

THE BUDGET-IN-BRIEF — FISCAL YEAR 2000

TABLE OF CONTENTS

BUDGET SUMMARY	1
Reorganization of Foreign Affairs Agencies	7
FY 2000 Request — Department of State	11
Part One: Administration of Foreign Affairs	
Overview Table	15
State Programs	
Diplomatic & Consular Programs	17
Worldwide Security Upgrades	42
Capital Investment Fund	47
Border Security Program	51
Security & Maintenance of U.S. Missions	61
Worldwide Security Upgrades	65
Capital Projects – Advance Appropriations	65
Other Administration of Foreign Affairs	
Office of Inspector General	71
Educational & Cultural Exchanges	73
Representation Allowances	77
Buying Power Maintenance Fund	79
Protection of Foreign Missions and Officials.....	81
Emergencies in the Diplomatic and Consular Service	83
Repatriation Loans Program Account	85
Payment to the American Institute in Taiwan	87
Payment to Foreign Service Retirement & Disability Fund.....	91
Part Two: International Organizations and Conferences	
Overview Table	93
Contributions to International Organizations	95
Contributions for International Peacekeeping Activities	101
CIO/CIPA Arrearage Payments.....	105

THE BUDGET-IN-BRIEF — FISCAL YEAR 2000

International Conferences and Contingencies	107
---	-----

Part Three: International Commissions

Overview Table	109
International Boundary and Water Commission - S&E	111
International Boundary and Water Commission - Construction	113
International Fisheries Commissions	117
International Boundary Commission.....	119
International Joint Commission	121
Border Environment Cooperation Commission	123

Part Four: Related Appropriations

Overview Table	125
The Asia Foundation	127
National Endowment for Democracy	129
East-West Center.....	131
North-South Center	133
Eisenhower Exchange Fellowship Program.....	135
Israeli Arab Scholarship Program	137

Part Five: Foreign Assistance Appropriations

Overview Table	139
Migration and Refugee Assistance.....	141
Emergency Refugee and Migration Assistance.....	147

Appendix:

Schedule of Fee Collections	149
Explanation of Language Changes	151

February 1, 1999

BUDGET SUMMARY

“So I say to all of you, if we do these things — if we pursue peace, fight terrorism, increase our strength, renew our alliances — we will begin to meet our generation's historic responsibility to build a stronger 21st century America in a freer, more peaceful world.”

President William J. Clinton
State of the Union Address
January 19, 1999

Overview

Throughout our history, the goals of American foreign policy – the freedom, security, and prosperity of Americans – have remained constant. From the earliest days of the Republic to today, as the world’s sole remaining superpower, American diplomacy has been in the vanguard in countering aggression, identifying opportunities, and promoting prosperity for the benefit of the American people. In the new millennium, the challenges we will face will be more diverse, more difficult to categorize, and quicker to change. The rules, the adversaries, the playing field – all are constantly shifting variables. But the goals, and the stakes, will remain constant.

We must continue our efforts to promote peace, freedom and security, and stand with those working to build it as we stand against their enemies. We must continue to strengthen our alliances and partnerships in Europe and Asia. As we work for peace, we must also meet threats to our nation's security – including increased dangers from outlaw nations and terrorism. We must defend our security wherever we are threatened, as we did when we struck at Osama bin Laden's network of terror. The bombing of our embassies in Kenya and Tanzania reminds us again of the risks faced every day by those who represent America to the world. Finally, we must work to deepen democracy around the world – the best long term investment we can make in peace and stability. To ensure that America maintains its role as world leader and to respond to these needs in these complex and crucial times, this budget requests the resources necessary to equip American diplomacy with the tools to address the challenges and opportunities we will face in the new millennium.

Within the President’s FY 2000 budget, the Department’s \$5.6 billion request represents approximately 25.4% of the overall International Affairs request. This request supports the Administration’s determination to promote America’s global leadership, and is necessary to advance our national interests — protecting our vital strategic interests and expanding the reach of democratic governance, ensuring our influence in the international community, promoting sustainable development and the expansion of free markets and American exports, improving the global environment and protecting human health, and responding to new international problems and humanitarian emergencies that can undermine our security.

BUDGET SUMMARY

American Leadership in the New Millennium

In many ways, the world is a safer place than in the past, as democracy and free markets increasingly prevail. By an overwhelming margin, the people of Northern Ireland and Ireland have chosen a prosperous, democratic course, free of violence and terror, after a generation of bloodshed. We continue to help our European allies in consolidating the peace in Bosnia and Herzegovina. Through 1999, our priorities will be to accelerate Bosnia's transition to a market economy, increase the momentum on refugee returns, improve the rule of law, reinforce central institutions and press ahead with media and education reform. The President's efforts at Wye River helped put the peace process back on track after eighteen months of stalemate.

But this is not an inherently self-sustaining process. Threats to our security still require our vigilance, and opportunities to promote peace demand our leadership. Reflective of our foreign policy goals, the tests of our leadership, while different in specifics, are essentially the same as those faced by previous generations.

- ❑ We must work hard to maintain productive partnerships with our closest allies. Our top priority remains cementing key relationships and harnessing them to constructive ends, including collaboration with Europe in strengthening NATO and building peace in Bosnia; cooperation with Korea, Japan, and China in talks aimed at lasting peace on the Korean peninsula; and using the Summit of the Americas to forge a hemispheric consensus supporting democracy and the rule of law.
- ❑ We are encouraging rivals in areas such as the Middle East and South Asia to settle their differences peacefully. We are helping our friends in central Europe and the newly independent states of the former Soviet Union navigate financial minefields, fend off criminals, rebut communist backsliders, and position their societies for entry into key regional institutions.
- ❑ We remain committed to opening global markets and integrating the global economic system, which has become a key element of continuing economic prosperity here at home.
- ❑ We must boost weaker states that are most willing to help themselves. Burdens of debt, poverty, unresolved disputes, and ineffective institutions leave many nations at the margins. We are trying to help Haiti overcome divisions and build its young democracy. From the Caucasus to the Congo, we are engaged with regional leaders and international organizations trying to end destructive conflicts.
- ❑ We will continue vigorous diplomatic efforts to fill in key details of the Kyoto Protocol in areas such as international emissions trading and to encourage the meaningful participation of developing countries in efforts to address global warming.

BUDGET SUMMARY

American Leadership in the New Millennium (con't.)

- We have created monitoring and inspection regimes to prevent the spread of nuclear weapons and poison gas while imposing penalties on those who violate global standards. And we are seeking, through relentless diplomacy and tough law enforcement, to create a multilayered web of agreements, law, inspectors, police, and military power to deny weapons and operating room to terrorists, criminals, and aggressors.

Clearly, this is not a comprehensive list of the foreign policy issues that we will face in the millennium ahead. However, it does demonstrate that U.S. foreign policy objectives are frequently interlocking and mutually reinforcing. When we make progress towards one of these objectives, we contribute to a virtuous circle in which the others are strengthened as well. Stability and peace enhance opportunities for building democratic institutions, which contribute, in turn, to prospects for widely-shared economic growth. Democracy is a contributor to peace, and prosperity can be a parent both to increased freedom and increased stability.

Conducting Effective Diplomacy

Effective diplomacy is the critical foundation for achieving our foreign policy goals. Much of this budget request supports a strong U.S. presence at over 250 embassies and other posts overseas, where the basic work of diplomacy — reporting, analysis, negotiating, and consular work — that is at the core of all U.S. foreign policy achievements occurs. At the same time, we are implementing reforms to help make government more effective and less costly.

The reorganization of the foreign affairs agencies will preserve and improve U.S. leadership for a new century that will pose new threats and opportunities. The design strengthens the arms control, nonproliferation, and political-military missions, and more closely integrates public diplomacy and assistance activities into overall U.S. foreign policy and the conduct of diplomatic relations. By integrating our national arms control, nonproliferation, public diplomacy, and sustainable development efforts into a single foreign affairs structure, we will be better able to prepare, prevent, and when necessary respond. The plan is designed around our greatest strengths — the abilities and expertise of the employees of the foreign affairs agencies and the message that America brings to the world. Bringing together the talented professionals of State, USIA, and ACDA in a single organization will afford opportunities for further reinvention.

On August 7, 1998 terrorist bombs exploded near our Embassies in Nairobi and Dar es Salaam, killing 220 persons and injuring more than 4,000 — many of whom were simply bystanders. Among the dead were 12 Americans and 40 Kenyan and Tanzanian U.S Embassy employees and family members. The Accountability Review Boards' investigation of these incidents concluded that the Department "must undertake a comprehensive and long-term strategy for protecting American officials overseas, including sustained funding for enhanced security measures, for long-term costs for increased personnel, and for a capital building program on an assessment of requirements to meet the new range of global terrorist threats." The FY 2000 budget requests the resources to continue a range of worldwide programs to lower vulnerability and upgrade

BUDGET SUMMARY

Conducting Effective Diplomacy (con't.)

defensive countermeasures to harden our embassies. However, the budget for FY 2000 does not address the larger resource issues of the ARB report, which are part of a request for advance appropriations for the coming years.

We are fully engaged in a concerted and coordinated strategic effort to modernize our worldwide information technology (IT) infrastructure in accordance with a long-term vision set forth in our Information Resource Management Strategic and Performance Management Plan, which includes the following key goals:

- Create a state-of-the art, cost-effective global network that maximizes access to worldwide information;
- Effectively secure the Department's worldwide IT and physical resources; and
- Successfully transition the Department for the Year 2000 in order to, as President Clinton said, "... make sure that this Y2K computer bug will be remembered as the last headache of the 20th century, not the first crisis of the 21st."

Details of the Request

The FY 2000 budget reflects the Reorganization Plan and Report submitted pursuant to Section 1601 of the Foreign Affairs Reform and Restructuring Act of 1998, as contained in P.L. 105-277. Under this reorganization plan, with the exception of amounts for functions of USIA related to international broadcasting which are transferred to the Broadcasting Board of Governors, operations previously funded by appropriations made to the Arms Control and Disarmament Agency and the United States Information Agency will now be funded by appropriations made to the Department of State. Additional information can be found on page 19.

The FY 2000 budget also merges the State Department Salaries and Expenses (S&E) appropriation with the Diplomatic and Consular Programs appropriation. This merger of the appropriations into one Diplomatic and Consular Programs appropriation with clear program and bureau demarcations for arms control, non-proliferation, and international information programs and exchanges will greatly facilitate the efficient and effective reorganization and merger of USIA, ACDA and State employees, organizations, and functions into existing Department bureaus and offices.

The FY 2000 budget includes a request for recurring costs associated with worldwide security upgrades to continue the program of security initiatives designed to provide for a secure environment for the conduct of American diplomacy worldwide in the aftermath of the tragic bombings that occurred in Nairobi and Dar Es Salaam. Further details can be found on pages 42 (State Programs) and 65 (Security and Maintenance of U.S. Missions).

In addition, this budget request seeks an advance appropriation totaling \$3 billion over the five year period FY 2001 through FY 2005 to replace our highest risk, most vulnerable embassies and consulates. Additional information can be found on page 65.

BUDGET SUMMARY

Graphs and tables summarizing the FY 2000 budget request, including funds and positions by appropriation account, appear on the following pages.

BUDGET SUMMARY

Page not used.

FOREIGN AFFAIRS REORGANIZATION

Overview

On December 30, 1998, President Clinton sent to the Congress his Plan and Report on reorganization of the foreign affairs agencies, pursuant to the Foreign Affairs Reform and Restructuring Act of 1998.

Reorganization of the foreign affairs agencies will preserve and improve U.S. leadership for a new century that will pose new threats and opportunities. Risks of chemical, biological, and nuclear weapons may grow as new state and non-state actors, some with interests inimical to our own, try to obtain these weapons. Democracies, citizen organizations, and market structures will become more prominent around the world, and Americans will feel the effects of decisions they make, outside traditional government-to-government channels. Democratic and economic reform in developing and transitioning countries can enhance American prosperity and security, just as environmental pressures and regional conflicts and humanitarian tragedies can challenge it.

By integrating arms control and nonproliferation, public diplomacy, and sustainable development efforts into a better coordinated international affairs operation, we will be better able to prepare, prevent, and when necessary respond. The President's plan puts these high priority matters where they belong, at the heart of our foreign policy in the Department of State. His plan strikes a balance between the need to preserve the special missions of the three smaller agencies and taking full advantage of their talented personnel, and the value of greater coherence and effectiveness in our international affairs activities. Over time, integration will yield operating efficiencies as well as improve the effectiveness of our activities.

Summary of the Reorganization Plan

The Arms Control and Disarmament Agency (ACDA) will be integrated into State by April 1, 1999. The missions of arms control, nonproliferation, and political-military affairs will be under the direction of the Under Secretary for Arms Control and International Security, who will also serve as Senior Adviser to the President and the Secretary of State on Arms Control, Nonproliferation, and Disarmament. The plan provides for five bureaus in ACDA and State to be reduced to three – the Bureaus of Arms Control, Nonproliferation, and Political-Military Affairs – for which the Under Secretary would exercise policy oversight. A Special Adviser reporting directly to the Under Secretary would focus on verification and compliance issues. Until integration takes place, the Director of ACDA will remain “double-hatted” as Acting Under Secretary. The plan establishes an Advisory Board to make recommendations to the Secretary through the Under Secretary on arms control, nonproliferation, and disarmament policy and activities.

FOREIGN AFFAIRS REORGANIZATION

The United States Information Agency (USIA) will be integrated into State on October 1, 1999. The plan provides that missions of public diplomacy – to understand, inform, and influence foreign audiences and broaden the dialogue between American citizens and institutions and their counterparts abroad – will be under the direction of a new Under Secretary for Public Diplomacy and Public Affairs. Two bureaus in USIA would be streamlined into one at State – the Bureau of Information Programs and International Exchanges – for which the Under Secretary will exercise policy oversight. The Bureau would be responsible for educational and cultural affairs and it will produce information program services to advocate U.S. policy positions with foreign audiences. The plan also expands State's Bureau of Public Affairs by incorporating the Foreign Press Centers now operated by USIA. USIA's area offices will join respective regional bureaus at State, and public diplomacy staffs will be added as appropriate to State functional bureaus. USIA's Research office will integrate with State's Bureau of Intelligence and Research, and public diplomacy activities abroad will be carried out as an integrated part of the State component of our overseas missions.

