we inadvertently enable those who abuse other people.

I speak particularly of countries like Vietnam and Georgia, just to name two. Yesterday the Republic of Georgia went on the Tier III for egregious violators of those who traffic in human persons. They are now at risk, and certainly if they do not make immediate changes they ought to be censored by the Administration pursuant to the act, the Victims of Trafficking and Violence Protection Act. It is very clear that that is prescribed in the bill and President Bush I believe will do that. They, looking at the basic criteria in the Millennium Challenge Account, probably could have gotten funding unless we make it very clear what we mean.

Vietnam is another country. I think my colleagues are well aware of the fact that in the area of religious persecution there has been a significant deterioration of respect for religious belief by the government of Vietnam. Hundreds of churches in the Central Highlands have been closed, shut down. There have been what we call

coerced renunciations of faith. They have been happening with increasing frequency, these events where people are beaten and tortured until they renounce their faith. In most instances it is a faith in Christ that they are forced to renounce.

There are about 40 Christian leaders that have disappeared since July. We are demanding that there be an investigation, and those who have either abducted or killed or whatever happened to those 40 religious leaders be held to account; and, hopefully, those who are perhaps incarcerated or in some torture chamber somewhere will be released.

And then, of course, there is the case of Father Lee. Here is a man who provided testimony to the International Commission on Religious Freedom here in this country, here in this capital, only to find that his written submission got him a prison sentence and got him abducted by the government officials. That is outrageous. A government that wants to do business or claims it wants to do business with the United States is so grossly mistreating its own people. But, again, I appreciate the Chairman's agreement to put good strong report language in so that it is made crystal clear that we do not want to enable and empower human rights abusers.

Thank you, Mr. Chairman.

Chairman HYDE. Thank you, Mr. Smith.

The gentlelady from Minnesota, Ms. McCollum.

Ms. MCCOLLUM. Thank you, Mr. Chairman. I move to strike the last word.

I would like to ask for your help as this bill progresses in making sure that, as part of the criteria, we look at sustainable development. In the hearing that we had yesterday, and in some of the work that I have done in learning more about how to work with countries to make them more sustainable so that they can stand up and be an active part of the global economy, I am finding that the USAID, as well as other U.S. organizations quite often look at environmental hazards that might be looming out on a project. And I will give you an example of one that I learned about that happened in Peru.

They were looking at adding more cattle to an area to increase not only profitability for individual ranchers in the area, but to provide more protein for people who live there. They did not think it out as clearly and as carefully as they should have. When they went in with the cattle, with some of the grazing, they created a breeding ground for malaria, and increased the malaria around in that area. By doing some sustainable planning and having that being part of any development that we are looking in, we are also putting dollars into the Millennium Challenge Account. I think we can create win-win solutions for people to be more economically independent and to make sure that we have healthy populations. And so, Mr. Chair, I look to working with you and Mr. Lantos and the staff as this progresses farther to incorporate language that is currently used by many of our agencies into the Millennium Account. And if I could have your help with that and your guidance, I would appreciate that.

Chairman HYDE. You have our assurances.

The gentleman from California, Mr. Royce.

Mr. ROYCE. Thank you. Mr. Chairman, I have an amendment at the desk.

Chairman HYDE. The Clerk will report the amendment.

The CLERK. Amendment offered by Mr. Royce. In title 11 of Division B of the bill, redesignate section 1109.

[The information referred to follows:]

**AMENDMENT TO H.R. \_\_\_\_\_****OFFERED BY MR. ROYCE****(Millennium Challenge Account Authorization and Peace  
Corps Expansion Act of 2003)**

In title XI of division B of the bill—

(1) redesignate section 1109 as section 1110;

and

(2) insert after section 1108 the following new section (and make all necessary technical and conforming amendments):

1 **SEC. 1109. PEACE CORPS IN SIERRA LEONE.**

2 (a) FINDINGS.—Congress makes the following find-  
3 ings:

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

8 (2) Backed by British military intervention and  
9 a United Nations peacekeeping operation, govern-  
10 ment authority has been reestablished throughout  
11 the country and “free and fair” national elections  
12 took place in May 2002.

13 (3) Sierra Leone is a majority Muslim country.

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

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

Chairman HYDE. Without objection, further reading of the bill is dispensed with, and the gentleman is recognized for 5 minutes in support of his amendment.

Mr. ROYCE. Thank you, Mr. Chairman. I am going to be very brief. I am pleased to see that this legislation today includes the Peace Corps Expansion Act and this particular amendment expresses the sense of Congress that the Peace Corps should return to Sierra Leone as soon as security conditions permit. And let me explain the reason for this.

Mayhem and murder occurred in Sierra Leone, where we saw tens of thousands of people forcibly amputated or killed, two million displaced, that was spread by the Revolutionary United Front backed by Charles Taylor, the Liberian warlord. That process has ended, and last week U.N. Special Prosecutor Dave Crane rightly issued an indictment against Taylor to bring this human rights abuser to justice.

And in May of last year Sierra Leone held free and fair elections. Well, because of this brutal conflict, the Peace Corps was forced in 1994 to terminate its program in Sierra Leone after a long tradition of service there. As a matter of fact, from 1962 to 1994, 6,000 Peace Corps volunteers served in Sierra Leone, focusing on education and health and agricultural programs, and that is a legacy that is worth reviving. And we have a request from some of the amputees from a village where the Sierra Leone Peace Corps operation participated, and these victims of forced amputation have asked if the Peace Corps could come back to Sierra Leone.

That is the intent of this amendment, and I will yield back the balance of my time.

Chairman HYDE. Mr. Lantos.

Mr. LANTOS. Mr. Chairman, I want to salute my friend from California for an excellent amendment. We strongly support the amendment, and just want to add that no country deserves more strongly our support than the ravaged country of Sierra Leone, and the gentleman from California is making a noble contribution to this bill.

Chairman HYDE. Is there further discussion?

Mr. PAUL. Mr. Chairman.

Chairman HYDE. Mr. Paul.

Mr. PAUL. Thank you, Mr. Chairman. I move to strike the last word.

Chairman HYDE. The gentleman is recognized for 5 minutes.

Mr. PAUL. Mr. Chairman, I don't have a strong feeling one way or the other on this amendment, but I would like to make a couple of comments on the bill itself because it seems like there is fairly strong agreement that this is a good bill and will pass easily. I would like to point out a few points—make a few points that should make us reconsider the way we do business here.

This country is not in as good financial shape as some of us must believe. Somebody put a figure out the other day that our total obligations in this country now is \$43 trillion if you add up everything we are obligated to do for everybody that is living today. And the net asset value of everything that we have in the country is \$40 trillion. So, technically, we are bankrupt. Our debt, our national debt is going up now over \$500 billion a year. And it just seems

like to add on another \$9 billion of foreign aid and think nothing of it, it is almost like we are in denial and that this will continue forever, that deficits mean nothing, that all we need is a Federal Reserve to print the money and everything is going to be okay.

Our economy is very weak. I think there are some serious problems out there, and it is more the tone that bothers me that there is no cost to this. I mean, just add another program.

Quite frankly, I think the odds of programs like this doing much good aren't all that good. Usually they backfire. There are usually unintended consequences. And, to me, it is rather sad that we are not more conservative in the way we spend the people's money. When you spend \$9 billion, it has to come from somewhere and it comes out of the economy, and it usually hurts the very people that so many on the other side are always trying to help.

This does affect medical care and it does effect education, and yet we seem to ignore that. And those who propose this seem to grab the moral high ground of all the good things that we are going to do, but the good intentions really doesn't qualify for the moral high ground because there is another moral issue involved. There is a cost to this, and the cost has to be borne by some invisible person out there and that is a burden, and it is collected and transferred by force.

So there is a moral issue on who pays that is totally ignored on every program that we pass in this Congress.

In spite of all this, I am basically an optimist, and I believe—and I always want to believe in the positive things. Now, it is a real challenge to come up with something positive for me about this piece of legislation, but I have decided there has to be something positive, and my idea is that we should strive for a free society, a limited government, one where we strictly follow the Constitution.

We now manage in an unmanageable way the welfare-warfare state. I don't think it is going to continue. I think it will end. Maybe then those of us who believe in the strict adherence to the Constitution, limited government and individual liberty will have an opportunity to present our views to promote that cause.

And I yield back.

Chairman HYDE. The Chair announces there are three votes pending on the Floor: The previous question, the rule, and the Journal.

The question occurs on the Royce amendment. All those in favor say aye. Opposed, nay. The ayes have it, and the amendment is agreed to.

We will stand in recess until 1 p.m. I urge you to return at 1 p.m. We have some very important amendments ahead of us. 1 p.m. Thank you.

[Whereupon, at 11:30 a.m., the Committee was recessed, to reconvene at 1 p.m., this same day.]