The Broadcasting Board of Governors (BBG), now part of USIA, will become a separate federal entity. Consistent with the Act, U.S. international broadcasting will remain an essential instrument of American foreign policy. The BBG will be under the foreign policy guidance of the Secretary of State, who will have a seat on the BBG replacing the USIA Director. The Secretary and the Board will respect the professional independence and integrity of the BBG's activities, which include the Voice of America and surrogate broadcasting. State, USIA, and the BBG have worked out arrangements for transferring to the BBG funds, resources, and personnel commensurate with the administrative and other support they now receive from USIA so that the BBG will be able to operate as an independent entity, which will become part of the BBG's budget.

The United States Agency for International Development (USAID) will remain a separate agency but the International Development Cooperation Agency (IDCA) will be abolished by April 1, 1999. As of that date, the Administrator will report to and be under the direct authority and foreign policy guidance of the Secretary of State. To maximize consistency with overall U.S. international affairs priorities, the Secretary of State will coordinate development and other economic assistance, except export promotion and international financial assistance coordinated by the Secretaries of Commerce and Treasury, respectively. The Secretary of State will review USAID's strategic and performance plans and budgeting, and delegate or redelegate to USAID the functions and authorities it needs to carry out its mission. The Secretary will establish effective mechanisms to resolve disputes regarding assistance among other U.S. government agencies whose activities are covered by the Act.

The Department of State's reinvention efforts will be bolstered by the talents and strengths acquired from greater integration of the foreign affairs agencies. Integration offers more scope for reinvention and widens the circle of opportunity to restructure and adopt best practices. State has already taken some important steps. The Secretary has

FOREIGN AFFAIRS REORGANIZATION

established a new Corporate Board, comprised of the Under Secretaries of State and chaired by the Deputy Secretary to address major cross-cutting issues and strategic planning. Assistant Secretaries have more autonomy in resource management. Performance planning aligns strategy and resources better under the International Affairs and State Strategic Plans. State is prioritizing staffing levels for the next century at overseas missions. It has revitalized capital planning for facilities and investment in information systems, two critical but high-cost areas. State has implemented the International Cooperative Administrative Support Service (ICASS) to maximize shared services for agencies abroad. A new Bureau of Western Hemisphere Affairs was created, moving Canada into the former Bureau of Inter-American Affairs, to emphasize the importance of NAFTA and our strengthened focus on economics and global issues. Under the reorganization plan, State is proposing the creation of a Bureau of East European and Eurasian Affairs to streamline policy direction and implementation in the newly independent states of the former Soviet Union. Finally, within two years State will review all regional and functional bureau configurations.

International Affairs Resources

Reorganization is a welcome bipartisan initiative, and the Administration will work cooperatively with the Congress on implementation. The President has also made clear that vital U.S. international affairs activities require full funding. In transmitting the Plan and Report, he said:

“Increased efficiency is very important, but is not, by itself, enough to assure U.S. leadership in the world. For this we must have the wherewithal to meet growing responsibilities and take full advantage of new opportunities. American strength today results from our predecessors’ bold decisions and timely investments, beginning with Lend Lease and the Marshall Plan. I am not proposing anything this expensive, but we have to do better if we are to seize the initiative. Embassy bombings in East Africa, the international financial crisis, instability in the Middle East, Kosovo, and Russia, and risks that nuclear, biological, and chemical weapons will proliferate show how the world remains dangerous and uncertain. Therefore, I ask that all of you join me in assuring that our country has all the resources it needs for a strong foreign policy that serves America’s interests.”

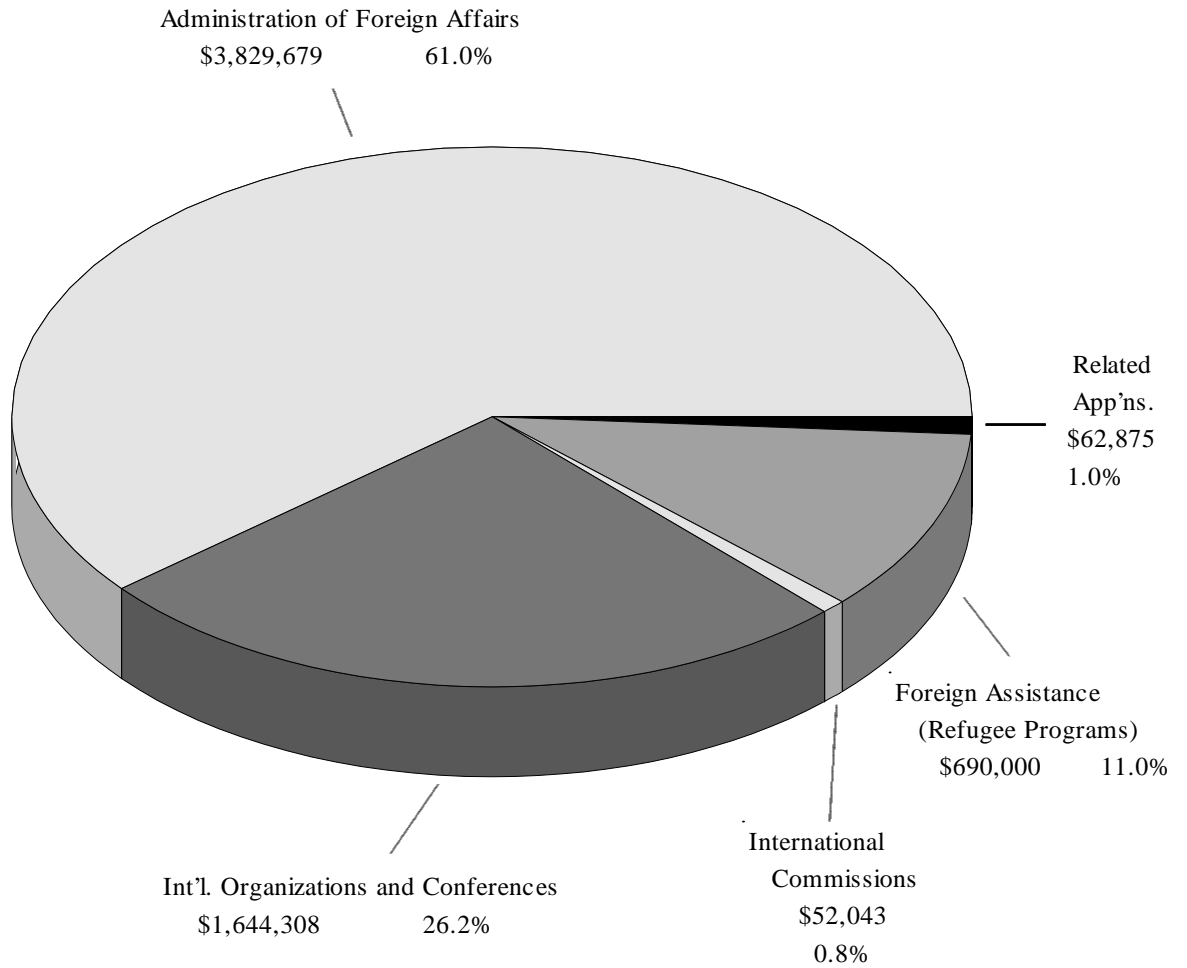
FOREIGN AFFAIRS REORGANIZATION

Page not used.

FY 2000 State Department Request

Distribution by Title

(dollars in thousands)



Total Request \$6,278,905

SUMMARY OF FUNDS

(Dollars in thousands)

Appropriations	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request	Increase/ Decrease
Administration of Foreign Affairs				
State Programs:				
Diplomatic & Consular Programs	\$1,646,801 /a	\$1,644,300	\$2,583,772 /b	\$939,472
Worldwide Security Upgrades	--	785,700	254,000	-531,700
Salaries & Expenses	353,905 /c	354,187	--	-354,187
Arms Control & Disarmament Agency	42,716	41,500	--	-41,500
International Information Programs (USIA)	450,220 /d	455,246	--	-455,246
Technology Fund (USIA)	5,050	9,062 /e	--	-9,062
<i>Subtotal</i>	2,498,692	3,289,995	2,837,772	-452,223
Capital Investment Fund	86,000	137,890 /e	90,000	-47,890
Subtotal, State Programs	2,584,692	3,427,885	2,927,772	-500,113
Security & Maintenance of U.S. Missions	397,943 /f	403,561	434,066 /g	30,505
Worldwide Security Upgrades	--	627,000	49,617	-577,383
<i>Capital Projects - Advance Appropriations</i>	--	--	[3,000,000]	[3,000,000]
Subtotal, S&MUSM	397,943	1,030,561	483,683	-546,878
Other Administration of Foreign Affairs				
Office of Inspector General	27,495	28,495	30,054	1,559
Educational and Cultural Exchanges	197,731	200,500 /h	210,329 /i	9,829
Representation Allowances	4,200	4,350	5,850 /j	1,500
Prot. of Foreign Missions & Officials	7,900	8,100	9,490	1,390
Emerg. in the Dipl. & Consular Service	5,356 /k	15,500 /l	17,000	1,500
Repatriation Loans Program Account	1,344 /k	1,200	1,200	--
American Institute in Taiwan	14,000	14,750	15,760	1,010
F.S. Retirement & Disability Fund	129,935	132,500	128,541	-3,959
Subtotal, Admin. of Foreign Affairs	3,370,596	4,863,841	3,829,679	-1,034,162
International Organizations				
Contributions to Int'l. Organizations	888,883 /m	922,000	963,308	41,308
Contr. for Int'l. Peacekeeping Activities	210,632 /m	231,000	235,000	4,000
CIO/CIPA Arrearage Payments	100,000	475,000	446,000 /n	-29,000
Int'l. Conferences & Contingencies	12,000 /m	--	--	--
Subtotal, International Organizations	1,211,515	1,628,000	1,644,308	16,308
International Commissions				
Int'l. Boundary & Water Comm.-S&E	17,490	19,551	20,413	862
Int'l. Boundary & Water Comm.-Construction	6,463	5,939	8,435	2,496
International Fisheries Commissions	14,549	14,549	16,702	2,153
American Sections:				
Int'l. Boundary Commission	761	761	859	98
Int'l. Joint Commission	3,189	3,432	3,819	387
Border Environment Cooperation Commission	1,540	1,540	1,815	275
Subtotal, American Sections	5,490	5,733	6,493	760
Subtotal, International Commissions	43,992	45,772	52,043	6,271
Related Appropriations				
The Asia Foundation	8,000	8,250	15,000	6,750
National Endowment for Democracy	30,000	31,000	32,000	1,000
East-West Center	12,000	12,500	12,500	--
North-South Center	1,500	1,750	2,500	750
Eisenhower Exchange Fellowship Program	570	525	525	--
Israeli Arab Scholarship Program	400	350	350	--
Subtotal, Related Appropriations	52,470	54,375	62,875	8,500
STATE APPROPRIATIONS ACT	4,678,573	6,591,988	5,588,905	-1,003,083
Foreign Assistance				
Migration & Refugee Assistance	650,384 /o	640,000	660,000	20,000
Emergency Refugee/Migration Assistance	50,000	30,000	30,000	--
STATE AUTHORIZATION ACT	5,378,957	7,261,988	6,278,905	-983,083

Footnotes to the Summary of Funds Table

- /a Includes transfers from: Security and Maintenance of U.S. Missions carryforward balances to address emergency requirements for the East Africa embassy bombings (\$6,700,000); and Salaries and Expenses (S&E) (\$11,308,000) and Security and Maintenance of U.S. Missions (\$2,527,000) appropriations for Logistics Management reorganization. Also, reflects a net transfer to other agencies and appropriations for International Cooperative Administrative Support Services (ICASS) implementation (-\$103,034,000). Excludes transfer from U.S. Agency for International Development for operations of the International Criminal Tribunal for the former Yugoslavia (\$1,000,000).
- /b Includes activities formerly funded by: the Department of State S&E appropriation; the Arms Control & Disarmament Agency S&E appropriation (\$47,740,000); and the USIA International Information Programs (IIP) and Technology Fund appropriations (\$418,194,000), in accordance with the December 1998 Reorganization Plan and Report submitted pursuant to Section 1601 of the Foreign Affairs Reform and Restructuring Act of 1998 (P.L. 105-277). Other funds formerly included in the IIP and Technology Fund are funded in the Representation Allowances appropriation (\$1,400,000), the Security and Maintenance of U.S. Missions appropriation (\$16,883,000), the Educational and Cultural Exchanges appropriation (\$1,246,000), or in the Board of Broadcasting Governors appropriation (\$33,236,000).
- /c Includes transfer to the Diplomatic and Consular Programs (D&CP) for Logistics Management reorganization (-\$11,308,000); and transfer from Security and Maintenance of U.S. Missions carryforward balances for the East Africa embassy bombings (\$1,700,000).
- /d Includes transfer from the D&CP appropriation for ICASS implementation (\$23,123,000). Excludes transfer to the USIA Buying Power Maintenance Account (\$2,382,000); and transfer from U.S. Agency for International Development for SEED and Freedom Support programs (\$8,627,000).
- /e Includes transfers to the Department of State Capital Investment Fund (\$57,890,000) and the USIA Technology Fund (\$7,062,000) from the Information Technology Systems and Related Expenses account appropriated to the President for Year 2000 compliance in accordance with Public Law 105-277. In addition, the USIA Technology Fund estimate reflects a transfer from the Educational and Cultural Exchanges appropriation (\$2,000,000).
- /f Includes a transfer to the D&CP appropriation for Logistics Management reorganization (-\$2,527,000).
- /g Includes leasehold activities formerly funded from the USIA International Information Programs appropriation (\$16,900,000) for USIA employees overseas transferring to the Department of State in accordance with the December 1998 Reorganization Plan and Report submitted pursuant to Section 1601 of the Foreign Affairs Reform and Restructuring Act of 1998 (P.L. 105-277).
- /h Reflects a \$2,000,000 transfer to the USIA Technology Fund.
- /i Includes amounts formerly appropriated in the USIA IIP appropriation for grants management and J-visa program staffs (\$1,246,000).
- /j Includes amounts formerly appropriated in the USIA IIP appropriation for representation allowances (\$1,400,000).
- /k Reflects a \$144,000 transfer from the Emergencies in the Diplomatic and Consular Service appropriation to the Repatriation Loans Program appropriation.
- /l Includes \$10,000,000 in emergency supplemental funding for rewards and emergency costs associated with the Nairobi and Dar es Salaam embassy bombings.
- /m Reflects transfer from the Contributions to International Organizations appropriation to: the International Conferences and Contingencies appropriation for costs associated with the Comprehensive Test Ban Treaty Organization (\$12,000,000); and the Contributions to International Peacekeeping Activities appropriation for payment of FY 1998 peacekeeping assessments (\$632,000).
- /n \$37,000,000 is in excess of the automatic adjustments provided by the bipartisan Balanced Budget Act of 1997.
- /o Reflects a transfer from the D&CP appropriation for ICASS implementation (\$384,000).

SUMMARY OF POSITIONS

Appropriations	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request	Increase/ Decrease
Administration of Foreign Affairs				
State Programs:				
Diplomatic & Consular Programs	10,704 /a	9,980 /b	15,988 /c	6,008
Worldwide Security Upgrades	--	360	360	--
Salaries & Expenses	2,192	2,139	--	(2,139)
Arms Control & Disarmament Agency	227	227	--	(227)
International Information Programs (USIA) /d	3,642	3,642	--	(3,642)
Subtotal, State Programs	16,765	16,348	16,348	--
Security & Maintenance of U.S. Missions	556	557	569	12
Worldwide Security Upgrades	--	20	20	--
Subtotal, S&MUSM	556	577	589	12
Other Administration of Foreign Affairs				
Office of Inspector General	305	314	314	--
Educational and Cultural Exchanges	275	275	277	2
Subtotal, Admin. of Foreign Affairs	17,901	17,514	17,528	14
International Commissions				
Int'l. Boundary & Water Comm.-S&E	235	235	235	--
Int'l. Boundary & Water Comm.-Construction	29	29	29	--
American Sections:				
Int'l. Boundary Commission	8	8	8	--
Int'l. Joint Commission	24	24	24	--
Subtotal, International Commissions	296	296	296	--
STATE APPROPRIATIONS ACT	18,197	17,810	17,824	14
Foreign Assistance				
Migration & Refugee Assistance	99	99	109	10
STATE AUTHORIZATION ACT	18,296	17,909	17,933	24
International Narcotics and Crime	131	131	132	1
Nonproliferation, Anti-Terrorism, Demining	--	--	--	--
Subtotal, Foreign Assistance	230	230	241	11
TOTAL, DEPARTMENT OF STATE	18,427	18,040	18,065	25

/a Position levels do not include 1,078 positions funded by MRV fees in FY 1998.

/b Position levels do not include 1,894 positions funded by MRV fees in FY 1999.

/c Position levels do not include 1,943 positions funded by MRV fees in FY 2000.

/d Levels include only those positions included within State Programs in FY 2000.

PART ONE
ADMINISTRATION OF FOREIGN AFFAIRS

OVERVIEW

This section contains the FY 2000 appropriations in the Administration of Foreign Affairs title.

SUMMARY STATEMENT

(Dollars in thousands)

Appropriations	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request	Increase/ Decrease
State Programs:				
Diplomatic & Consular Programs	\$1,646,801 /a	\$1,644,300	\$2,583,772 /b	\$939,472
Worldwide Security Upgrades	--	785,700	254,000	-531,700
Salaries & Expenses	353,905 /c	354,187	--	-354,187
Arms Control & Disarmament Agency	42,716	41,500	--	-41,500
International Information Programs (USIA)	450,220 /d	455,246	--	-455,246
Technology Fund (USIA)	5,050	9,062 /e	--	-9,062
<i>Subtotal</i>	2,498,692	3,289,995	2,837,772	-452,223
Capital Investment Fund	86,000	137,890 /e	90,000	-47,890
Subtotal, State Programs	2,584,692	3,427,885	2,927,772	-500,113
Security & Maintenance of U.S. Missions	397,943 /f	403,561	434,066 /g	30,505
Worldwide Security Upgrades	--	627,000	49,617	-577,383
<i>Capital Projects - Advance Appropriations</i>	--	--	[3,000,000]	[3,000,000]
Subtotal, S&MUSM	397,943	1,030,561	483,683	-546,878
Office of Inspector General	27,495	28,495	30,054	1,559
Educational and Cultural Exchanges	197,731	200,500 /h	210,329 /i	9,829
Representation Allowances	4,200	4,350	5,850 /j	1,500
Protection of Foreign Missions & Officials	7,900	8,100	9,490	1,390
Emergencies in the Diplomatic & Consular Service	5,356 /k	15,500 /l	17,000	1,500
Repatriation Loans Program Account	1,344 /k	1,200	1,200	--
Payment to the American Institute in Taiwan	14,000	14,750	15,760	1,010
F.S. Retirement & Disability Fund	129,935	132,500	128,541	-3,959
TOTAL APPROPRIATIONS	3,370,596	4,863,841	3,829,679	-1,034,162

Footnotes to the Administration of Foreign Affairs Table

- /a Includes transfers from: Security and Maintenance of U.S. Missions carryforward balances to address emergency requirements for the East Africa embassy bombings (\$6,700,000); and Salaries and Expenses (S&E) (\$11,308,000) and Security and Maintenance of U.S. Missions (\$2,527,000) appropriations for Logistics Management reorganization. Also, reflects a net transfer to other agencies and appropriations for International Cooperative Administrative Support Services (ICASS) implementation (-\$103,034,000). Excludes transfer from U.S. Agency for International Development for operations of the International Criminal Tribunal for the former Yugoslavia (\$1,000,000).
- /b Includes activities formerly funded by: the Department of State S&E appropriation; the Arms Control & Disarmament Agency S&E appropriation (\$47,740,000); and the USIA International Information Programs (IIP) and Technology Fund appropriations (\$418,194,000), in accordance with the December 1998 Reorganization Plan and Report submitted pursuant to Section 1601 of the Foreign Affairs Reform and Restructuring Act of 1998 (P.L. 105-277). Other funds formerly included in the IIP and Technology Fund are funded in the Representation Allowances appropriation (\$1,400,000), the Security and Maintenance of U.S. Missions appropriation (\$16,833,000), or in the Board of Broadcasting Governors appropriation (\$33,236,000).
- /c Includes transfer to the Diplomatic and Consular Programs (D&CP) for Logistics Management reorganization (-\$11,308,000); and transfer from Security and Maintenance of U.S. Missions carryforward balances for the East Africa embassy bombings (\$1,700,000).
- /d Includes transfer from the D&CP appropriation for ICASS implementation (\$23,123,000). Excludes transfer to the USIA Buying Power Maintenance Account (\$2,382,000); and transfer from U.S. Agency for International Development for SEED and Freedom Support programs (\$8,627,000).
- /e Includes transfers to the Department of State Capital Investment Fund (\$57,890,000) and the USIA Technology Fund (\$7,062,000) from the Information Technology Systems and Related Expenses account appropriated to the President for Year 2000 compliance in accordance with Public Law 105-277. In addition, the USIA Technology Fund estimate reflects a transfer from the Educational and Cultural Exchanges appropriation (\$2,000,000).
- /f Includes a transfer to the D&CP appropriation for Logistics Management reorganization (-\$2,527,000).
- /g Includes leasehold activities formerly funded from the USIA International Information Programs appropriation (\$16,833,000) for USIA employees overseas transferring to the Department of State in accordance with the December 1998 Reorganization Plan and Report submitted pursuant to Section 1601 of the Foreign Affairs Reform and Restructuring Act of 1998 (P.L. 105-277).
- /h Reflects a \$2,000,000 transfer to the USIA Technology Fund.
- /i Includes amounts formerly appropriated in the USIA IIP appropriation for grants management and J-visa program staffs (\$1,246,000).
- /j Includes amounts formerly appropriated in the USIA IIP appropriation for representation allowances (\$1,400,000).
- /k Reflects a \$144,000 transfer from the Emergencies in the Diplomatic and Consular Service appropriation to the Repatriation Loans Program appropriation.
- /l Includes \$10,000,000 in emergency supplemental funding for rewards and emergency costs associated with the Nairobi and Dar es Salaam embassy bombings.

STATE PROGRAMS

2000 Overview

Summary Statement

(dollars in thousands)

Appropriation/Fund	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Diplomatic & Consular Programs a/ c/	\$1,646,801	\$1,644,300	\$2,583,772	\$939,472
Worldwide Security Upgrades	0	785,700	254,000	-531,700
Salaries & Expenses b/	353,905	354,187	0	-354,187
Arms Control & Disarmament Agency S&E c/	42,716	41,500	0	-41,500
International Information Programs (USIA) c/	450,220	455,246	0	-455,246
Technology Fund (USIA) d/	5,050	9,062	0	-9,062
Diplomatic & Consular Programs	\$2,498,692	\$3,289,995	\$2,837,772	-\$452,223
Capital Investment Fund d/	86,000	137,890	90,000	-47,890
Total, State Programs Appropriations	\$2,584,692	\$3,427,885	\$2,927,772	-\$500,113
<i>Border Security Program/MRV Fees e/</i>	253,279	312,829	316,715	3,886
<i>IRM Investment/Expedited Passport Fees e/</i>	30,705	62,673	50,000	-12,673
<i>Other Fees e/ f/</i>	7,171	7,579	7,582	3
Total	\$2,875,847	\$3,810,966	\$3,302,069	-\$508,897

/a FY 1998 actual includes \$6,700,000 transferred from Security and Maintenance of U.S. Missions carryforward balances for Africa bombings, \$11,308,000 transferred from Salaries and Expenses for Logistics Management reorganization, and \$2,527,000 from Security and Maintenance of U.S. Missions appropriations for Logistics Management reorganization. In addition, the Diplomatic and Consular Programs appropriation reflects the net transfer out to other appropriations and agencies of \$103,034,000 for ICASS implementation. FY 1998 excludes \$1,000,000 transfer from U.S. Agency for International Development for operations of the International Criminal Tribunal for the former Yugoslavia.

/b FY 1998 Estimate includes \$11,308,000 transferred to the Diplomatic and Consular Programs for Logistics Management reorganization and \$1,700,000 transferred from Security and Maintenance of U.S. Missions carryforward balances for Africa bombings.

/c FY 2000 estimate includes activities formerly funded by the Department of State Salaries and Expenses appropriation and \$47,740,000 for activities formerly appropriated to the Arms Control & Disarmament Agency Salaries and Expenses (S&E) appropriation and \$418,194,000 formerly appropriated to the International Information Programs and Technology Fund appropriations. Other funds formerly included in the IIP appropriation are now funded as follows: \$33,236,000 to International Broadcasting Operations; \$1,246,000 to Educational and Cultural Exchanges; \$16,883,000 to Security and Maintenance of U.S. Missions, and \$1,400,000 to Representation Allowances. FY 1998 estimate for IIP includes the transfer of \$23,123,000 from Diplomatic and Consular Programs for ICASS and excludes \$2,382,000 transfer-out to the USIA Buying Power Maintenance Account and \$8,697,000 for transfers-in from U.S. Agency for International Development.

/d FY 1999 estimate includes \$57,890,000 transferred from the Information Technology Systems and Related Expenses account appropriated to the President to the Department of State Capital Investment Fund and \$7,062,000 to the United States Information Agency Technology Fund for Year 2000 compliance in accordance with Public Law 105-277. The USIA Technology Fund FY 1999 estimate also reflects the transfer of \$2,000,000 from the Educational and Cultural Exchanges appropriation.

/e The funding for these fee programs represents annual program spending estimates from current collections and carryforward balances, not annual fee collections. An accounting of the total collections received by the Department of State is provided in the Appendix.

/f FY 2000 estimate includes \$6,500,000 for Diversity Lottery Fees, \$72,000 for FBI Fingerprint Fees, \$1,000,000 for Defense Trade Control Fees, and \$10,000 for Commercial Services Fees.

STATE PROGRAMS

State Programs Summary

The United States, the most powerful and emulated country in the world, must dedicate sufficient resources to continue to lead and shape the post-Cold War world for the 21ST century. As the new century begins, the reorganized U. S. Department of State will play a vital role in shaping the global trend toward open markets and free trade, continue the worldwide movement towards democracy, curbing the spread of weapons of mass destruction, resolving regional conflicts, and building a global culture of peace.

In the aftermath of the U.S. Embassy bombings in Africa, the FY 2000 budget requests the resources not only to manage these global responsibilities but to continue the security improvements funded by the Emergency Security Supplemental for those who represent the United States at more than 250 diplomatic and consular posts worldwide. The State Programs appropriations -- Diplomatic and Consular Programs and the Capital Investment Fund when combined with Machine Readable Visa, Expedited Passport, and other fees retained to provide for consular services, information technology investment, and other specific activities -- fund the salaries, operating expenses, and infrastructure required to carry out United States foreign policy at home and abroad. The posts not only carry out our diplomatic relations with foreign leaders, they also assist American citizens, support U.S. businesses, public diplomacy, and develop the extensive local contacts that are essential to effective diplomacy. These overseas posts also provide the necessary infrastructure for other U.S. government agencies with more than 300 different activities in approximately 160 countries.