Chairman HYDE. The Committee will come to order. The Chair notes the presence of a working quorum.

When the Committee recessed, we were considering the bill H.R. 2441, the Millennium Challenge Account. No amendment was pending, and the Chair recognizes the gentlelady from California Ms. Lee.

Ms. LEE. I have an amendment at the desk.



Chairman HYDE. The clerk will report the amendment.

The CLERK. Amendment offered by Ms. Lee. In title 2 of division A of the bill—

Chairman HYDE. Without objection, further reading of the amendment will be dispensed with, and the gentlelady is recognized for 5 minutes in support of her amendment.

[The information referred to follows:]

**AMENDMENT TO H.R. \_\_\_\_\_****OFFERED BY MS. LEE****(Millennium Challenge Account Authorization and Peace  
Corps Expansion Act of 2003)**

In title II of division A of the bill—

- (1) redesignate section 207 as section 208; and
- (2) insert after section 206 the following new section (and make all appropriate technical and conforming amendments):

1 **SEC. 207. PARTICIPATION OF CERTAIN UNITED STATES**

2 **BUSINESSES.**

3 (a) PARTICIPATION.—To the maximum extent prac-  
4 ticable, the President, acting through the Chief Executive  
5 Officer, shall ensure that United States small, minority-  
6 owned, and disadvantaged business enterprises fully par-  
7 ticipate in the provision of goods and services that are fi-  
8 nanced with funds made available under this subtitle.

9 (b) REPORT.—The Chief Executive Officer shall pre-  
10 pare and submit to the appropriate congressional commit-  
11 tees an annual report that contains a description of the  
12 extent to which the requirement of subsection (a) has been  
13 met for the preceding year.

Ms. LEE. Thank you, Mr. Chairman.

First of all, I would like to start by thanking yourself and Mr. Lantos for the effort that you and your staffs have put in into ensuring that this bill will make a real difference in the world, and I am convinced that, given the very diligent work over the last couple of months, that is, in fact, what will happen.

I particularly want to commend you for the exemplary way in which it integrates best practices regarding the very strong connection between women's development, women's empowerment and the real effectiveness of the development dollar. This bill provides sound guidance to the MCC on implementing the principle of women's full participation in development. I want to thank you both for your commitment to this issue. I believe that we also can apply similar best practices to the United States side of this equation. The bulk of this assistance money, of course, will be distributed to the recipient countries, and rightfully so, but some of this money will also go to American companies.

My amendment to this bill seeks to extend, where practicable, to ensure that United States small, minority, and women-owned businesses fully participate in the provision of goods and services financed with funds made available through the MCA. The amendment also calls for an annual report on the extent of the participation of such businesses. Small and disadvantaged businesses, women-owned businesses, represent a vital economic engine in our country, yet too often they have little chance to participate in foreign assistance programs.

This amendment would only apply, once again, to the funds spent with U.S. companies within the United States. Yesterday in his testimony before the Financial Services Committee, Under Secretary of State Alan Larson said,

"We expect United States development expertise, including the experience of United States profit and nonprofit sectors, in establishing transparent, financial, accountable, effective activities, and all of these would be engaged through the MCA."

He said,

"We expect as well to see local for-profit and nonprofit entities working side by side with the governments and other United States participants."

Secretary Larson went on to say that the MCC staff would rely heavily on contracted services for monitoring, evaluation and many other services. So the intent of this amendment is to ensure that small businesses and minority and women-owned business enterprises have the opportunity to participate as part of this United States private sector activity.

Thank you, Mr. Chairman, for your assistance. I want to thank the staff and Mr. Lantos. I want to thank Shannon Smith on my staff, who has worked very diligently to help us bring forth an amendment which I hope both sides can support. Thank you, and I yield the balance of my time.

Chairman HYDE. Thank you.

I want to tell the gentlelady that we are very pleased to accept her amendment. It mandates the conduct that they ought to be fol-

lowing anyway, and it is a good amendment, and we are happy to accept it, and I yield to my friend Mr. Lantos.

Mr. LANTOS. Just 10 seconds. I want to commend my friend and colleague for proposing an eminently reasonable amendment, and I think all of us on our side are delighted to join her in supporting.

Chairman HYDE. The question occurs on the amendment offered by the gentlelady from California. All in favor, say aye.

Opposed, nay.

The ayes have it, and the amendment is agreed to.

And the Chair recognizes Mr. Royce.

Mr. ROYCE. Thank you, Mr. Chairman. I have an amendment at the desk and—

Chairman HYDE. Clerk will report the amendment.

The CLERK. Amendment offered by Mr. Royce. Page 52, strike line 12 and all that follows through line 11—

Chairman HYDE. Without objection, further reading of the amendment is dispensed with, and the gentleman is recognized for 5 minutes in support of his amendment.

[The information referred to follows:]

**AMENDMENT TO H.R. \_\_\_\_\_****OFFERED BY MR. ROYCE**

**(Millennium Challenge Account Authorization and Peace  
Corps Expansion Act of 2003)**

Page 52, strike line 12 and all that follows through  
line 11 on page 53 and insert the following (and conform  
the table of contents accordingly):

1 **SEC. 309. MILLENNIUM CHALLENGE SEED GRANTS.**

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

3 (1) Many countries in the developing world lack  
4 the academic and public policy advocacy base essen-  
5 tial to attaining the principal objectives of the Mil-  
6 lennium Challenge Account.

7 (2) Because of widespread government repres-  
8 sion of free speech and poverty, the countries of Af-  
9 rica in particular suffer an acute shortage of non-  
10 governmental organizations which effectively study  
11 and promote the principal objectives of the Millen-  
12 nium Challenge Account.

13 (3) The Millennium Challenge Account will  
14 struggle to reach its goals unless countries in the de-  
15 veloping world possess a home grown intellectual  
16 commitment and culture of advocacy aimed at pro-  
17 moting its principal objectives.

1 (b) ASSISTANCE.—The Chief Executive Officer of the  
2 Corporation is authorized to provide assistance in support  
3 of nongovernmental organizations, (including universities  
4 and independent foundations and other organizations) in  
5 low income and lower middle income countries, [REDACTED]  
6 which are undertaking research, education, and advocacy  
7 efforts aimed at promoting democratic societies, human  
8 rights, the rule of law, improved educational opportunities  
9 and health conditions, particularly for women and chil-  
10 dren, and economic freedom.

11 (c) LIMITATION.—Not more than \$10,000,000 of the  
12 amount made available to carry out this division for a fis-  
13 cal year may be made available to carry out this section.

Mr. ROYCE. Thank you, Mr. Chairman.

Now, this amendment strikes the \$10 million that is authorized to enhance data collection for the Millennium Challenge Accounts by funding instead nongovernmental organizations. And I would make the point that Millennium Challenge Account criteria have been heavily studied by nongovernmental organizations. In fact, we have a cottage industry that has emerged, and that is good, that has studied and analyzed MCA criteria before the legislation has even passed. In fact, a quick check shows that there are 30 U.S. groups and think tanks, mostly Washington-based, that have studied the MCA proposal, and I don't think there will be any shortage of efforts to study and analyze and improve MCA criteria after it is actually up and running.

As our Secretary of State recently wrote in promoting this legislation, 3 billion of the world's population are living on \$2 a day. And I don't know why we should fund with \$10 million groups that have shown already that they have the means to analyze MCA. What I do know is that because of widespread government repression of free speech and poverty, the nations of Africa in particular suffer an acute shortage of nongovernmental organizations that effectively study and promote the principle objectives of the Millennium Challenge Account. And the Millennium Challenge Account will struggle to reach its goals unless developing-world countries possess a home-grown intellectual commitment and a culture of advocacy aimed at promoting these same objectives.

So this amendment shifts the \$10 million for data collection to what I propose to be Millennium Challenge Seed Grants in support of nongovernmental organizations, including universities and independent foundations and other organizations in low-income and lower middle-income countries which 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; in other words, the very goals of the Millennium Challenge Account. So helping grow local support for the values we are embracing in this bill will, in my view, be a far greater bang for the buck than funding data collection, so I ask my colleagues for their support for this amendment.

Mr. LANTOS. Mr. Chairman.

Chairman HYDE. The gentleman from California Mr. Lantos.

Mr. LANTOS. I think my friend from California is proposing a rational amendment, and I urge my colleagues to vote for it.

Chairman HYDE. Thank the gentleman.

Ms. WATSON. Mr. Chairman.

Chairman HYDE. Ms. Watson.

Ms. WATSON. Thank you, Mr. Chairman.

I, too, want to strongly support this amendment by Congressman Royce. It is very important, and on line 8, he talks about the rule of law. I would hope that in countries that are eligible, we could assist them in holding a conference on the rule of law. If any one of our projects is not successful, it is because they have not supported the rule of law and abandoned the law when they want to get whatever it is accomplished.