The FY 2000 budget request for State Programs, which was developed through the cooperative efforts of the Department of State, the Arms Control and Disarmament Agency, and the United States Information Agency, reflects the integration of these agencies into a new foreign policy apparatus to meet the demands of a new era of international relations. In FY 2000, the operating appropriations for ACDA and USIA will be integrated within the new consolidated State Department appropriation structure. The reorganization strengthens the United States arms control, non-proliferation, and political military missions, and more closely integrates public diplomacy and assistance into overall U.S. foreign policy and the conduct of diplomatic relations. To conduct these diplomatic responsibilities, the reorganized Department of State employs a direct-hire workforce of approximately 27,000 employees with about 60% of those working overseas. These employees, of whom about 16,000 are Americans and 11,000 are foreign nationals, manage America's overseas diplomatic interests patriotically and professionally.

For FY 2000, the State Programs request for direct appropriations of \$2,927,772,000 reflects the integration of the former USIA (\$418,194,000) and ACDA (\$47,740,000) operating accounts within State Programs appropriations. Funds formerly appropriated to USIA are also distributed to the International Broadcasting Operations, Educational and Cultural Exchanges, Security and Maintenance of U.S. Missions, and Representation Allowances appropriations. The request also reflects reductions for one-time emergency supplemental funding provided in FY 1999 for security upgrades (\$785,700,000) and for Year 2000 costs (\$57,890,000). For purposes of comparison, the basic State Department operating budget -- net of the impact of integration and

STATE PROGRAMS

FY 1999 emergency supplemental funding for worldwide security upgrades and Year 2000 computer fixes – increases by \$132,156,000 or 5.3% over FY 1999 base appropriation levels. This amount includes \$99,199,000 for wage/price inflation and \$32,957,000 for such program changes as arms control, export promotion, hosting the World Trade Organization (WTO) Ministerial meeting, funding the American Engagement Abroad project, China infrastructure improvements, institutionalizing the Consequence Management Program, enhancing Hispanic and minority recruitment, and paying the full costs of military postal services and background investigations provided to the Department. The FY 2000 request also includes \$254 million to continue the program of Worldwide Security Upgrades initiated last fall as part of the emergency supplemental and \$90,000,000 for the Capital Investment Fund.

Highlights of the State Programs budget request follow:

Reorganization of Foreign Affairs Agencies

The FY 2000 State Programs budget request reflects the Reorganization Plan and Report submitted pursuant to Section 1601 of the Foreign Affairs Reform and Restructuring Act of 1998, as contained in Public Law 105-277. Under this reorganization plan, with the exception of amounts for functions of USIA related to international broadcasting which are transferred to the Broadcasting Board of Governors, operations previously funded by appropriations made to the Arms Control and Disarmament Agency and the United States Information Agency will now be funded by appropriations made to the Department of State. Accordingly, the FY 2000 State Programs budget request incorporates with the Diplomatic and Consular Programs appropriation the appropriations formerly made for the ACDA Salaries and Expenses (S&E) appropriation and USIA's International Information Programs (IIP) and Technology Fund appropriations (less the transfers discussed below). In this regard, resource tables include FY 1998 and FY 1999 amounts for these ACDA and USIA accounts. In addition, the summary resource tables display IIP appropriation amounts in FY 1998 and FY 1999 that are budgeted within other appropriations in FY 2000 including International Broadcasting Operations (\$33,236,000), Educational and Cultural Exchanges (\$1,246,000), Security and Maintenance of U.S. Missions (\$16,883,000), and Representation Allowances (\$1,400,000).

The FY 2000 budget also merges the State Department Salaries and Expenses (S&E) appropriation with the Diplomatic and Consular Programs appropriation. This merger of the appropriations into one Diplomatic and Consular Programs appropriation with clear program and bureau demarcations for arms control, non-proliferation, and international information programs and exchanges will greatly facilitate the efficient and effective reorganization and merger of USIA, ACDA and State employees, organizations, and functions into existing Department bureaus and offices.

STATE PROGRAMS

Diplomatic And Consular Programs

The FY 2000 request of \$2,837,772,000 for Diplomatic and Consular Programs (including \$254,000,000 for the recurring costs associated with worldwide security upgrades initiated in FY 1999 with emergency supplemental funding) is a net decrease of \$452,223,000 from FY 1999 estimated funding levels. This reduction is due primarily to one-time security enhancements in FY 1999 and reorganization transfers. The request will meet mandatory worldwide wage and price inflation, annualize the cost of the FY 1999 hiring plan, and provide funding for export promotion, a second Chemical Weapons Convention laboratory, the World Trade Organization (WTO) Ministerial meeting, the American Engagement Abroad project, Consequence Management Program, China infrastructure improvements, enhanced Hispanic and minority recruitment, and paying the full costs of military postal services and background investigations provided to the Department.

NOTE: In addition to the funding estimates described above, the Diplomatic and Consular Programs request includes an additional \$1,162,333, for transfer to the Presidential Advisory Commission on Holocaust Assets in the United States (the Commission), as authorized by the U.S. Holocaust Assets Commission Act of 1998 (Public Law 105-186). The Departments of Justice and Army also plan to provide funds to be transferred to the Commission, for a total of \$1,487,000 in interagency funding for the Commission in fiscal year 2000. These funds will enable the Commission to carry out its mandate to conduct and review research on the collection and disposition of Holocaust-era assets that came under the control of the United States Government.

Worldwide Security Upgrades

The FY 2000 request of \$254,000,000 for recurring costs associated with worldwide security upgrades will continue the program of security initiatives designed to bring our diplomatic facilities to heightened security standards and to maintain necessary security upgrades on a worldwide basis, including enhanced local guard services, physical security equipment and technical support upgrades, increased deployment of armored vehicles, increases in American security personnel and security and crisis management training, and worldwide deployment of emergency radio systems. The FY 2000 funding level follows the appropriation in FY 1999 of \$785,700,000 in emergency supplemental funding to provide for a secure environment for the conduct of American diplomacy worldwide in the aftermath of the tragic bombings that occurred in Nairobi and Dar Es Salaam.

Capital Investment Fund

The FY 2000 request of \$90,000,000 for the Capital Investment Fund, a net decrease of \$47,890,000 below FY 1999 levels, in combination with \$50,000,000 in estimated Expedited Passport Fees, is vital to the Department's strategic effort to upgrade the Department's information technology for the new millenium including upgrades to the Department's global information technology infrastructure, standardized messaging, improving Internet access to users who need access, and workforce and training improvements.

STATE PROGRAMS

Border Security Program

The FY 2000 request for the Border Security Program of \$316,715,000, an increase of \$3,886,000 from FY 1999 program levels, includes funding to implement major Border Security initiatives and to continue providing the technology backbone and staff and support needed to carry out the functions vital to U.S. border security. Major initiatives funded within the FY 2000 program include initiating a program of technology refreshment for equipment and overseas consular systems at visa issuing posts; increased data sharing with other border security and law enforcement agencies and strengthening the Consular Affairs Corporate Database; continued improvements to the automated namechecking system capabilities; expanded implementation of the Border Crossing Card program in Mexico; modernization of the security and delivery of U.S. passports to American citizens including completion of the initial deployment of passport photodigitization technology and opening the National Passport Center in Charleston, SC; and implementing initiatives for handling increased Affidavit of Support workload efficiently at the National Visa Center in Portsmouth, NH.

Other Fees

Diversity Lottery Fee. The FY 2000 program includes an estimate of \$6,500,000 for the Diversity Lottery Program. Section 636 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 provides that the State Department may collect and retain a fee that ensures the recovery of the cost to the Department of allocating and processing applications for visas to be issued under the Diversity Lottery Program. The Department's fee is imposed on actual diversity visa applicants to ensure that the costs of administering the lottery and allocating diversity visas are recovered from actual users. These fee collections are available to provide consular services and are used to recover the cost to the State Department of the Diversity Lottery Program. In addition, the FY 2000 program includes an estimate of \$72,000 for the FBI Immigrant Visa Fingerprint Fee program.

Defense Trade Control Fees. The FY 2000 program includes an estimate of \$1,000,000 for Defense Trade Control Registration Fees in accordance with Section 45 of the State Department Basic Authorities Act as amended. These fees are available without fiscal year limitation for specified Defense Trade Control license application processing and functions.

Commercial Services Fees. The FY 2000 program includes an estimate of \$10,000 for fees charged for the cost of providing commercial services at posts abroad in countries where the Department of Commerce does not perform commercial services for which it collects fees. These fee collections are available until September 30 of the fiscal year following the fiscal year in which the funds were deposited.

An accounting of the collections received by the Department of State is provided in the Appendix.

STATE PROGRAMS

International Cooperative Administrative Support Services

The ICASS Program is the basic management structure for providing administrative support services to U.S. Government agencies located at diplomatic missions abroad. Beginning in FY 1997, the Department established ICASS within the Department's Working Capital Fund to facilitate funds control and accounting. All participating agencies, including the Department of State, deposit funds into the Working Capital Fund to pay for the cost of services provided to each agency, thus shifting funding responsibility for State Department ICASS service providers from the D&CP account. This shift included more than 6,800 American and Foreign Service National (FSN) positions previously financed by both State's D&CP appropriation and through reimbursements from other agencies' appropriations to the D&CP account. The amount the Department paid from the D&CP appropriation to the ICASS Working Capital Fund for the cost of State Department ICASS services was adjusted in FY 1998 to reflect a one-time, permanent transfer of funding responsibility totaling \$103 million from the D&CP account for several service categories previously funded in their entirety by State to other agencies.

Program Descriptions

State Programs funding of \$3,302,069,000, including \$2,927,772,000 from appropriations and \$374,297,000 from fee collections, will continue to be directed toward global challenges and opportunities that affect nearly all Department activities. The resources requested to support the activities listed below are critical to the successful conduct of diplomatic and consular relations, public diplomacy, and maintenance of this nation's foreign affairs apparatus. The programs and activities reflect the Administration's plan to reorganize the foreign affairs agencies by integrating the Arms Control and Disarmament Agency and the U.S. Information Agency (excluding broadcasting activities).

- **Policy Formulation and Executive Direction (\$208,296,000)** - Direction and policy formulation and coordination are provided by the Secretary, the Deputy Secretary, the Under Secretaries, Assistant Secretaries and other bureau heads, chiefs of diplomatic missions, and their immediate staffs. They are assisted by legislative affairs and public affairs staffs who help explain to the Congress and the American public the U.S. position on foreign policy issues and interests managed by the Department. As stated in the Reorganization Plan and Report, in FY 2000 the Bureau of Public Affairs will be augmented by what was previously USIA's foreign press center operations and Worldnet Interactive.
- **Diplomatic Relations (\$417,361,000 including \$416,351,000 from direct appropriations, \$1,000,000 from Defense Trade Control Registration Fees, and \$10,000 from Commercial Services Fees)** – A wide spectrum of activities are a part of American diplomacy. Some examples are described below.
 - In-depth knowledge and understanding of political and economic events in many nations are basic requirements of diplomacy. Achieving them requires quality reporting, analysis, and personal contact work at more than 250 missions abroad and by expert staffs in Washington.

STATE PROGRAMS

- Management of U.S. participation in arms control, non-proliferation, and disarmament negotiations and other verification and compliance activities.
 - International economic and trade diplomacy and in-country services to American businesses have become vital to the health of the American economy. The world continues to become more interrelated economically each year through initiatives such as the North American Free Trade Agreement (NAFTA), the General Agreement on Tariffs and Trade (GATT), and Asia Pacific Economic Cooperation (APEC).
 - Promoting human rights internationally, supporting emerging democracies and economic development, improving the global environment, and meeting humanitarian emergencies that destroy political and economic well-being and stability are in America's own longer-term interest.
 - There is a continuous need to keep abreast of scientific and technological developments abroad and to assist cooperatively some nations in these fields by aiding two-way exchanges of information and expert personnel.
- **Public Diplomacy (\$233,844,000).** Public diplomacy activities of the U.S. Government are intended to understand, inform, and influence foreign publics and broaden dialogue between American citizens and institutions and their counterparts abroad. In FY 2000, non-broadcasting public diplomacy activities, formerly carried out by the United States Information Agency, are being fully integrated into the Department of State pursuant to the Foreign Affairs Reform and Restructuring Act of 1998. Under that same Act, international broadcasting will become a separate, independent entity under the authority of the Broadcasting Board of Governors and the International Broadcasting Act of 1994. Public diplomacy, within the Department of State will continue to operate under the authority of the Smith-Mundt Act of 1948, as amended, and the Fulbright-Hays Act of 1961, as amended, among others.
- Public diplomacy, as described below, includes information and cultural programs carried out by overseas missions and supported by the Bureau of Information Programs and International Exchanges. This description excludes educational and cultural exchange programs which are described elsewhere in this document under a distinct appropriation.
 - In recent years, substantial changes have occurred in the way that governments conduct their business, enact policies, and make decisions. Fundamental to that change is the role played by public opinion. Even less democratic governments tend to operate with more of an eye to the public's reaction to their decisions. At the same time, the range of actors engaged in the development and formulation of policy has broadened considerably. Think tanks, non-governmental organizations, churches, and issue specific voluntary associations, among others, have dramatically increased their influence on the ways and means by which individual governments make policy. Especially in robust, developed democratic nations, the process of making policy is complex, frequently consultative, and responsive to public opinion.

STATE PROGRAMS

- To maintain its leadership in that changed international environment, the U.S. must augment and sustain a vigorous program of public diplomacy. Public diplomacy engages influential individuals and organizations from both inside and outside the orbit of government whose work affects the policy-making process. Public diplomacy uses tools such as American speakers, the Internet, Information Resource Centers, and interactive television, among others, to inform targeted foreign publics about U.S. policies and to influence the policy debate abroad. In almost every instance, the odds of achieving support for U.S. policy goals increases substantially when public diplomacy is an integral part of the nation's foreign affairs strategy.
 - Public diplomatists work at American embassies and consulates abroad, developing strategies to build understanding and support for the U.S., its policy objectives, and the values of the American people. Activities and programs are planned and implemented country by country, directed at audiences identified by institutional analyses of each country's political, economic, and societal influence structures, inside and outside of government.
 - Within the Department, public diplomacy staff craft information products and services for overseas missions and foreign publics. The current catalogue includes Websites; the Washington File, a daily electronic compilation of U.S. policies and actions; U.S. speakers and specialists; digital video conferences and teleconferences; electronic journals, published policies and materials on issues of importance to embassies abroad; and Information Resource Centers, places which provide reference and information support for U.S. missions worldwide.
 - In addition to the funding estimates described above, as authorized by section 810 of the United States Information and Educational Exchange Act, authority is requested for not to exceed \$6,000,000 to be credited to the Diplomatic and Consular Programs appropriation from fees and other payments received from English teaching, library, motion pictures, and publications programs, and from fees from educational advising and counseling, and exchange visitor programs.
- **Consular Relations (\$364,188,000 including \$151,602,000 from direct appropriations, \$206,014,000 from MRV Fees, \$6,500,000 from Diversity Lottery Fees, and \$72,000 from FBI Fingerprint Fees)** - People around the world are becoming increasingly mobile. International business, tourism, and permanent resettlement — both foreign and American — occurs more than ever before across national boundaries. Legal control of increased movements to and from the United States, and the security of our nation's borders, places a heavy demand on State Department operations.
- Non-immigrant visa requests from foreign tourists, students, business people, investors, and government officials require substantial effort at missions abroad. In FY 1999, the Department projects total workload of 7.5 million non-immigrant visa applications, including issuances and refusals.

STATE PROGRAMS

- Growing immigrant visa demands require even more effort to ensure enforcement of U.S. immigration laws. In FY 1999, the Department projects total workload as high as 500,000 immigrant visa applications, including issuances and refusals.
 - Routine and emergency assistance must be provided to American citizens in distress. In FY 1999, the Department projects that it will respond to 2 million citizen services requests worldwide.
 - American travelers and the U.S. travel industry need to be kept aware of dangerous situations abroad through Consular Information Sheets, Travel Warnings, and helpful tips to travelers through the Consular Affairs World Wide Web Site available at the Internet Web address: <http://travel.state.gov>.
 - Passport applications in the millions must be adjudicated, and passports issued or denied for U.S. citizens wanting to travel abroad. In FY 1999, the Department projects issuing a record number of 6.9 million passports.
 - The worldwide Border Security Program of \$316,715,000 includes programs within Consular Relations, Diplomatic Security/Law Enforcement Cooperation, Information Resource Management and Training required to secure the borders of the United States against travel here by terrorists, international criminals, or persons whose presence here would violate United States immigration law. Border Security plans include continuing to enhance and refresh the equipment and systems that support worldwide consular activities; continuing modernization of the hardware and software systems that support visa name checks; implementing the Border Crossing Card Program with Mexico; implementation of a photodigitized United States passport and modernizing passport processing; strengthening the cooperation between the consular and United States law enforcement and intelligence communities; and providing for the staff and operating costs of the Border Security Program. The Border Security Program requires dedicated funding from MRV fees.
- ❑ **Supporting Multilateral Diplomacy (\$38,761,000)** - The United States participates in international organizations because we have an interest in working with other nations to maintain stability, uphold laws, facilitate commerce, spur economic growth, maintain a healthy environment, address urgent humanitarian needs, and halt the spread of weapons of mass destruction. Organizations in which we play a leading role include the United Nations, regional bodies such as NATO and the Organization of American States, and a variety of more specialized and technical organizations. The Department monitors and participates in the organizations through both the headquarters staff and its missions to the larger organizations. The increasingly complex nature of world problems makes U.S. involvement in these multilateral organizations even more important to our future. This includes funding for State Department participation in international conferences.
- ❑ **Diplomatic Security/Law Enforcement Cooperation/Worldwide Security Upgrades (\$532,610,000 including \$517,018,000 from direct appropriations (\$263,018,000 for Diplomatic Security/Law Enforcement Cooperation and \$254,000,000 for Worldwide**

STATE PROGRAMS

Security Upgrades) and \$15,592,000 from MRV Fees) - These activities provide resources, allocated by application of risk management principles, necessary to meet security responsibilities, both foreign and domestic. Included in these activities are:

- protection of overseas U.S. government employees through local guards, residential security measures, and armored vehicles;
- protection of the Secretary and visiting or resident foreign dignitaries;
- counter-terrorism policy formulation, coordination, and research and development as well as investigations to detect passport, visa, and federal benefits fraud;
- management of security operations at missions;
- protection of information at headquarters through domestic guards and physical security equipment and measures;
- protection of information abroad through diplomatic couriers, electronic and security equipment, secure conference rooms, development and application of standards for information security, and security protection and inspection of construction property. (Since FY 1997, the Department of Defense has assumed funding responsibility for Marine security guard functions at U.S. Embassies and missions around the world.); and
- counterintelligence investigations, background security investigations, and evaluations.

The State Department is the lead agency in U.S. Government efforts to reduce the terrorist threat to Americans overseas. The tragic bombings in Africa highlight the volatile environment worldwide. As part of efforts to prevent terrorist attacks, the Department works closely with other governments to strengthen international counterterrorism cooperation; sends expert teams to augment U.S. embassies in crisis situations; and, identifies physical security vulnerabilities at our diplomatic missions. The security program enhancements funded by the FY 1999 Emergency Security Supplemental combined with the \$254,000,000 contained in this budget request for continuing this program of increased security will strengthen security and correct problems identified at our diplomatic facilities.

- ❑ **Information Resource Management (\$554,964,000 including \$410,955,000 from direct appropriations, \$94,009,000 from MRV Fees, and \$50,000,000 from Expedited Passport Fees) -** This program provides the resources for the effective and efficient creation, collection, processing, transmission, dissemination, storage, and disposition of information required for the formulation and execution of foreign policy and for the conduct of daily business including consular services. Requirements are driven by the information needs of the President, the Secretary of State, the Department, and its overseas missions, and approximately 100 other government organizations. This activity includes:
 - corporate information systems and services such as: core foreign affairs systems supporting the Secretary and her principal officers; consular systems for passport and visa issuance and reporting; financial systems; administrative systems for personnel and property; and information services provided by Departmental libraries and publishing, records, Freedom of Information Act, and historical offices;

STATE PROGRAMS

- infrastructure systems such as: the Diplomatic Telecommunications System; mainframe computer centers; Automated Data Processing, communication and message centers at headquarters and at missions abroad; mail and pouch services; and special communications support for the Secretary and the White House at meetings abroad; and
 - development of software and maintenance of hardware for classified and unclassified word processing, electronic mail, spreadsheets, graphics, and data base management.
- ❑ **Training Services (\$69,349,000 including \$68,249,000 from direct appropriations and \$1,100,000 from Machine Readable Visa fees)** - Professional development (including training) is a continuous process by which the Department ensures that its people — its most important asset — have the skills, experience and judgment to fulfill their functions at all levels. Investments in training are vital to a changing and streamlining organization. Training programs provide the language, area, information technology, consular, and other professional skills needed for the conduct of foreign relations. The Department's training program is the principal responsibility of the Foreign Service Institute, which has an innovative training strategy designed to support directly new and emerging policy and management priorities.
- ❑ **Medical Services (\$15,184,000)** - The Medical Program promotes the health of all under its care by encouraging prevention of illness and facilitating access to health care. This activity encompasses medical programs for the Department of State and the Foreign Service as well as other U.S. Government departments and agencies overseas. Approximately 31,000 employees and their eligible family members receive medical care at about 150 overseas health units overseas and in Washington, DC.
- ❑ **Rental Payments to GSA (\$108,833,000)** - GSA finances its real property management activities through user charges, set at commercially comparable rates, collected from agencies occupying GSA-controlled properties. This funding provides payment for domestic space occupied by the Department.
- ❑ **Overseas Program Support (\$420,561,000)** - This activity includes administrative activities at more than 250 posts abroad, such as overseas administrative support for over 100 U.S. Government organizations; personnel and financial management services; and short-term lease property management and building maintenance staff, shipping and customs clearance, and motor pool services. In FY 1998, the Department fully implemented the International Cooperative Administrative Support Services (ICASS) program.
- ❑ **Domestic Infrastructure and Program Support (\$264,747,000)** - This activity includes the infrastructure located in the United States that is dedicated to the administrative support of U.S. diplomatic activities and other U.S. Government agencies overseas, such as domestic personnel and financial management services; domestic building operations and routine maintenance; acquisition services; and other general administrative services.
- ❑ **Post Assignment Travel (\$73,371,000)** - Post Assignment Travel funds the cost of travel, transportation, and related items in connection with the appointment, transfer, and separation of the Department's American full-time permanent staff and their families. The

STATE PROGRAMS

Department's general tour of duty policy (with some exceptions) is three years at most overseas posts, and two years at posts with extreme hardship conditions.

On the following pages are a series of tables and graphs depicting the distribution by program activity of the FY 2000 requests for Diplomatic and Consular Programs and the Capital Investment Fund.

STATE PROGRAMS

(Diplomatic & Consular Programs, Capital Investment Fund,
Border Security Program and Other Fees)

Program Activities Summary

Funds				
Summary Statement				
<i>(dollars in thousands)</i>				
Activities	1998 Actual	1999 Estimate	2000 Request	1999/2000 Increase/ Decrease
Policy Formulation, Public Affairs and Executive Direction.....	\$177,461	\$186,405	\$208,296	\$21,891
Diplomatic Relations (e.g., Arms Control, Political and Economic Reporting, Trade Promotion, Global Environmental and Scientific Reporting).....	\$322,928	\$345,276	\$417,361	\$72,085
Public Diplomacy.....	\$0	\$0	\$233,844	\$233,844
Consular Relations (e.g., Passports, Visas, Services to American Citizens Overseas).....	\$327,128	\$347,187	\$364,188	\$17,001
Supporting Multilateral Diplomacy.....	\$33,156	\$36,932	\$38,761	\$1,829
Diplomatic Security/Law Enforcement Cooperation.....	\$278,389	\$263,077	\$278,610	\$15,533
Worldwide Security Upgrades.....	\$0	\$785,700	\$254,000	-\$531,700
Information Resource Management.....	\$490,414	\$579,871	\$554,964	-\$24,907
Training Services.....	\$53,524	\$52,406	\$69,349	\$16,943
Medical Services.....	\$15,719	\$15,723	\$15,184	-\$539
Rental Payments to GSA.....	\$75,282	\$85,092	\$108,833	\$23,741
Overseas Program Support.....	\$317,715	\$312,908	\$420,561	\$107,653
Domestic Infrastructure and Program Support.....	\$225,007	\$232,220	\$264,747	\$32,527
Post Assignment Travel.....	\$61,138	\$62,361	\$73,371	\$11,010
Subtotal	\$2,377,861	\$3,305,158	\$3,302,069	-\$3,089
ACDA S&E	\$42,716	\$41,500	\$0	-\$41,500
USIA IIP	\$450,220	\$455,246	\$0	-\$455,246
USIA Technology Fund	\$5,050	\$9,062	\$0	-\$9,062
Total	\$2,875,847	\$3,810,966	\$3,302,069	-\$508,897

Note: USIA IIP and Technology Fund appropriations are distributed as follows in FY 2000: \$418,194,000 to Diplomatic and Consular Programs (which is distributed among various activities in the above chart), \$33,236,000 to International Broadcasting Operations, \$1,246,000 to Educational and Cultural Exchanges, \$16,883,000 to Security and Maintenance of U.S. Missions, and \$1,400,000 to Representation Allowances for a total of \$470,959,000.

STATE PROGRAMS

(Diplomatic & Consular Programs, Capital Investment Fund,
Border Security Program and Other Fees)