So I want to commend Congressman Royce—I think I see him down at the end—for including among these other provisions the rule of law, and maybe we want to think beyond as to how we can get them to sponsor a forum on the rule of law.

Chairman HYDE. Thank the gentlelady.

Mr. PAYNE. Mr. Chairman.

Chairman HYDE. Mr. Payne.

Mr. PAYNE. I will be very brief. I would like to offer my support to this amendment from the Chairman of the African Subcommittee. I think it makes a lot of sense, and I think it would assist many of the NGOs, who do outstanding work every day to utilize their capabilities, more so than looking for other groups that would be doing the same thing. So I urge support of their amendment.

Chairman HYDE. Thank the gentleman.

I want to add my name to those who support this excellent amendment. It improves the bill. It moves funding to indigenous organizations where such development is sorely needed.

And if there is no further discussion, the question occurs on the Royce amendment. All those in favor, say aye.

Opposed, nay.

The ayes have it, and the amendment is agreed to.

The Chair recognizes the gentleman from New Jersey Mr. Payne.

Mr. PAYNE. Mr. Chairman, I have an amendment at the desk.

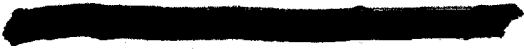
Chairman HYDE. Clerk will report the amendment.

The CLERK. Amendment offered by Mr. Payne. Page 21, line 3, strike “the compact” and insert the following.

Chairman HYDE. Without objection, further reading of the amendment is dispensed with, and the gentleman is recognized for 5 minutes in support of his amendment.

[The information referred to follows:]





**AMENDMENT OFFERED BY MR. PAYNE**

Page 21, line 3, strike "The Compact" and insert the following:

1 (1) IN GENERAL.—The Compact

Page 21, beginning on line 6 and all that follows through line 3 on page 22, redesignate paragraphs (1) through (7) as subparagraphs (A) through (G), respectively.

Page 22, after line 3, insert the following:

(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.*

Mr. PAYNE. Mr. Chairman, let me say that when the Millennium Challenge Account was announced several years ago, there was a goal by many of us who were hoping that 50 percent of the fund could be set aside for Africa. As we moved forward, we found that this sort of a quota was not acceptable, even though 39 of the 81 IDA countries are in Africa, even though 300 million people in Africa live on less than \$1 a day, and 39 countries have people living under \$460 a year. So we were willing then to say there is no need in fighting that fight, even though we thought it was a very noble battle.

The lower-income countries were brought into the MCA account in the third year, as we know. Incidentally, currently over 40 percent of development assistance today as we speak go to lower-income countries currently, almost half of development assistance. So the poorest of the poor really are not benefiting even in our foreign assistance programs as we see it today.

Be that as it may, I do have an amendment. Since lower income—lower middle-income countries are added, I would simply like to say that many proponents of the lower- and middle-income countries argue that there are large pockets of poverty in these countries, and that is true. However, data shows that lower- and middle-income countries as a whole have significant greater resources to finance their development, including access to larger flows of private capital and the ability to generate domestic revenue. And as I mentioned, 40 percent of current development assistance goes to the Colombias, the Jordans, the Egypts, et cetera, although depending on the country, the amount may be more or less in different countries. For instance, South Africa, who may already be spending a great deal on development in education, for example, may have less additional funds to contribute to this end. South Africa and Namibia also have significant percentages of their population who live in poverty, and their per capita income is more a reflection of the inequity in the distribution of wealth in those countries.

So there are a number of complicated issues that we do have in the whole search to have these funds be used most expeditiously. If the MCA is to include lower- and middle-income countries, there should be a requirement that the qualifying countries in the lower middle-income category match MCA resources or, first of all, do not diminish what they are currently putting into programs of this nature that makes them qualify. But secondly, there should be a match, not dollar for dollar, but there should be an additional amount that should go if they are in the 20 percent, which will qualify in the third year. It is less complicated than I am saying it evidently, believe me.

So the actual amount over and above what they currently spend would be negotiated by the country and the MCC within this compact. This would provide an incentive to lower- and middle-income countries to allocate more domestic spending for development purposes and adopt better policies, and would ultimately provide greater country ownership. Such a requirement would help ensure sustainability of the development, financing lower- and middle-income countries in a shorter duration as local resources could be used over a shorter period of time to replace donor resources.

What we are saying is, regardless, that the amount would be negotiated that the lower- and middle-income countries would simply be added to do—one, not take away from their current spending, but also, add a bit to this. So I would just urge support of the amendment. And with that, I yield back.

Chairman HYDE. The gentleman from Wisconsin, Mr. Green.

Mr. GREEN. Move to strike the last word.

Chairman HYDE. The gentleman is recognized.

Mr. GREEN. Thank you, Mr. Chairman.

I think one of the dangers that we have today is adding inflexible restrictions to the compact process. I don't believe this amendment does that. I think this amendment is appropriate because it makes the suggestion to the CEO that they should take into account such things, and, where appropriate, they should look for a home country contribution, which I think makes eminent sense, and I think it is an excellent amendment, and I support the gentleman's work.

Chairman HYDE. Thank the gentleman.

Mr. Lantos.

Mr. LANTOS. Mr. Chairman, I want to commend my friend from New Jersey, and I think it is an excellent amendment, and I urge all my colleagues to vote for it.

Chairman HYDE. I am pleased to support this amendment. It requires the government of a recipient lower middle-income country to provide the same level of commitment from their own resources in investing in its people in 2006 as it did in 2005. It has been negotiated with both sides and is certainly acceptable.

And I thought I heard Mr. Faleomavaega seeking attention.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. I support the amendment. But by way of definition, I am trying to determine at least in going through the provisions of the proposed legislation, what is a lower middle-income country? Does this equate to the same as the least developed country by definition, or are we on an entirely different measurement standard here? I am trying to gauge the extent of the gentleman's amendment. What does it make reference to, least developed countries, or are we measuring them in terms of per capita income growth? I am trying to get a clear picture.

Chairman HYDE. You sit very close to Mr. Payne and ask him to answer your question. Just lean over and ask him.

Mr. PAYNE. The lower-income countries are in the third year. First year is IDA countries. Second year is \$1,435, which is what the per capita income is. And the lower middle-income countries is \$2,475 annually—2,975 annually. So that is the lower middle-income countries, which in the poorest of the poor, is a pretty good level of standard. So that is the lower middle-income.

Mr. FALEOMAVAEGA. I thank the gentleman. I want to make sure we are at that standard. When you put the word "middle," is it middle class, lower middle class.

Mr. PAYNE. The upper lower class.

Chairman HYDE. The question occurs on the amendment offered by the gentleman from New Jersey. All in favor, say aye.

Opposed, nay.

The ayes have it, and the amendment is agreed to.

The Chair recognizes Mr. Menendez for purposes of an amendment.

Mr. MENENDEZ. Thank you, Mr. Chairman. I have amendment 1 at the desk.

Chairman HYDE. The clerk will report the amendment.

The CLERK. Amendment offered by Mr. Menendez. In section 203(b)(1) of the bill, strike "for fiscal year 2006" and—

Mr. MENENDEZ. Mr. Chairman, I ask that the amendment be considered as read.

Chairman HYDE. Without objection, the amendment will be considered as read.

[The information referred to follows:]

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**AMENDMENT TO H.R. \_\_\_\_\_**

**OFFERED BY MR. MENENDEZ**

**(Millennium Challenge Account Authorization and Peace  
Corps Expansion Act of 2003)**

In section 203(b)(1) of the bill, strike “for fiscal year 2006” and insert “for fiscal years 2004 through 2006”.

Chairman HYDE. And the gentleman is recognized for 5 minutes in support of his amendment.

Mr. MENENDEZ. Thank you, Mr. Chairman.

Mr. Chairman, what I seek to do through this amendment, for what the whole spirit of the Millennium Challenge Account is about, but particularly for Latin America and the Caribbean, as we would say in Spanish, which simply means, whether in Spanish or English, that the Millennium Challenge Account does not benefit the great majority of the Western Hemisphere's poorest citizens, and that is a shame. And that is why I am offering this amendment, because it would make already under the bill's proposals eligible nations, at least eligible by income, nations that would only qualify for assistance 3 years after passage to qualify on the first year.

The Millennium Challenge Account was launched in Monterrey, Mexico, to much fanfare. Our hemispheric neighbors at the time responded with great interest and even excitement, which I hasten to add is not the most frequent response in the hemisphere to U.S. Initiatives. This initiative was launched in Mexico, but the reality is it won't touch those in Chiapas, but even more importantly, it will never touch the great majority of the region's poorest of the poor, and that goes against the grain of what the bill purports to do, and that is precisely why I offer this amendment.