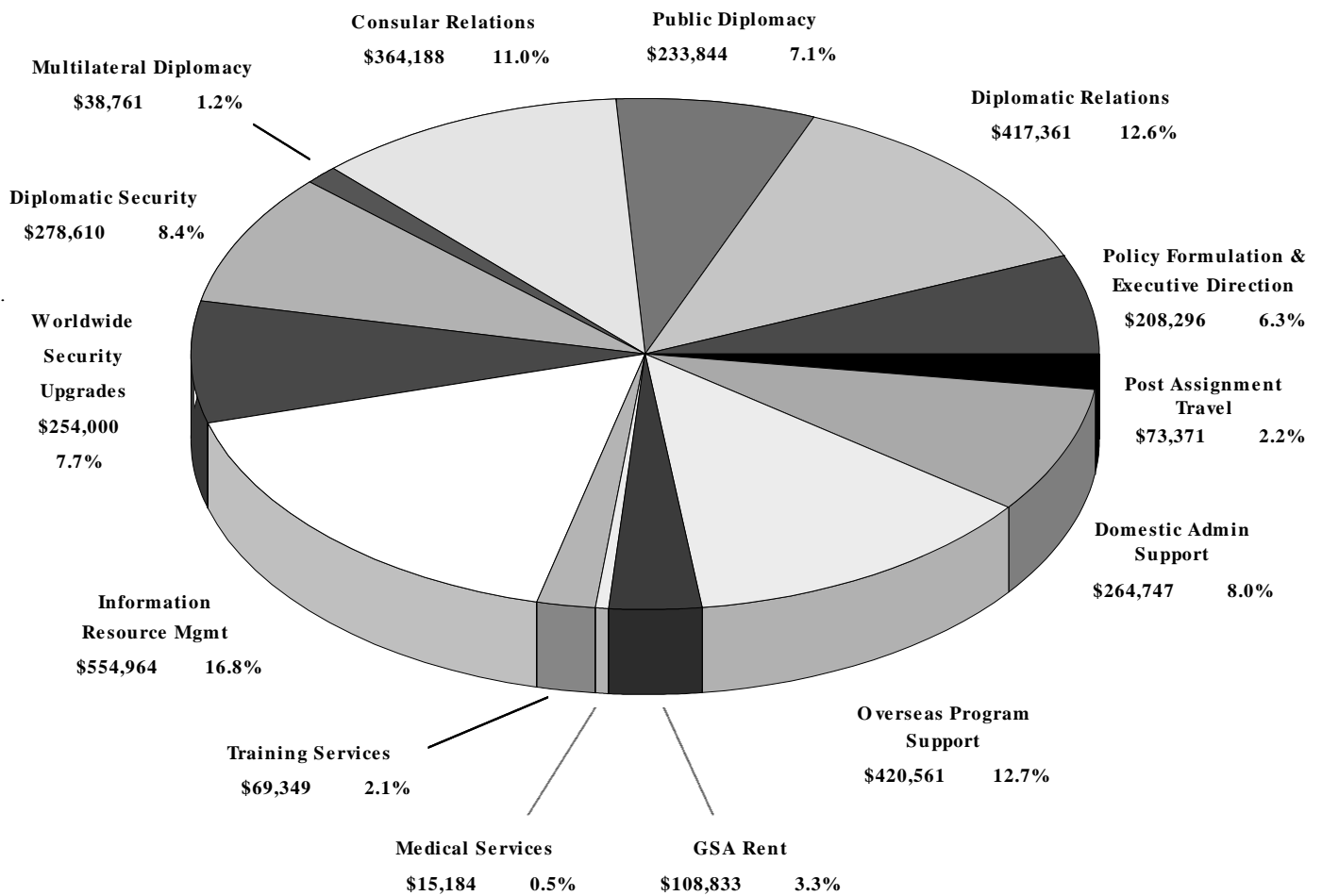
Program Activities Summary

Positions Summary Statement				
Activities	1998 Actual	1999 Estimate	2000 Request	1999/2000 Increase/ Decrease
Policy Formulation, Public Affairs and Executive Direction.....	1,632	1,652	1,730	78
Diplomatic Relations (e.g., Arms Control, Political and Economic Reporting, Trade Promotion, Global Environmental and Scientific Reporting).....	3,249	3,228	3,476	248
Public Diplomacy.....	0	0	2,579	2,579
Consular Relations (e.g., Passports, Visas, Services to American Citizens Overseas).....	3,528	3,637	3,699	62
Supporting Multilateral Diplomacy.....	317	317	317	0
Diplomatic Security/Law Enforcement Cooperation.....	1,453	1,440	1,477	37
Worldwide Security Upgrades.....	0	360	360	0
Information Resource Management.....	1,559	1,535	1,678	143
Training Services.....	479	475	535	60
Medical Services.....	51	49	49	0
Rental Payments to GSA.....	0	0	0	0
Overseas Program Support.....	78	75	521	446
Domestic Infrastructure and Program Support.....	1,628	1,605	1,870	265
Post Assignment Travel.....	0	0	0	0
Subtotal	13,974	14,373	18,291	3,918
ACDA S&E	227	227	0	-227
USIA IIP	3,642	3,642	0	-3,642
USIA Technology Fund	0	0	0	0
Total.....	17,843	18,242	18,291	49

FY 2000 State Programs Request

Program Activities Distribution

(dollars in thousands)



Total Request \$3,302,069

STATE PROGRAMS

(Diplomatic & Consular Programs, Worldwide Security Upgrades and Capital Investment Fund)

Highlights of Budget Changes

Summary Statement				
(dollars in thousands)				
	Diplomatic and Consular Programs	Worldwide Security Upgrades	Capital Investment Fund	Total, State Programs
FY 1999 Appropriation	1,644,300	785,700	80,000	2,510,000
Salaries and Expenses Appropriation	354,187	-	-	354,187
International Information Programs -- USIA Appropriation	455,246	-	-	455,246
Arms Control and Disarmament Agency Appropriation	41,500	-	-	41,500
Technology Fund - Y2K Emergency Fund Transfer	9,062	-	-	9,062
Capital Investment Fund -- Y2K Emergency Fund Transfer	-	-	57,890	57,890
Current Estimate	2,504,295	785,700	137,890	3,427,885
Reorganization Transfers				
Transfer to International Broadcasting Operations	(33,236)	-	-	(33,236)
Transfer to Educational and Cultural Exchanges	(1,246)	-	-	(1,246)
Transfer to Security and Maintenance of U.S. Missions	(16,883)	-	-	(16,883)
Transfer to Representation	(1,400)	-	-	(1,400)
Transfer from International Broadcasting Operations	86	-	-	86
Reorganization Adjustments	(52,679)	-	-	(52,679)
Adjusted Current Estimate	2,451,616	785,700	137,890	3,375,206
Decreases				
Base Adjustments - Decreases				
Washington Conference on Holocaust Assets	(500)	-	-	(500)
NATO 50th Anniversary Summit	(2,000)	-	-	(2,000)
Bonn to Berlin/Frankfurt Move	(3,700)	-	-	(3,700)
1998 ITU Plenipotentiary Conference	(500)	-	-	(500)
Net Non-Recurring 1999 USIA Costs/Program Reductions	(4,529)	-	-	(4,529)
Worldwide Security Upgrades	-	(531,700)	-	(531,700)
Y2K Emergency Fund -- State and USIA	(7,062)	-	(57,890)	(64,952)
Multilateral High Level Conference (Western-Pacific Fishing Fleets)	(500)	-	-	(500)
Subtotal, Base Adjustments	(18,791)	(531,700)	(57,890)	(608,381)
Increases				
Annualization of 1999 Requirements				
American Hiring Annualization/Within-Grades	18,326	-	-	18,326
FY 1999 American Cost of Living Adjustment	8,532	-	-	8,532
Subtotal, Annualization	26,858	-	-	26,858
Anticipated 2000 Wage Requirements				
American Cost of Living Adjustment	33,779	-	-	33,779
FSN Wage	17,111	-	-	17,111
Subtotal, Wage	50,890	-	-	50,890
Anticipated 2000 Price Requirements				
Overseas Price	17,710	-	-	17,710
Domestic Price	10,661	-	-	10,661
GSA Rental Increases	8,393	-	-	8,393
Local Guard Program	3,290	-	-	3,290
Worker's Compensation	188	-	-	188
Subtotal, Price	40,242	-	-	40,242
Total Increases	117,990	-	-	117,990
Net Total, Built-in Changes	99,199	(531,700)	(57,890)	(490,391)
FY 2000 Current Services	2,550,815	254,000	80,000	2,884,815

STATE PROGRAMS

(Diplomatic & Consular Programs, Worldwide Security Upgrades and Capital Investment Fund)

Highlights of Budget Changes

Summary Statement (dollars in thousands)

	Diplomatic and Consular Programs	Worldwide Security Upgrades	Capital Investment Fund	Total, State Programs
Program Changes				
Chemical Weapons Convention -- Second Laboratory	5,000	-	-	5,000
Arms Control, Non-Proliferation and Disarmament External Research	400	-	-	400
Consequence Management Program	2,157	-	-	2,157
Export Promotion	3,000	-	-	3,000
World Trade Organization (WTO) Conference	2,000	-	-	2,000
Project on American Engagement Abroad	1,000	-	-	1,000
China 2000	1,600	-	-	1,600
Capital Investment Fund - Information Systems Upgrades	-	-	10,000	10,000
Increased Corporate Telecommunications Capacity Requirements	10,000	-	-	10,000
Military Postal Service Agency Reimbursement	5,400	-	-	5,400
Defense Security Service Investigations - Contractor Workforce	1,000	-	-	1,000
Treasury Law Enforcement Training	400	-	-	400
Hispanic and Minority Recruitment	1,000	-	-	1,000
Total, Program Changes	32,957	-	10,000	42,957
Total FY 2000 Request	2,583,772	254,000	90,000	2,927,772
<i>Net Increase/(Decrease) Current Estimate</i>	<i>79,477</i>	<i>(531,700)</i>	<i>(47,890)</i>	<i>(500,113)</i>
<i>Percent</i>	<i>3.2%</i>	<i>-67.7%</i>	<i>-34.7%</i>	<i>-14.6%</i>
<i>Net Increase/(Decrease) Adjusted Current Estimate</i>	<i>132,156</i>	<i>(531,700)</i>	<i>(47,890)</i>	<i>(447,434)</i>
<i>Percent</i>	<i>5.3%</i>	<i>-67.7%</i>	<i>-34.7%</i>	<i>-13.1%</i>

STATE PROGRAMS

Explanation of Current Estimate

The FY 1999 current estimate for State Programs appropriations of \$3,427,885,000 consists of the following amounts:

- ❑ \$1,644,300,000 appropriated for Diplomatic and Consular Programs.
- ❑ \$354,187,000 appropriated for Salaries and Expenses.
- ❑ \$455,246,000 appropriated to the United States Information Agency for International Information Programs (IIP).
- ❑ \$41,500,000 appropriated to the Arms Control and Disarmament Agency for Salaries and Expenses.
- ❑ \$9,062,000 including \$7,062,000 transferred from the Information Technology Systems and Related Expenses account appropriated to the President to the USIA Technology Fund for Year 2000 compliance in accordance with Public Law 105-277 and \$2,000,000 proposed to be transferred to the USIA Technology Fund from the Educational and Cultural Exchanges appropriation.
- ❑ \$785,700,000 appropriated as emergency appropriations in response to the bombings in Nairobi and Dar Es Salaam and for security improvements including \$773,700,000 for Diplomatic and Consular Programs and \$12,000,000 for Salaries and Expenses.
- ❑ \$80,000,000 appropriated for the Capital Investment Fund and \$57,890,000 from the Information Technology Systems and Related Expenses account appropriated to the President transferred to the Department of State Capital Investment Fund for Year 2000 compliance in accordance with Public Law 105-277.

Explanation of Adjusted Current Estimate

The adjusted current estimate of \$3,375,206,000 reflects reorganization transfers of \$52,679,000 from the USIA IIP amount to other appropriations including International Broadcasting Operations (-\$33,236,000); Educational and Cultural Exchanges (\$1,246,000); Security and Maintenance of U.S. Missions (\$16,883,000); and Representation (\$1,400,000). In addition, the adjusted current estimate reflects a transfer-in of \$86,000 during FY 1999 to the USIA IIP.

Explanation Of 2000 Built-In Changes - Decreases

Decreases (non-recurring costs and adjustments) in the Department of State Programs appropriations component are \$608,381,000 as follows:

- ❑ **Washington Conference on Holocaust Assets: -\$500,000.** This amount represents the reduction for funding provided in FY 1999 to fund the Washington Conference on Holocaust Assets held from November 30-December 3, 1998 as a follow-on to the London Nazi Gold Conference held in December, 1997.

STATE PROGRAMS

- ❑ **NATO 50th Anniversary Summit: -\$2,000,000.** This amount represents the estimated cost to the Department of State (\$2,000,000) to host the North Atlantic Treaty Organization (NATO) Summit scheduled for April 23-25, 1999 in Washington, D.C. The Summit will celebrate the 50th anniversary of the signature of the Washington Treaty that established the Alliance and will mark the formal accession of Poland, Hungary and the Czech Republic into NATO.
- ❑ **Bonn to Berlin/Frankfurt Move: -\$3,700,000.** FY 2000 is the final year of a five-year plan to relocate the Embassy in Germany to the new capital. The Government of Germany is expected to have announced the official change of the seat of government by the end of 1999. The relocation of a full Embassy to the new capital of Germany is one of the most important infrastructure requirements for the Department in FY 1999-2000.
- ❑ **1998 International Telecommunications Union Plenipotentiary Conference: -\$500,000.** This amount represents the decrease in Department of State funding for the ITU Plenipotentiary which is being held in early FY 1999. Funding to support this conference was shared by the Departments of State and Commerce.
- ❑ **One-Time 1999 USIA Costs/Program Reductions: -\$4,529,000.** Decreases in the International Information Programs account total \$4,529,000 including non-recurring costs related to coverage of the 50th Anniversary of NATO (\$2,000,000) and the 1999 Junior Officer Training class (\$1,057,000); annualization of 1999 program reductions (\$635,000); one-time start-up costs related to the 1999 expansion of the United States Information Service 2000 VSAT network (\$300,000) and 1999 overseas installation of a new e-mail system (\$537,000).
- ❑ **Worldwide Security Upgrades: -\$531,700,000.** This amount represents the difference between the \$785,700,000 provided by the FY 1999 Emergency Security Supplemental for security improvements and to respond to the tragic bombings in Africa and baseline funding amount of \$254,000,000 required to sustain these security improvements in FY 2000. Specific programmatic justification of funding levels is provided in the Worldwide Security Upgrades section.
- ❑ **Y2K Emergency Fund – State Capital Investment Fund and USIA Technology Fund: - \$64,952,000.** This amount represents the funding provided in FY 1999 for Y2K computer fixes from emergency supplemental funding transferred from the Information Technology Systems and Related Expenses account appropriated to the President to the State Department Capital Investment Fund (\$57,890,000) and the USIA Technology Fund (\$7,062,000).
- ❑ **Multilateral High Level Conference: -\$500,000:** This amount represents the decrease in Department of State funding required in FY 1999 to host the 1999 meeting of the Multilateral High Level Conference developed to regulate fishing fleets operating in the Western-Central Pacific.