According to CRS, if this bill were to pass without my amendment, in the first year after it passes, the following hemispheric countries are the only potential—and I underline potential—recipients under the MCA: Bolivia, Guyana, Haiti, Honduras and Nicaragua. Of those, probably only Bolivia, Honduras and Nicaragua would pass the eligibility criteria, according to various experts. The net benefit for all of Latin America and the Caribbean, 3 out of 34 democracies and not many poor people may benefit.

Contrast that with the reality of poverty in the hemisphere. Two hundred million citizens in Latin America and the Caribbean earn under \$2 a day. That would equal to \$730 per capita annually. One hundred million Latin American and Caribbean citizens live on less than \$1 a day. That would equal \$365 per capita annually.

Both of these levels are well below the 1,435 threshold in this bill in years 1 and 2, and yet these poorest of the poor in the hemisphere would not qualify for assistance under the MCA. In fact, experts tell us that even after the third year, in the best case scenario, only 15 to 25 million of the 200 million poorest of the poor in the region would qualify for the MCA, and I believe that is fundamentally mistaken. And if you add to that fact, on page 16 of the bill under paragraph 2, the limitation of assistance provided to countries in that third year not exceeding 20 percent, there is a further constraint.

The other reality is that the MCA ignores the fact that Latin America and Caribbean nations have the worst distribution of income in the world. So while we talk of an average, what good is that if that overwhelming amount of that average is in the hands of the few?

The highly renowned President of the Inter-American Development Bank, Enrique Iglesias, was in my office recently. He said something very interesting, and I would hope that those who look

to free trade to improve the lot of those in the developing world and in this hemisphere through the FTAA would consider what he had to say. He said we have so far lost the debate, but people of Latin America and the Caribbean believe that the economic reforms of the 1990s, which were necessary and vitally important, are detrimental to their interests and their livelihoods. In their view, neither a market economy nor democracy delivers the goods.

Let us take a look at the turmoil in Venezuela or Bolivia or Argentina, and you will come to understand the widespread disaffection and cynicism throughout the hemisphere toward what is the Washington consensus, that economic and political forums are critical steps on the road to prosperity.

We believe in those forums. We need to make the people of the hemisphere believe it as well. If you vote for the Menendez amendment, you will add the following hemispheric countries as potential recipients: Belize, Dominican Republic, Ecuador, El Salvador, Guatemala, Jamaica, Paraguay, Peru, St. Vincent and the Grenadines, and Suriname. Several countries from other regions would qualify as well. Now many of these nations may not be eligible in the end under the political and economic eligibility criteria in the bill. In fact, perhaps only five hemispheric nations may pass the eligibility criteria right away, but that is precisely what is novel about the MCA. It provides developing nations with the incentive to enact reforms and earn development assistance under the funds.

So, Mr. Chairman, I see my time is close. Let me just simply say if we want to support Latin America and the hemisphere, and if we want to care about illegal immigration to this country (people who leave their countries because of either civil war or economic unrest have a direct impact on the United States), if we want to stem the tied of narcotics production, we need to give people other sustainable development opportunities. If we want to stem the tide of biodiversity that is being threatened within our hemisphere, if we want to eradicate some of the health problems we are seeing along our own border, we need to make sure that Latin America is truly part of this opportunity. That is what my amendment does, and I would urge passage of it.

Chairman HYDE. The gentlelady from Florida Ms. Harris.

Ms. HARRIS. I am not quite ready to speak yet.

Chairman HYDE. The Chair recognizes himself for—Mr. Menendez's amendment would make assistance available to all countries earning a per capita national income of less than \$2,975. This amendment would significantly disrupt the compromise upon which this bill is based, eligibility based on income. The bill, with White House support, authorizes millennium assistance in 2004 and 2005 only for the poorest countries, those earning less than \$1,435 per year. While the Menendez amendment is based on the idea of promoting more assistance for people in Latin and South America, the result of this amendment will be middle-income countries like Russia and Turkey becoming eligible. Only two additional countries in this hemisphere would meet this revised criteria.

The Administration vigorously opposes this bill if this amendment were adopted. This amendment is opposed by the widest possible assemblage of interests imaginable, from Bono of the rock

bank U2, to Condoleezza Rice, to the United States Conference of Catholic Bishops. It is pretty broad.

Mr. MENENDEZ. Mr. Chairman, did Bono sing a tune to that effect?

Chairman HYDE. No. He is a salsa man.

Mr. MENENDEZ. I do not think that is the sensitivity you want to have.

Chairman HYDE. Well, I like the salsa.

Mr. Lantos and I worked for weeks, if not months, to develop the compromised bill that you see before you. This plan sets aside the Millennium Challenge Account assistance for the poorest countries in 2004 and 2005 and opens up eligibility for lower middle-income countries in 2006. The formula contained in this bill has the support of not only the White House, but of the NGO community, including InterAction and its members, Catholic Relief Services, Bread for the World, and other such organizations.

The Menendez amendment will not accomplish its stated goal. Only two additional Latin American countries would be eligible for MCA assistance. Unfortunately, other middle-income countries around the world less in need of MCA assistance would benefit. Low-income countries have much greater needs, and if they meet the other criteria proposed by the Administration, we will be helping more people on the road to human development and economic growth.

For instance, the infant mortality rate in low-income countries is 69 per 1,000 live births, but in lower middle-income countries, it is only 27 per 1,000 live births. Life expectancy in low-income countries is 56 years, whereas in lower middle-income countries like Turkey, the average life expectancy is 70 years.

The lower middle-income countries that would gain eligibility through the Menendez amendment already have better access to other financial resources to fund their development needs. Low-income countries receive less private capital, have much less capacity to raise tax revenue, and are able to save only half as much as lower- and middle-income countries. Low-income countries have fewer options.

I urge my colleagues to oppose the Menendez amendment.

Mr. DELAHUNT. Mr. Chairman.

Chairman HYDE. Mr. Delahunt.

Mr. DELAHUNT. I thank the Chair for giving me the time, and I want to urge support for the amendment by the Ranking Member of the Western Hemisphere Subcommittee. And I applaud him for his persistence and his commitment to the Caribbean, Central America, and South America, and I think he demonstrates what the problem is.

In his statement he indicated that the worst distribution of income in the world is in Latin America. So I think that is an important fact for this Committee to consider. You know, averages can be dangerous. I am sure that if Mr. Bono and U2 were here, they would most likely raise the average income considerably of all of us present here.

You know, the truth is that there have been Administration after Administration, both Republican and Democrat, that have pledged that they would focus on Latin America, and unfortunately that



promise has not been kept, including the current Administration. And what bothers me is that when we speak of Latin American policy in the hemisphere, it seems to be restricted to advocacy for a free trade area of the Americas. But that is not good enough. That is not going to do it.

When you look across the landscape of Latin America, you see political instability, you see extraordinary disparity between have and have-nots, again, like Mr. Menendez suggested, unlike anywhere else in the world. This is our neighborhood. Instability and poverty has implications for our national security that are extraordinary. Peru, for example. One now sees President Toledo's approval ratings declining to—I think the last time I saw them published was around 12 or 13 percent, and yet the GDP is up, but it is not being allocated throughout the entire society. Argentina, we witnessed the evaporation of a middle class in that particular country. Paraguay a single-party state with democracy that certainly is not flourishing.

You can't have real free trade without the rule of law in democratic institutions, and that is why Mr. Menendez and myself and the Chair of the Western Hemisphere Subcommittee Mr. Ballenger have been working on this concept that we call a school for democracy in the Americas, to provide a permanent year-round facility for civilian leaders from the hemisphere to hopefully nurture and strengthen those key democratic institutions like an independent judiciary and a healthy legislative body. But you can't have free trade when people are living in such dire poverty that they do not have the capital to be consumers, when they do not have access to education and health care and opportunities and allow them to concentrate on something other than simply survival. And that is what the Menendez's amendment is all about.

So I would hope and urge the Members of the Committee to support this very enlightened amendment.

Mr. MENENDEZ. Would the gentleman yield?

Mr. DELAHUNT. I yield.

Mr. MENENDEZ. I thank the gentleman for yielding and for his support, and I would just add to put in perspective, all of the countries that the distinguished Chairman mentioned are ultimately going to be eligible in the third year. My amendment only makes eight countries, when you look at all of the criteria that these countries must meet, eligible in the first year. Of those eight, two already would be eligible in the second year.

So we have to put this in context. All of the countries mentioned by the Chair are going to be eligible in the third year. Only eight are going to be eligible under my amendment in the first year, two which are already eligible in the second year.

So the reality is what we want to do is send a signal to Latin American countries that, in fact, there is a real opportunity if you get your act together and meet all of the political—

Chairman HYDE. The gentleman's time has expired.

The Chair wants to announce that about 2:15 there will be another vote, and following the vote, if past its prologue, we will not reassemble, and I would like to move this bill by 2:15, so I ask for brevity on behalf of those who wish to speak.

And the Chair has Mr. Royce of California.

Mr. ROYCE. Thank you, and I will be brief, Mr. Chairman.

I reluctantly speak in opposition to the Menendez amendment. I would like to say that I have had the privilege of working closely with Mr. Menendez, who served as the Ranking Member on the Africa Subcommittee a few Congresses ago, and we traveled throughout Africa. And I appreciate his commitment to the continent, and I appreciate his focus on our deep interest in this hemisphere. And he has made some excellent points. But there is no getting around the fact that the way in which this legislation has been drafted does work to the benefit of the poorest of the poor countries, primarily African countries, and with this amendment we would be changing that. And my concern is that the Millennium Challenge Account pie can only be sliced so many times.

Congress, working with the current Administration and working with the Clinton Administration, have taken some very positive steps to address Africa's many ills, such as HIV/AIDS legislation and trade legislation, but so much more needs to be done, and the grim reality is that Africa is teetering on the edge of a descent into profound chaos. It is in crisis in a way that other sections of the world, as bad as things may be, just aren't. The world recognizes this. Unless we act decisively and now, I am afraid that large parts of the African continent will experience human suffering and disease and warfare and environmental degradation beyond our belief, and that will be a disaster for Africans, and it will be harmful to our many interests on the continent. And that is why, again, I reluctantly oppose Mr. Menendez's amendment and ask that it be defeated.

Thank you, Mr. Chairman.

Chairman HYDE. The gentlelady from Florida Ms. Harris.

Ms. HARRIS. Thank you, Mr. Chairman.

It looks like there may not be support for this amendment, but I would just ask the Chair and Congress and the White House to reconsider at some point in the near future the opportunity that Mr. Menendez's amendment would create within this hemisphere. We have such a vast income distribution, particularly in Latin America and the Caribbean. These people are living in abject poverty that is created by that extraordinary income distribution. But coupled with Congressman Payne's good amendment, if, indeed, Mr. Menendez's amendment had passed, the accountability would have been tremendously increased mandating the wealth from those—more wealthy. The income distribution would be vested and matched by our MCA commitment, so there would have been an extraordinary opportunity. I think governing justly and investing in people and the economic freedoms would have been a pre-eminent influence unlike any other we could have had in Latin America and the Caribbean with a very quick response time.

So I think that you said the countries in Africa are experiencing difficulty with their vast poverty, but I think if you look at some of the concerns that have been occurring throughout the nations in Latin America, if we don't act quickly and provide the kind of opportunities and goals and objectives with that strong pay-back (particularly with the doubling of the MCA grant, because it would have been an investment, from Mr. Payne's amendment), I think we could see great promise. I hope that something will be done in

the future with a very strong concentration on Latin America and the Caribbean.

Chairman HYDE. Thank the gentlelady.

The gentlelady from California Mrs. Napolitano.

Mrs. NAPOLITANO. Thank you, Mr. Chair, and I associate my remarks with Ms. Harris. She makes a very good point, specifically when you look—and I will be very brief—that we have for neighbors the South American countries. We are not neighbors with Russia or any of the other countries. We have been wanting to make sure that we stop the influx of “illegal aliens.” If we are able to help them increase their income, they may be able to stay in their own country. And if we do not begin by passing the Menendez amendment, at least so they can begin to become aware of what they need to bring themselves up to, then we are not doing our job in bringing our partners in the Western Hemisphere to our table.

So I support and hope that everybody else will vote for the Menendez amendment.

Chairman HYDE. Mr. Green of Wisconsin.

Mr. GREEN. Thank you, Mr. Chairman.

I think what this debate points out is despite the fact that this is obviously a great sum of money that is behind the Millennium Challenge Account, in terms of the need it is not. It is a limited resource. And, unfortunately, given those limited resources, we have little choice but to target them to countries of greatest need, not based on geography, but literally based upon greatest economic need. Obviously there are reporting requirements in here and a review process, and I think as this Millennium Challenge Account and the MCC moves forward, there will be opportunities to fine-tune and change programs.

I would also point out that an unfortunate effect of my good friend and colleague Mr. Menendez’s amendment would be that you would make immediately eligible the lower middle-income nations without a cap, and then in the third year there would suddenly be a cap. That is probably not what Mr. Menendez intended, but it would create an unfortunate—

Mr. MENENDEZ. Would the gentleman yield? Just on two of your points for your consideration, number one, 100 million Latin American citizens are living underneath \$1 a day are, certainly among the poorest of the poor, and 200 million living under \$2 a day. Under your cap imagine what happens to those countries when they get to finally kick in if they met the other criteria.

Mr. GREEN. Reclaiming your time. Your comments are well taken, but that points out how far even worst off are in other lands. The poverty needs around the globe are so great.

Finally, in the limited time I have left, I want to, from a fiscal conservative standpoint, encourage my colleagues who are fiscal conservatives to support this legislation. This is, as Mr. Lantos has suggested, the beginning of a revolution. This is how we want to do foreign assistance: Accountability, reinforcement, positive incentives, emphasizing the very values that I think every single person on this Committee believes in. This is foreign assistance at its best.

Chairman HYDE. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

As a Member of the Western Hemisphere Subcommittee, I will be very quick about this. I think the gentleman from New Jersey made some very pointed issues here concerning the problems we have with Latin America. The bottom line, Mr. Chairman, some 49 million indigenous Indians live worst off than the poorest of the poor, if we are defining the poorest of the poor. And I believe what Mr. Menendez is trying to bring to our attention, with all due respect, and all the hard work of the Chairman and Our Ranking Member have tried to achieve this agreement with the Administration and the White House, but I just want to bring this out to the fact that Latin America is one of the worst situations that we are under, and I sincerely hope that maybe on another occasion we will be able to resolve this situation that Mr. Menendez has brought to the attention of the Members.

Chairman HYDE. As they say in the talk shows, the last word will be Mr. Lantos.

Mr. LANTOS. Thank you very much, Mr. Chairman.

This debate reminds me of Sophie's Choice. The arguments that my good friend from New Jersey raises and my good friend from Massachusetts raises are very powerful arguments, and I certainly have no countervailing arguments, except two. The first relates to the income distribution issue which has been raised. It is not our fault that income distribution in many Latin American countries is appalling. The countries are not nearly as poor as the poorest of the poor countries that the Millennium Challenge Account is aimed at. It is an appalling income distribution. It is a rotten social system in many cases, and we cannot correct those. Those countries will have to correct them.

I know that my good friend from New Jersey, Mr. Menendez, is offering this amendment in a spirit of goodwill and compassion, and he has advocated for many years on behalf of the Western Hemisphere. He has taught all of us on this Committee and in Congress a great deal, and we deeply respect him, but I think the purpose of the Millennium Challenge Account is, in fact, geared to the poorest of the poor, and the present criteria that the Chairman and I negotiated are designed to achieve those objectives.

If I may just add one more word. One of the reasons why this Committee has probably achieved more than any other Committee is that both on the Republican and Democratic side, we are bound by our word. We have reached a delicately crafted compromise between the Chairman and myself, and I reluctantly and painfully find it necessary to oppose the Menendez amendment and ask my colleagues to vote against it.

Chairman HYDE. The question occurs on the amendment offered by the gentleman from New Jersey, and the clerk will call the roll.

The CLERK. Mr. Leach.

Mr. LEACH. No.

The CLERK. Mr. Leach votes no.

Mr. Bereuter.

Mr. BEREUTER. No.

The CLERK. Mr. Bereuter votes no.

Mr. Smith of New Jersey?

[No response.]

The CLERK. Mr. Burton.

[No response.]  
The CLERK. Mr. Gallegly?  
[No response.]  
The CLERK. Ms. Ros-Lehtinen.  
[No response.]  
The CLERK. Mr. Ballenger.  
Mr. BALENGER. No.  
The CLERK. Mr. Ballenger votes no.  
Mr. Rohrabacher.  
Mr. ROHRABACHER. No.  
The CLERK. Mr. Rohrabacher votes no.  
Mr. Royce.  
Mr. ROYCE. No.  
The CLERK. Mr. Royce votes no.  
Mr. King?  
[No response.]  
The CLERK. Mr. Chabot.  
Mr. CHABOT. No.  
The CLERK. Mr. Chabot votes no.  
Mr. Houghton.  
Mr. HOUGHTON. No.  
The CLERK. Mr. Houghton votes no.  
Mr. McHugh?  
[No response.]  
The CLERK. Mr. Tancredo.  
Mr. TANCREDO. No.  
The CLERK. Mr. Tancredo votes no.  
Mr. Paul.  
Mr. PAUL. No.  
The CLERK. Mr. Paul votes no.  
Mr. Smith of Michigan.  
Mr. SMITH OF MICHIGAN. No.  
The CLERK. Mr. Smith of Michigan votes no.  
Mr. Pitts?  
[No response.]  
The CLERK. Mr. Flake?  
[No response.]  
The CLERK. Mrs. Davis.  
Mrs. DAVIS. No.  
The CLERK. Mrs. Davis votes no.  
Mr. Green.  
Mr. GREEN. No.  
The CLERK. Mr. Green votes no.  
Mr. Weller.  
Mr. WELLER. No.  
The CLERK. Mr. Weller votes no.  
Mr. Pence.  
Mr. PENCE. No.  
The CLERK. Mr. Pence votes no.  
Mr. McCotter.  
Mr. MCCOTTER. No.  
The CLERK. Mr. McCotter votes no.  
Mr. Janklow.  
Mr. JANKLOW. No.