STATE PROGRAMS

Explanation Of 2000 Built-In Changes - Increases

The total increase for FY 2000 built-in changes is \$117,990,000. This amount provides for the base adjustments detailed below as well as for an overall 4 percent inflation increase — including a 2.1 percent increase for domestic inflation and an average of 4 percent inflation increase overseas. The FY 2000 request reflects the proposed 4.4 percent American pay increase and FSN wage increases consistent with slightly higher anticipated rates of overseas inflation. The breakdown of the total increase is as follows:

- ❑ **Annualization of 1999 Requirements: \$26,858,000** reflects the full-year cost of the following:
 - American Within-Grade/Annualization of 1999 Hiring Increases: \$18,326,000. After allowing for grade-to-grade promotions and the savings resulting from personnel turnover, this amount represents the periodic within-grade salary increases for Americans and the additional cost in FY 2000 from FY 1999 hiring increases. This amount also includes funding for increased benefits costs generated when separating employees covered by the “old” Civil Service Retirement System are replaced by employees covered under the “new” Federal Employees Retirement System, which requires a higher agency contribution.;
 - 1999 American Salaries and Benefits: \$8,532,000. Additional funding is required to annualize the FY 2000 cost of the FY 1999 American Pay Raise.
- ❑ **Anticipated 2000 Wage Requirements: \$50,890,000** is required for the following anticipated wage increases during FY 2000:
 - American Cost-of-Living Adjustment: \$33,779,000. This amount reflects an anticipated 4.4 percent cost-of-living increase in FY 2000.
 - FSN Wage: \$17,111,000. This increase includes FSN salary adjustments, consistent with local prevailing wage rates, needed to keep the Department competitive with other foreign countries’ embassies and private firms in order to retain competent staff and to comply with local law, as required.
- ❑ **Anticipated 2000 Price Requirements: \$40,242,000** is required for the following anticipated price increases during FY 2000:
 - Overseas Price: \$17,710,000. This amount will fund an estimated average 4 percent increase in overseas utilities, supplies, and contractual services. Overseas inflation rates are generally higher than experienced in the United States because our posts purchase a relatively large proportion of items and services prone to greater price increases such as utilities, communications, security, and information services and equipment.
 - Domestic Price: \$10,661,000. This amount will fund an estimated 2.1 percent increase in domestic inflation of such items as:
 - GPO and other printing services;
 - Travel and per diem costs;

STATE PROGRAMS

- Transportation of equipment and other items;
 - Rents, communications, and utilities;
 - Leasing, service, and maintenance costs primarily in the Department's information management programs and hospitalization expenses and workers' compensation payments;
 - Supplies and materials; and
 - Equipment purchases.
- GSA Rental Payment: \$8,393,000. This increase results from estimated increases in rental rates for buildings occupied by the Department including \$2,823,000 for increased rental payments for buildings previously funded by USIA appropriations.
 - Local Guard Program: \$3,290,000. This amount represents the wage and price increases required to maintain the Department's numerous contracts for local guard services at overseas posts.
 - Worker's Compensation: \$188,000. Funding is required to support the increase in the Department's FY 2000 charge from the Department of Labor for Worker's Compensation payments.

Explanation Of 2000 Program Changes

Our FY 2000 request includes \$42,957,000 for high priority foreign policy initiatives and infrastructure investments that are critical to maintaining and improving diplomatic readiness.

- **Chemical Weapons Convention – Second Laboratory: \$5,000,000.** In compliance with recent U.S. Senate Resolution of Ratification of the Chemical Weapons Convention and the terms of the Convention, the U.S. is required to designate at least two laboratories for off-site sampling analysis in accordance with treaty obligations. The requested amount is necessary to fund the cost of the second laboratory, recognizing that the Army Materiel Command Treaty Laboratory has been designated as the first laboratory and is funded by the Department of Defense.
- **Arms Control, Non-Proliferation and Disarmament External Research: \$400,000.** Research and analysis are required to define the policy impact of key program decisions as well as to provide background information to help shape policy decisions in the arms control arena. This increase in funding recognizes the new post-Cold War complexity of arms control, nonproliferation and disarmament and the ever-increasing requirement to address critical issues regarding the Biological Weapons Convention, Chemical Weapons Convention, Comprehensive Test Ban Treaty, Non-Proliferation of Nuclear Weapons Treaty (NPT), Fissile Material Cutoff Treaty (FMCT), Strategic Arms Reduction Treaty (START II), and other arms control initiatives.
- **Consequence Management Program: \$2,157,000.** The Department requires increased funding to continue its chemical biological radiological and nuclear (CBRN) consequence management program (CMP). The CBRN protection program is one aspect of the CMP. The program responds to increased CBRN threats worldwide to our facilities. The

STATE PROGRAMS

requested funding will allow the Department to retain the minimum capability to deploy a small training team to a few selected posts for training. Additionally, this funding will include the development of international training programs designed to enhance host nations capability to respond unilaterally to their own emergency or be a responder to other nations in need. This funding would support training and exercise development for consequence management. Finally, this funding would support the consequence management response teams deployable requirements. Required by Presidential Decision Directives (PDD) 39 and PDD-56, the Department must have a deployable CM rapid response team standing ready to assist embassies that have been contaminated by a CBRN event. The team brings technical response skills and is self-sustaining with sophisticated and state-of-the-art communications and CBRN protective gear.

- **Export Promotion: \$3,000,000.** The promotion of U.S. business products, services and practices overseas constitute a principal goal of the Department of State. The State Department has undertaken concrete measures to integrate commercial advocacy into post-Cold War U.S. foreign policy. Working with federal and local governmental agencies to advance American business interests abroad and contribute to job creation at home, the State Department now proposes to upgrade and expand its market development activities in the 95 less-developed countries where other governmental agencies involved in trade promotion do not have a permanent presence and State is responsible for business promotion.

The Market Development Pilot Program (MDPP) is designed to increase U.S. trade with untapped markets, maximize the effective use of established United States Government resources, and encourage more public-private cooperation in emerging economies. Many countries in Africa, Asia, Eastern Europe and Latin America with smaller, less developed markets, have historically been neglected because their level of commerce with the United States is low. Current U.S. trade with these countries is about \$45 billion, with a trade deficit of \$6 billion. These countries have total population of 800 million and offer significant potential for new markets, trade and investment. Development of these markets for American exports and improvement of the countries themselves is in the U.S. national economic and political interest. Not only will American business and workers benefit, but increased commercial ties and prosperity will help to strengthen democracy and world stability.

The \$3,000,000 requested will support the Market Development Pilot Program (MDPP) which will enhance commercial promotion activities in several key developing economies by:

- Creating business centers to develop, identify and promote business opportunities for American business in 15 high potential countries where there now is no permanent Department of Commerce presence;
- Expanding market development activities at other selected small posts;
- Connecting new business centers and Embassies in less-developed countries to the communications networks of the Department of Commerce and other USG agencies;

STATE PROGRAMS

- Building partnerships with private sector organizations and U.S. and local firms, particularly small and medium-sized enterprises, to leverage the resources of private industry and accelerate market development initiatives in the host country; and
 - Promoting ethical business practices and democratic values within the host country.
- **World Trade Organization (WTO) Conference: \$2,000,000.** While attending the World Trade Organization (WTO) meeting in Geneva in May 1998, President Clinton invited the organization to host its third Ministerial Meeting in the United States. The dates have been projected for November 29 – December 3, 1999. This meeting is key to the President's international economic policy because it will launch the next major round of trade negotiations that will set the rules for the international trading system into the 21st century. In coordination with the United States Trade Representative and other U.S. Government agencies, the Department of State will face increased expenses to host and chair the Ministerial Meeting. Increased costs include providing conference resources and various administrative costs.
- **Project on American Engagement Abroad: \$1,000,000.** The Project on American Engagement Abroad seeks to increase public awareness about the vital national interests served by American engagement abroad. The project will help community and civic leaders examine local challenges in the broader context of international affairs. This project reflects the Department's commitment to fulfilling the letter and the intent of the Government Performance and Results Act (GPRA) which requires federal agencies to consult with stakeholders in developing strategic plans and annual performance plans. The project will sharpen the focus of national, state and local leaders on a broad range of policy issues. Increased funding will provide for seminars, conferences, town meetings, and public outreach efforts organized in cooperation with a diverse group of stakeholders and civic organizations. Project organizers will produce Public Service Announcements (PSAs) and coordinate outreach efforts targeting colleges and universities; high schools; religious institutions; women's organizations; minority serving institutions; business, professional and trade associations; national and local media organizations; and non-governmental organizations.
- **China 2000: \$1,600,000.** China 2000 is one of the Department's highest priorities. It is a long-term strategy to put in place a platform capable of supporting the U.S. - China bilateral relationship as it grows into the new century. Upgrades are planned for staffing, Chinese language training, facilities and information management infrastructure at the U.S. Mission in China. China 2000's major component is a multi-year construction program, undertaken by the Office of Foreign Building Operations, to provide a new chancery in Beijing and other necessary facilities throughout the mission. The FY 2000 D&CP request will fund new non-facilities initiatives while maintaining programs begun in FYs 1998 and 1999. China 2000's new and continuing non-facilities initiatives include supporting newly assigned American direct-hire positions; several innovative programs for in-country language training; augmented local-hire staffing and training programs; increased field travel within China for reporting/representation, American citizen services

STATE PROGRAMS

and administrative support; enhanced classified and unclassified information systems throughout the mission; better maintenance of classified office space and equipment; improved security access control; and upgrades of medical unit equipment and systems.

- **Capital Investment Fund – Information Systems Upgrades: \$10,000,000.** The Department requires an increase of \$10,000,000 within the Capital Investment Fund to continue with the Department's Information Technology modernization program. This funding is justified in the IRM Central Fund section of this document.
- **Increased Corporate Telecommunications Capacity Requirements: \$10,000,000.** The Department has completed a comprehensive analysis of anticipated Department corporate bandwidth requirements and costs to support data requirements for overseas corporate applications. The growth in bandwidth needs is related to classified and unclassified e-mail and growing enterprise-wide network management requirements. This funding increase is essential to providing adequate telecommunications capacity for worldwide communications requirements for the Department's missions.
- **Military Postal Service Agency Reimbursement: \$5,400,000.** The Department of State receives postal services from the Military Postal Service Agency permitting State Department personnel at over 130 posts to receive and send mail to Military Post Offices (MPOs) which are either Army/Air Force Post Offices (APOs) or Fleet Post Offices (FPOs). Responding to Department of Defense Inspector General recommendations to fully recover the costs of postal services from customers, the Military Postal Service Agency has changed its method of calculating the cost of services from a population-based to a weight-based methodology. This new charge-back methodology would more than triple the cost of these services to the Department of State. In FY 2000, the Department of State will budget for these increased costs requiring an increase of \$5,400,000.
- **Defense Security Service Investigations – Contractor Workforce: \$1,000,000.** Executive Order 12829 – National Industrial Security Program designated the Secretary of Defense, as the Federal focal point to inspect and monitor contractors, licensees, and grantees which require or will require access to, or who store or will store classified information. The Department of Defense will require requesting agencies to pay for the investigation of these potential employees. The amount will allow the Department of State to reimburse the Defense Security Service for the investigation of approximately 500 State Department contractors annually at a cost of \$2,000 per case.
- **Treasury Law Enforcement Training: \$400,000.** The Department of the Treasury's Federal Law Enforcement Training Center will be implementing a new cost reimbursement system in FY 2000 to recover the cost of training services provided. The Department of State estimates that increased funding of \$400,000 will be required to reimburse the Department of Treasury for the cost of FLETC services provided State Department law enforcement professionals.
- **Hispanic and Minority Recruitment: \$1,000,000.** The Department will continue to engage in a program to enhance the recruitment of qualified minorities, including Hispanic

STATE PROGRAMS

and African Americans. The increased funding will build on the Department's Strategic Recruitment Plan including:

- targeting recruitment at colleges and universities where there is a high faculty and student interest in the Foreign Service, and a history of minority success on the Foreign Service Written Examination;
- continuing student employment programs involving students from high school through graduate school in the Student Intern, Cooperative Education, Stay-In-School, Fасcell Fellowship, Foreign Affairs Fellowship, Summer Clerical Program and the Presidential Management Intern Program;
- targeting minority professional organizations as part of the recruitment efforts; and
- assigning Diplomats-in-Residence at targeted schools with high minority student populations.

STATE PROGRAMS

WORLDWIDE SECURITY UPGRADES

(Dollars in thousands)

Appropriation/Fund	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Diplomatic and Consular Programs	\$0	\$773,700	\$254,000	-\$519,700
Salaries and Expenses	0	12,000	0	-12,000
Total, Appropriations	\$0	\$785,700	\$254,000	-\$531,700

On August 7, 1998 terrorist bombs exploded near our Embassies in Nairobi and Dar es Salaam, killing 220 persons and injuring more than 4,000 – many of whom were simply bystanders. Among the dead were 12 Americans and 40 Kenyan and Tanzanian U.S Embassy employees and family members. These tragic bombings in Nairobi and Dar es Salaam demonstrate that terrorists are capable of targeting our most vulnerable locations. The Department of State requested and received \$1.4 billion in emergency security supplemental funding in FY 1999 to meet the immediate need to get Nairobi and Dar es Salaam back in operation; to make immediate security upgrades necessary on a worldwide basis; to meet the immediate humanitarian needs of our employees and foreign nationals; and to bring our facilities worldwide to a strengthened security posture, including relocation of those posts in imminent danger.

The Accountability Review Boards' investigation of these incidents concluded that the Department "must undertake a comprehensive and long-term strategy for protecting American officials overseas, including sustained funding for enhanced security measures, for long-term costs for increased personnel, and for a capital building program on an assessment of requirements to meet the new range of global terrorist threats." The FY 2000 budget includes a request of \$254,000,000 in the Diplomatic and Consular Programs Appropriation for recurring costs of the Emergency Supplemental. These resources will continue a range of worldwide programs to lower vulnerability and upgrade defensive countermeasures to harden our embassies. This money does not address the larger resource issues of the ARB report. As the FY 1999 Emergency Security Supplemental is implemented into FY 2000, there will be some additional recurring costs in FY 2001. The FY 2000 requirements include numerous programs:

STATE PROGRAMS

Worldwide Security Upgrades Summary

(dollars in thousands)

	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
Immediate Needs			
Embassies in Kenya and Tanzania	\$0	\$27,500	\$0
Immediate Security Measures Protection	0	19,000	0
Review Panel	0	3,000	0
Counter-Terrorism Funds	0	25,700	0
Worldwide Security Upgrades			
Local Guards	0	186,054	170,615
Physical Security Equipment	0	169,353	6,158
Physical Security Technical Support	0	65,916	25,240
Armored Vehicles	0	101,209	10,121
Personnel /Training	0	64,815	41,408
Wireless Communications	0	123,153	458
Total	\$0	\$785,700	\$254,000

In response to the bombings in Nairobi and Dar es Salaam, the Department undertook immediate steps to “stand-up” operations in Nairobi, Kenya and Dar es Salaam, Tanzania and to ensure the security of our facilities and employees worldwide with immediate revalidation of security assessments. In addition, the Department is requesting that the funding provided since FY 1997 for counter-terrorism and anti-terrorism security requirements continue to be appropriated in FY 2000. The recurring costs for the immediate needs and continuing Counter-Terrorism needs have been incorporated into the recurring costs for the ongoing programs discussed below. The FY 2000 request for these ongoing programs will allow the Department to continue to meet the high and critical threat needs at posts for local guards, residential security, fully armored and lightly armored vehicles, mobile security teams, electronic security (maintenance), countermeasures, security engineering support, and security officer training/recruitment/support.