The CLERK. Mr. Janklow votes no.  
Ms. Harris.  
Ms. HARRIS. Pass.  
The CLERK. Ms. Harris passes.  
Mr. Lantos.  
Mr. LANTOS. No.  
The CLERK. Mr. Lantos votes no.  
Mr. Berman.  
Mr. BERMAN. No.  
The CLERK. Mr. Berman votes no.  
Mr. Ackerman?  
[No response.]  
The CLERK. Mr. Faleomavaega.  
Mr. FALEOMAVAEGA. No.  
The CLERK. Mr. Faleomavaega votes no.  
Mr. Payne.  
Mr. PAYNE. No.  
The CLERK. Mr. Payne votes no.  
Mr. Menendez.  
Mr. MENENDEZ. Aye.  
The CLERK. Mr. Menendez votes aye.  
Mr. Brown?  
[No response.]  
The CLERK. Mr. Sherman?  
[No response.]  
The CLERK. Mr. Wexler.  
Mr. WEXLER. Aye.  
The CLERK. Mr. Wexler votes aye.  
Mr. Engel.  
Mr. ENGEL. Aye.  
The CLERK. Mr. Engel votes aye.  
Mr. Delahunt.  
Mr. DELAHUNT. Aye.  
The CLERK. Mr. Delahunt votes aye.  
Mr. Meeks?  
[No response.]  
The CLERK. Ms. Lee.  
Ms. LEE. No.  
The CLERK. Ms. Lee votes no.  
Mr. Crowley.  
Mr. CROWLEY. Aye.  
The CLERK. Mr. Crowley votes aye.  
Mr. Hoeffel.  
Mr. HOFFEL. Yes.  
The CLERK. Mr. Hoeffel votes aye.  
Mr. Blumenauer?  
[No response.]  
The CLERK. Ms. Berkley.  
Ms. BERKLEY. Yes.  
The CLERK. Ms. Berkley votes yes.  
Mrs. Napolitano.  
Mrs. NAPOLITANO. Aye.  
The CLERK. Mrs. Napolitano votes aye.  
Mr. Schiff.

Mr. SCHIFF. Aye.

The CLERK. Mr. Schiff votes aye.

Ms. Watson?

[No response.]

The CLERK. Mr. Smith?

[No response.]

The CLERK. Ms. McCollum.

Ms. MCCOLLUM. No.

The CLERK. Ms. McCollum votes no.

Mr. Bell.

Mr. BELL. Aye.

The CLERK. Mr. Bell votes aye.

Chairman Hyde.

Chairman HYDE. No.

The CLERK. Chairman Hyde votes no.

Mr. Blumenauer.

Mr. BLUMENAUER. How am I recorded?

The CLERK. Mr. Blumenauer is not recorded.

Mr. BLUMENAUER. No.

The CLERK. Mr. Blumenauer votes no.

Chairman HYDE. Clerk will report.

The CLERK. On this vote there are 10 yeases and 24 noes.

Chairman HYDE. And the amendment is not agreed to.

The question occurs on the motion to report the bill H.R.—

Mr. MENENDEZ. Mr. Chairman, I have a second amendment at the desk, but I will refrain if I could be recognized in the final moment.

Chairman HYDE. That is certainly a happy deal, and I recognize you—as distinguished from a Happy Meal.

Mr. MENENDEZ. Mr. Chairman, the second amendment would have moved this to at least—I do hope that Members of the Committee will have an opportunity—I appreciate my distinguished Ranking Member telling me that for a decade that I have been sitting on this Committee, we have educated Members of the Committee as to what is happening in Latin America and the need, but for a decade we have been unable to get this Committee's attention to focus. We are not responsible for disparities just as we are not responsible for the poor as well, but there are poor throughout this hemisphere. Nearly 50 percent of the people in this hemisphere live below the poverty level. At the end of the day, when we are right there with our neighbors on immigration, on health care, on biodiversity, on a variety of drug interdiction and free trade issues, we have to address this hemisphere's needs.

Mr. DELAHUNT. Would my friend yield?

I want to echo the sentiments expressed by Mr. Menendez. I think it has been for 10 years that the gentleman from New Jersey has put forth the concept of a trust fund for the Americas. We are now working on—as I indicated earlier, on this school of democracy for the Americas. And I do hope that at some point in time both of these concepts become proposals that will be considered by the Full Committee, because the truth is, Mr. Chairman, we are running out of time when it comes to Latin America.

I yield back.

Chairman HYDE. The Chair would like to say that he agrees with Mr. Menendez and Mr. Delahunt. I think Latin America is a critical area of the globe, very important to us. We will devote attention to it, focus to it, but this is not the bill, but we will. And your lessons are well learned.

Question occurs on the motion to report the bill H.R. 2441 favorably as amended. All in favor, say aye.

Opposed, no.

The ayes have it.

Mr. LANTOS. Mr. Chairman, I request a recorded vote.

Chairman HYDE. There is a vote pending.

The CLERK. Mr. Leach.

Mr. LEACH. Yes.

The CLERK. Mr. Leach votes yes.

Mr. Bereuter.

Mr. BEREUTER. Aye.

The CLERK. Mr. Bereuter votes aye.

Mr. Smith of New Jersey?

[No response.]

The CLERK. Mr. Burton?

[No response.]

The CLERK. Mr. Gallegly?

[No response.]

The CLERK. Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Yes.

The CLERK. Ms. Ros-Lehtinen votes aye.

Mr. Ballenger?

Mr. BALENGER. Yes.

The CLERK. Mr. Ballenger votes aye.

Mr. Rohrabacher.

Mr. ROHRABACHER. Yes.

The CLERK. Mr. Rohrabacher votes aye.

Mr. Royce.

Mr. ROYCE. Yes.

The CLERK. Mr. Royce votes aye.

Mr. King?

[No response.]

The CLERK. Mr. Chabot.

Mr. CHABOT. No.

The CLERK. Mr. Chabot votes no.

Mr. Houghton.

Mr. HOUGHTON. Yes.

The CLERK. Mr. Houghton votes aye.

Mr. McHugh?

[No response.]

The CLERK. Mr. Tancredo?

[No response.]

The CLERK. Mr. Paul.

Mr. PAUL. No.

The CLERK. Mr. Paul votes no.

Mr. Smith of Michigan.

Mr. SMITH OF MICHIGAN. No.

The CLERK. Mr. Smith of Michigan votes no.

Mr. Pitts?



[No response.]  
The CLERK. Mr. Flake.  
[No response.]  
The CLERK. Mrs. Davis.  
Mrs. DAVIS. No.  
The CLERK. Mrs. Davis votes no.  
Mr. Green.  
Mr. GREEN. Yes.  
The CLERK. Mr. Green votes aye.  
Mr. Weller.  
Mr. WELLER. Aye.  
The CLERK. Mr. Weller votes aye.  
Mr. Pence.  
Mr. PENCE. Aye.  
The CLERK. Mr. Pence votes aye.  
Mr. McCotter.  
Mr. McCOTTER. Yes.  
The CLERK. Mr. McCotter votes aye.  
Mr. Janklow.  
Mr. JANKLOW. Yes.  
The CLERK. Mr. Janklow votes yes.  
Ms. Harris.  
Ms. HARRIS. Yes.  
The CLERK. Ms. Harris votes aye.  
Mr. Lantos.  
Mr. LANTOS. Yes.  
The CLERK. Mr. Lantos votes aye.  
Mr. Berman?  
[No response.]  
The CLERK. Mr. Ackerman?  
[No response.]  
The CLERK. Mr. Faleomavaega?  
Mr. FALEOMAVAEGA. Yes.  
The CLERK. Mr. Faleomavaega votes aye.  
Mr. Payne.  
Mr. PAYNE. Yes.  
The CLERK. Mr. Payne votes aye.  
Mr. Menendez.  
Mr. MENENDEZ. Aye.  
The CLERK. Mr. Menendez votes aye.  
Mr. Brown?  
[No response.]  
The CLERK. Mr. Sherman?  
[No response.]  
The CLERK. Mr. Wexler.  
Mr. WEXLER. Yes.  
The CLERK. Mr. Wexler votes aye.  
Mr. Engel.  
Mr. ENGEL. Yes.  
The CLERK. Mr. Engel votes aye.  
Mr. Delahunt.  
Mr. DELAHUNT. Yes.  
The CLERK. Mr. Delahunt votes aye.  
Mr. Meeks?

[No response.]

The CLERK. Ms. Lee.

Ms. LEE. Yes.

The CLERK. Ms. Lee votes aye.

Mr. Crowley.

Mr. CROWLEY. Yes.

The CLERK. Mr. Crowley votes aye.

Mr. Hoeffel.

Mr. HOEFFEL. Yes.

The CLERK. Mr. Hoeffel votes aye.

Mr. Blumenauer.

Mr. BLUMENAUER. Aye.

The CLERK. Mr. Blumenauer votes aye.

Ms. Berkley.

Ms. BERKLEY. Yes.

The CLERK. Ms. Berkley votes aye.

Mrs. Napolitano.

Mrs. NAPOLITANO. Yes.

The CLERK. Mrs. Napolitano votes aye.

Mr. Schiff.

Mr. SCHIFF. Aye.

The CLERK. Mr. Schiff votes aye.

Ms. Watson?

[No response.]

The CLERK. Mr. Smith of Washington?

[No response.]

The CLERK. Ms. McCollum.

Ms. MCCOLLUM. Yes.

The CLERK. Ms. McCollum votes aye.

Mr. Bell.

Mr. BELL. Yes.

The CLERK. Mr. Bell votes aye.

Chairman Hyde.

Chairman HYDE. Yes.

The CLERK. Chairman Hyde votes aye.

Chairman HYDE. Mr. Brown?

Mr. BROWN. Votes yes.

The CLERK. Mr. Brown votes yes.

Chairman HYDE. Clerk will report.

The CLERK. On this vote, 31 yeas and 4 noes.

Chairman HYDE. And the motion is adopted.

Without objection, the Chairman is authorized to move to go to conference pursuant to House rule 22. Without objection, the bill will be reported favorably to the House in the form of a single amendment in the nature of a substitute incorporating the amendments adopted here today.

And the Chair recognizes Mr. Menendez.

Mr. MENENDEZ. Mr. Chairman, thank you for the courtesy.

I want to recognize a longstanding staff member of the Subcommittee on the Western Hemisphere—the Democratic Staff Director is leaving us. He served with me for over half a decade and also served in the State Department and in the Department of Defense. He is moving on to the private sector, and I wanted to publicly thank him on behalf of all the people of the hemisphere for

which he has done so much work, Pedro Pablo Permy. Good luck to you.

Chairman HYDE. On that happy note, the Committee stands adjourned.

[Whereupon, at 2:15 p.m., the Committee was adjourned.]



## A P P E N D I X

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### MATERIAL SUBMITTED FOR THE HEARING RECORD

PREPARED STATEMENT OF THE HONORABLE JAMES A. LEACH, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF IOWA

H.R. 2330

Thank you , Mr. Chairman. I am pleased to support this important and timely initiative. As Members may be aware, on June 10 the Subcommittee considered and favorably reported to the full committee without amendment H.R. 2330, the “Burmese Freedom and Democracy Act of 2003.”

At the outset, let me note on behalf of the Subcommittee that although this measure has been cosponsored by many Members of this Committee, including Chairman Hyde and the distinguished ranking Member of the full committee, Mr. Lantos, none of us takes lightly a decision to impose sanctions on another country.

In the case of Burma, however, over the last several months the U.S. has watched with growing frustration and dismay as prospects for political change have withered away in the face of the ruling military regime’s determination to maintain an iron grip on power.

We are all of course pleased at the news that the UN Special Envoy for Burma was allowed to see Aung San Suu Kyi and that she is apparently in “feisty spirits” and credible health.

However, the brutal attack by the regime’s henchmen on Daw Suu’s traveling party, the broader crackdown against pro-democracy forces, and the vastly diminished prospects for a democratic transition leave the U.S. with no option but to reassess its already limited relationship with the Government of Burma.

While economic sanctions are seldom successful, the long train of abuses perpetrated by Burma’s military regime leaves the U.S. and other members of the international community—most particularly, Burma’s neighbors in ASEAN—with no ethical or political alternative but to embrace the full range of diplomatic and economic policy options, including sanctions, to help bring about a restoration of democracy and national reconciliation in Burma. I urge the adoption of the legislation.

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PREPARED STATEMENT OF THE HONORABLE DOUG BEREUTER, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF NEBRASKA

H. CON. RES. 209

The resolution before us expresses the support of the Congress for the Adriatic Charter, and it was unanimously approved by the Subcommittee on Europe yesterday.

The charter was signed on May 2, 2003, in the Albanian capital of Tirana by Secretary of State Powell and the foreign ministers of Albania, Croatia, and the former Yugoslav Republic of Macedonia, the three remaining NATO aspirant nations, which were not invited to begin accession negotiations with the Alliance at the 2002 Prague Summit.

I thank my colleague, the distinguished gentleman from New York, Mr. Engel, for authoring this legislation and for working with the subcommittee staff and me.

Mr. Engel has long been a champion of Albania in this House, and the Adriatic Charter represents one more step for Albania, as well as for Croatia and Macedonia, in their journey toward full membership in Euro-Atlantic institutions like NATO and the European Union.

The Adriatic Charter pledges the United States to support efforts by Albania, Croatia and Macedonia to join NATO and other Euro-Atlantic institutions. In this

agreement, the three aspirant nations commit themselves to accelerate their democratic reforms, protect human rights, implement market-oriented economic policies, and enhance their mutual cooperation.

Under the Adriatic Charter, the United States and these three countries pledge to consult whenever the security of one of them is threatened. For their part, the aspirant countries promise to continue defense reforms and undertake steps to enhance border security, so they can contribute to regional stability.

Some of the language in the Adriatic Charter might look familiar. Indeed, this document was based on the successful Baltic Charter, which was signed in 1998 with Estonia, Latvia and Lithuania. Five years ago, few observers would have been so bold as to predict that those three countries, occupied for 50 years by the Soviet Union, would be poised to join NATO and the EU next year.

The Baltic Charter signified an American commitment to help those three countries in their successful efforts join NATO and the EU. Today, the Adriatic Charter holds the potential of helping Albania, Croatia and Macedonia achieve the same goals.

I would like to recognize the efforts of Secretary of State Powell and of our diplomats working in the European and Eurasian bureau of the State Department for their initiative in crafting the Adriatic Charter. As NATO prepares to admit seven new countries next year, it is important that the three remaining candidate countries not be forgotten. NATO's door remains open to all who are willing and able to assume the responsibilities of membership, and it is important that the Congress assert that it is the achievements of Albania, Croatia and Macedonia that will determine when their aspirations for accession will be realized.

The Adriatic Charter is also one more step toward President Bush's goal of a Europe whole and free from the Baltic to the Black Sea. I commend and congratulate the people of Albania, Croatia and Macedonia for their initiative and progress, and I urge approval of this resolution.

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PREPARED STATEMENT OF THE HONORABLE RON PAUL, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF TEXAS

H.R. 2441

Mr. Chairman, I strongly oppose this legislation. It increases our foreign aid by 50 percent at a time when Americans are increasingly feeling the pain of a troubled economy, when unemployment continues to rise, and when our federal deficit continues to spiral out of control. It is always immoral to take money from the American taxpayer and send it overseas, but it is particularly immoral in these difficult economic times.

This massive new aid program pretends to be a completely new approach to the "old way" of giving foreign aid, which even supporters agree has not produced the results envisioned. The truth is that this is just more of the same. There are new criteria to make a country eligible for this aid. There are several tests that a country must pass to be eligible. On the surface it looks like a more results-oriented approach. But just below the surface this legislation is the same old foreign aid game: billions of dollars to corrupt and inept regimes, social engineering, and meddling in the internal affairs of other countries.

The program seeks to funnel US aid money into countries that are pursuing sound economic policies, including respect for private property and a market economy. But sending millions of dollars into an economy in the process of reform will not help that economy. On the contrary: these millions will actually mask areas where an economy is inefficient and unproductive. This assistance will slow down necessary reform by providing a hidden subsidy to sectors of the economy in need of reform/restructuring. We thus do no favors for the recipient country in the long term with this harmful approach.