Worldwide Security Upgrades

The Department needs to correct the significant protection of life problems identified at our diplomatic facilities. Roughly eighty percent of our posts are in the low- and medium-threat categories. The Department must devote substantial greater attention to posts in these two categories to lessen their vulnerability. The following items are key elements to an overall strategy to upgrade our worldwide security posture:

- ❑ **Guard Security Services: \$170,615,000.** With the \$186,054,000 provided in the FY 1999 Emergency Security Supplemental for the local guard program, the Department of State made inspection of all vehicles entering all U.S. diplomatic facilities abroad mandatory. This

STATE PROGRAMS

mandate has now been extended to include all posts. In addition, new local guard teams were established with responsibility for identifying and reporting suspected surveillance of U.S. facilities and personnel, suspicious activity of individuals or vehicles, and suspicious deliveries and packages. These perimeter guards are responsible for (but not limited to) assisting with perimeter security, conducting outer perimeter sweeps, facilitating public traffic flow near U.S. facilities, and performing vehicular and pedestrian checks. The funding request of \$170,615,000 will allow the Department to continue to fund the recurring costs of this program in FY 2000.

- **Physical Security Equipment: \$6,158,000.** The FY 1999 Emergency Security Supplemental provided \$169,353,000 for physical security equipment which will allow the Department to strengthen and upgrade its public access controls and to avoid catastrophic failure of security equipment that has reached life expectancy. The \$6,158,000 requested in FY 2000 will allow the Department to meet the recurring costs of the programs listed below:
 - Upgraded equipment (magnetic locks, electronic door control systems, etc.) which allow a Marine or other security guard to control people and vehicle access in a State facility by overriding all perimeter security systems operated by local nationals.
 - Bomb detection systems at posts worldwide and portable trace detectors where appropriate.
 - New walk-through metal detectors and new wide-ranging X-ray equipment.
 - Closed circuit cameras that operate at night and time lapse VCRs which will provide evidence of a security incident.
 - Additional residential security safeguards such as alarms, door upgrades, and shatter-resistant window film or other laminate materials designed to reduce flying glass resulting from an explosion.
 - Basic protective equipment such as body armor and specialized weapons for DS security agents and emergency support in the form of FAST kits for our Marine Security Guards.
- **Physical Security Technical Equipment: \$25,240,000.** The FY 1999 Emergency Security Supplemental also provided \$65,916,000 for physical security technical equipment that complements the physical security equipment. The \$25,240,000 requested in FY 2000 will allow the Department to meet recurring costs of the physical security technical programs indicated below:
 - Maintaining the centralized database of post profiles and other security survey data from all posts to track outstanding security projects and provide a quick reference of needed upgrades should the security situation change in a country.
 - Protecting and monitoring of computer systems at high and critical threat posts to prevent technical penetration.

STATE PROGRAMS

- Strengthening efforts by the Department's Overseas Security Advisory Council (OSAC) to ensure a more timely and effective flow of security information to the American private sector.
 - Continuing development of technical security infrastructure overseas which will maintain new security equipment installed by security engineers and an additional 50 SeaBees as well as maintaining support for diplomatic couriers who will continue to deliver this equipment and replacement parts.
- **Armored Vehicles: \$10,121,000.** The FY 1999 Emergency Security Supplemental provided \$101,209,000 for the Department's armored vehicle program. Due to the heightened worldwide threat, it is imperative that each chief of mission or principal officer be provided with a fully armored vehicle. Prior to the Dar Es Salaam and Nairobi bombings, there were 50 fully armored vehicles at critical- and high-threat posts. The emergency security supplemental will allow the Department to provide fully armored vehicles at all low- and medium-threat posts. In addition, to further protect overseas personnel, lightly armored vehicles will be provided for the transportation of personnel during business hours at low and medium threat posts and for Construction Site Security Managers. The requested amount of \$10,121,000 will allow the Department to maintain this program in FY 2000.
- **Personnel/Training: \$41,408,000.** Direct hire U.S. Government employees are the backbone for upgrading the Department's worldwide security capability. With the \$64,815,000 million provided for personnel from the FY 1999 Emergency Security Supplemental, the Department will increase the number of security and support personnel as well as train them to respond to increased threat levels and to have sufficient human capacity to implement and maintain the continuing worldwide security upgrades. Specifically, the security supplemental will provide 200 agents, 34 security technicians, 17 security engineers, 20 diplomatic couriers, 20 Office Management Specialists, 46 civil service support positions, 7 procurement positions, and 16 radio technicians.
- The training element will include Crisis Management Training (CMTs) at 101 posts in FY 1999 and 101 posts in FY 2000. This program provides overseas crisis management training to Emergency Action Committees (EACs) and allows them to validate Emergency Action Plans (EAPs) through post-specific exercises (duck-and-cover practice drills).
- The requested amount of \$41,408,000 in FY 2000 is required to provide ongoing salary, training and support costs for the direct hire U.S. Government employees brought on-board by the FY 1999 Emergency Security Supplemental. This increase in the number of security and support personnel must be sustained to respond adequately to increased threat levels and to have sufficient human capacity to implement and maintain the security enhancements funded by the supplemental. These amounts will also fund the cost of Law Enforcement Availability Pay (LEAP) implemented within the Department as provided by Public Law 105-277.
- **Wireless Communications: \$458,000.** The FY 1999 Emergency Security Supplemental funding contained \$123,153,000 for the Department's overseas wireless program to provide adequate numbers of handheld emergency and evacuation radios, pagers, cell phones, etc., replace outdated equipment currently in use at posts, and provide adequate broadcast

STATE PROGRAMS

coverage for wireless networks at Department missions including communications equipment used by the local guard program. These resources will allow local guards and embassy drivers to be outfitted with secure and reliable hardware that is integrated with wireless networks at posts. The requested amount of \$458,000 will provide for the recurring costs of the radio program in FY 2000.

STATE PROGRAMS

IRM Central Fund (dollars in thousands)

Appropriation/Fund	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request	Increase or Decrease
Capital Investment Fund	86,569	137,890	90,000	-47,890
IRM Investment/Expedited Passport Fees *	30,705	62,673	50,000	-12,673
Capital Investment Fund Carryforward *	0	942	0	-942
Total, IRM Central Fund	\$117,274	\$201,505	\$140,000	-\$61,505

* Amounts reflect unobligated carryforward balances for FY 1998 and FY 1999.

The Department is fully engaged in a concerted and coordinated strategic effort to modernize its worldwide information technology (IT) infrastructure. This long term effort is intended to achieve a level of diplomatic readiness capable of successfully dealing with the variety of challenges the Department faces in conducting foreign affairs in more than 150 countries. The Department's IRM funding request will continue the modernization of the Department's IT base by supporting the following key goals:

- Successfully transition the Department for the Year 2000.
- Effectively secure the Department's worldwide IT and physical resources.
- Create a state-of-the art, cost-effective global network that maximizes access to worldwide information.

The Department's IT modernization initiative continues to demonstrate substantial success. FY 1998 accomplishments include: ongoing management improvements including the creation of the Information Resources Management (IRM) Bureau, headed by a Chief Information Officer; considerable progress toward Year 2000 compliance; strengthened project management oversight and review; nearly complete ALMA (A Logical Modernization Approach) deployment; support to Consular and other administrative applications; and modernized communications capabilities.

The Department is pursuing IT modernization in accordance with its long-term vision as set forth in the IRM Strategic and Performance Management Plan. Major IRM initiatives and projects planned by the Department in support of this strategic plan are described in the IRM Tactical Plan. The Department requests the Capital Investment Fund at \$90,000,000 and, when combined with \$50,000,000 in Expedited Passport Fee collections, will provide for an IRM Central Fund of \$140,000,000 in FY 2000 to support the following initiatives:

STATE PROGRAMS

IRM Central Fund

(dollars in thousands)

Program Initiatives	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
Technology Infrastructure	\$82,426	\$124,564	\$92,243
Year 2000 Compliance (including Desktop Replacement)	3,388	31,624	10,225
Post Modernization Through ALMA (Unclassified and Classified)	54,310	17,877	22,455
Overseas Infrastructure	4,600	10,012	7,459
Centrally Managed Infrastructure	16,545	58,598	44,763
Messaging	3,583	6,453	7,341
Diplomatic Telecommunications Service Enhancements	0	18,340	18,000
Applications and Software Development	26,698	37,743	21,832
Project Management and Training	8,150	5,492	7,925
Passport Services	0	15,366	0
Total, IRM Central Fund	\$117,274	\$201,505	\$140,000

- ❑ **Technology Infrastructure: \$92,243,000.** During the past several years the Department has made major strides in upgrading its unclassified information technology base. By the end of FY 1999, it will have equipped some 230 Foreign Service posts with Year 2000 (Y2K) compliant personal computers and associated network equipment. These installations have in large measure solved the Y2K problems inherent in the legacy equipment replaced. However, the Department's multi-year focus on replacing its unclassified equipment base before the year 2000 has resulted in deferred replacement cycles for other kinds of equipment. Many of these categories of equipment, including classified processors, telephone systems, and emergency radio equipment, are now in dire need of replacement. Key elements of the Department's technology infrastructure initiative are:
- Year 2000 Compliance - By the end of FY 1999 the Department will have made all of its mission-critical systems Y2K compliant, and as a safety measure, prepared contingency plans for use in the event that unexpected problems with these systems arise early in the year 2000. Although the Department is confident about the viability of its own systems and facilities, we are less confident in those systems and facilities on which our overseas posts depend – the telephone and electrical power systems in many foreign countries.
 - Post Modernization Through ALMA - Although the installation of unclassified computer equipment at Foreign Service posts will be complete by the end of FY 1999, the installation of classified equipment will have only just begun. Equipment will be needed for classified operations and communications in most Embassies and consulates. Fortunately, the total number of classified devices needed is substantially lower than the number of unclassified devices already provided through ALMA. In installing its classified equipment base the Department plans to take advantage of the experienced ALMA team, along with its established logistical procedures and training skills, to achieve a rapid deployment for classified systems. Requested funds will be

STATE PROGRAMS

used to install classified equipment at 25 of the largest posts in FY 2000. The full installation of classified equipment at Foreign Service posts will be accomplished over four years.

- Overseas Infrastructure - In addition to ALMA, overseas infrastructure priorities include replacement of obsolete satellite communications facilities and antiquated telephone systems.
- Centrally Managed Infrastructure - Substantial progress has been made on upgrading the Department's central IT infrastructure. By the end of FY 1999, the Metropolitan Area Network (MAN) will be established to link Washington-area facilities by a high-speed communications network with appropriate security protection, including anti-virus firewalls and intrusion detection capabilities. The majority of domestic Department employees will have access to the Internet through secure connections that protect internal equipment and data. In FY 2000 the Department plans to expand the MAN to include all Washington area facilities and to establish secure high-speed communications to the Department's other domestic sites. The Department will begin providing secure Internet access to all of its employees on a worldwide basis. The Department also plans to upgrade its mainframe computer equipment to handle the steadily growing workload connected with Border Security functions and to ensure the continuous availability of this computer support by linking geographically separated mainframes through a centrally managed system.
- Messaging - The Department depends heavily on its cable and E-Mail systems to support foreign policy activities on a worldwide basis. In the past the Department's messaging systems have been somewhat limited and, in the case of E-Mail systems, too fragmented and disparate to achieve guaranteed speed and reliability. During the past year the Department has made great progress toward an integrated E-Mail system; these efforts will culminate in FY 2000 with implementation of a standards-based worldwide directory that will eliminate many of the problems currently being experienced. The Department has also adapted for its own use a cable delivery system originally developed by USIA. This system has been pilot tested in three bureaus and, following operational tests at several Foreign Service posts, will become the standard worldwide desktop cable delivery system. Requested funds will be used to install this system throughout the Department and at overseas posts. The total deployment period will be approximately three years.

□ Diplomatic Telecommunications Service (DTS) Enhancements: \$18,000,000.

The Diplomatic Telecommunications Service Program Office (DTS-PO) is responsible for consolidating the overseas communications requirements of all USG agencies and arranging to meet these requirements in the most cost-effective manner. Current DTS funding levels within the Diplomatic and Consular appropriation and reimbursements from other agencies for operating expenses are dedicated to recurring costs and are insufficient to expand network infrastructure and to support user requirements. The inclusion of \$18,000,000 within the Department of State's Capital Investment Fund will provide for centrally directed

STATE PROGRAMS

telecommunications enhancements by DTS-PO on behalf of the State Department and other agencies in order to meet the highest priority requirements of the US diplomatic community. Expanded telecommunications capability (both data and voice) is essential for the Department to meet its strategic and tactical information technology objectives and to support the requirements of the modernized information technology infrastructure being deployed worldwide.

- ❑ **Applications and Software Development: \$21,832,000.** During the past few years the Department has focused on Y2K compliance corrections to existing software applications. In FY 2000 it will have the opportunity to resume efforts to streamline its business processes and upgrade its software systems to support those processes. In particular, the Department plans to begin installing a single, standard disbursing/budgeting/accounting system at its three Financial Services Center and to implement commercial-off-the-shelf (COTS) software packages in support of re-engineered logistics functions. Another major initiative during FY 2000 will be consolidation of the major administrative systems of the Department, ACDA, and USIA. This consolidation should result in substantial efficiencies in future years.
- ❑ **Project