One of the criteria to determine whether a country is eligible for this aid is whether the government of that country is spending enough money on health care and education. Are we rewarding countries for pursuing the same failed socialist policies that have led them down the road to poverty in the first place? If nothing else, hasn't the history of the 20th century shown us that socialism does not work? Does socialized medicine work anywhere? Ask Canadians, who routinely cross the border from their socialized system to our relatively free-market system to get decent healthcare. Yet these are some of the main criteria for eligibility.

Other goals and criteria are likewise troubling. This new aid program seeks to "foster economic and social pluralism." This sounds like rewarding a heavy governmental hand in social and economic development. Also, it seeks to impose inter-

national standards of workers rights on recipient countries regardless of whether this may actually harm the economies in transition and the very workers we are seeking to assist. Interestingly, it also seeks to “promote foreign competition” in the banking and financial sectors of the recipient countries. Further, the bill states that the aid will “improve the technical capacities of governments to reduce production of and demand for illicit narcotics.” What this means, we know, is more money for our failed drug war.

The background materials provided by the Committee were very useful and should provide a cautionary tale. “. . . [M]any US aid programs have not achieved results over the years,” the materials inform us. “Some assistance has allowed corrupt leaders to amass personal fortunes and remain in power beyond the will of the citizenry . . . Other assistance has gone to consultants or middlemen with no results to show in the end.” But in light of the admitted failure of our aid programs in the past, the Committee background paper illogically continues, “These failures of the past should not lead us to turn our backs on the developing world—just the opposite.” Am I to understand that the solution to a failed policy is to pursue that same policy to an even greater degree? Does that make sense? And to top it off, there will be not even a penny of reduction in our old aid programs, which all admit are not working!

Mr. Chairman, I urge my colleagues to join me in opposing this wasteful and destructive legislation.

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PREPARED STATEMENT OF THE HONORABLE JOSEPH R. PITTS, A REPRESENTATIVE IN  
CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

H. RES. 264

Mr. Chairman, I stand in strong support of H. Res. 264 expressing sympathy for the victims of the devastating earthquake in Algeria on May 21, 2003

Natural disasters, such as earthquakes, can wreak havoc in a community or nation.

At times like these, it is vital to come to the support and aid of our friends.

I am pleased that our nation has assisted the Algerians in the emergency phase of their response to the earthquake and I encourage our government to support the Algerians as they seek to their rebuild homes and communities.

Algeria is an important partner and friend of the United States in many respects, not the least of which is in the war against terror—the Algerians have experienced the horrors of terrorism in their own land for many years.

I urge my colleagues to support this Resolution.

H.R. 2330

Mr. Chairman, I strongly support H. R. 2330, the Burmese Freedom and Democracy Act of 2003 and would like to offer an amendment to increase the findings of the legislation to highlight the ethnic cleansing in which the ruling military dictatorship is involved.

Numerous reports by NGOs, the media, the State Department, the United Nations and other governments show that the SPDC has committed horrifying human rights abuses against its citizens.

The military regime is guilty of ethnic cleansing, systematic rape, forced portage, destruction of homes, villages and food sources, the use of human land mine sweepers, and the detention of over 1200 political prisoners.

In Article 2 of the 1948 *Convention on the Prevention and Punishment of the Crime of Genocide*, genocide is defined as “any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such: (a) Killing members of the group; (b) Causing serious bodily or mental harm to members of the group; (c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part; (d) Imposing measures intended to prevent births within the group; (e) Forcibly transferring children of the group to another group.”

I know some might be reticent to use the term, but according to the international definition of genocide, the SPDC is engaged in genocide against the ethnic peoples of Burma.

I traveled to the Thai-Burma border in January and met with NGOs, refugees, and government officials.

One of the most heart-wrenching aspects of my visit was a visit to an orphanage. There we listened to stories about the tragedy in these young lives.

One group of four children, the oldest was 12, had lost their father; their mother could not take care of them so she brought them to the orphanage.

An eight-year-old boy, who could not smile, had lost both parents, was then trafficked across the border to Thailand, somehow escaped from his "owners," and reached the safety of the refugee camps.

It is heartbreaking to know that many children, including the orphans, have had to watch family or community members be killed by the SPDC, be wounded or killed by landmine explosions, be raped, or even burned alive.

The suffering of the people of Burma has gone on too long.

Sadly, the international community has shown little willingness to vigorously address the issues facing the people of Burma, but H. R. 2330 is an important step to directly impact the situation in the country.

I demand that the dictatorship release Aung San Suu Kyi from detention.

I also demand that the dictatorship of Burma immediately engage in a tri-partite dialogue with the National League for Democracy and the ethnic minorities.

Only when the rights of the NLD and the ethnic minorities are recognized and protected will there be peace in Burma.

I urge the government of Thailand to refrain from cracking down and even deporting individuals and groups helping the Burmese people. Just yesterday I received a call that one of the most effective humanitarian workers along the Thai-Burma border may be deported.

NGOs are NOT the enemy. Rather than cracking down on people who provide assistance so the refugees can survive, the Thai leadership should seriously reconsider its relationship with the thugs in Rangoon.

I urge my colleagues to support the legislation and my amendment.

JEFF FLAKE  
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Congress of the United States  
House of Representatives

June 19, 2003

COMMITTEE ON INTERNATIONAL  
RELATIONS  
SUBCOMMITTEES  
EAST ASIA AND THE PACIFIC  
AFRICA

COMMITTEE ON THE JUDICIARY  
SUBCOMMITTEES  
COMMERCIAL AND ADMINISTRATIVE LAW  
IMMIGRATION AND CLAIMS

COMMITTEE ON RESOURCES  
SUBCOMMITTEE  
FORESTS AND FOREST HEALTH

Dear Chairman Hyde:

I regretfully missed the committee vote on the Millennium Challenge Account because of a commitment that I could not get away from. I am writing to let you know how I would have voted, offer a brief explanation, and request that this be included as part of the committee record.

I would have voted No on approval of H.R. 2441, the Millennium Challenge Account and Peace Corps Expansion Act of 2003. I have serious reservations about such a measure that authorizes \$9.3 billion in foreign aid spending for the next three years—on top of other foreign aid programs—while we are running huge deficits at home. Furthermore, I do not support an expansion of the Peace Corps Program.

Sincerely,

  
Jeff Flake



PREPARED STATEMENT OF THE HONORABLE JOSEPH CROWLEY, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF NEW YORK

H. CON. RES. 49

Mr. Chairman, I strongly support this resolution, and I urge my colleagues to do so as well. I also want to thank the gentleman from New Jersey, Chris Smith, for sponsoring this crucial legislation.

I am very aware of the danger of being inactive about the threat of anti-Semitism. It was anti-Semitism that was responsible for the horrors of the Holocaust, the most horrible crime committed against the Jewish people ever.

As Members of Congress, we have a special responsibility that this is never going to happen again. Wherever anti-Semitism is emerging, we have to be aware and take the necessary steps to counter this threat.

And sadly, I have to say here today that nearly sixty years after the end of World War II, anti-Semitism in Europe, in many of the OSCE member states, is on the rise again. Anti-Semitism is spreading across Europe, the states of the Caucasus and Central Asia. Once again, we witness evil propaganda, physical attacks against Jews, the burning of Jewish sites as well as the desecration of synagogues. We must not stand aside and ignore this grave escalation of anti-Semitic violence. Neither must we ignore the hatred stirred by skinheads and other neo-fascist groups throughout the OSCE region. We have to make sure that the seeds of intolerance will never again be sown across Europe and Asia.

This resolution addresses this threat. It particularly calls on administration officials and Members of Congress to focus on anti-Semitism in their bilateral and multilateral meetings. It calls upon OSCE member states to swiftly and effectively bring anti-Semites and other racists to justice. Finally, but most importantly, Mr. Chairman, this resolution calls upon participating OSCE states to focus on educational endeavors to fight anti-Semitic stereotypes, and to increase Holocaust awareness. The best weapon in our battle against anti-Semitism is education, especially of children and young people.

I also like to point out that this piece of legislation is similar to a resolution I introduced last year. House Resolution 393 also addresses the anti-Semitic threat in the OSCE region and urges European governments to provide security and safety of the Jewish communities, to prosecute and punish perpetrators of anti-Semitic violence, and to cultivate a climate in which all forms of anti-Semitism are rejected. I was proud that my colleagues in Congress joined me in sending this message to the European Union, but we must go further. Anti-Semitism continues to fester not only in Western Europe, but throughout Eastern Europe and into the Former Soviet Union and the Caucasus. This resolution is the right follow up to my legislation passed last Congress.

Mr. Chairman, the threat of anti-Semitism is looming large and our fight against it is far from over but I believe that recognizing this problem and taking action is critical. House Resolution 49 is just doing that as it takes essential steps to ban the problem of anti-Semitism forever from this earth. I thus urge all of my colleagues to strongly support this resolution. Thank you.

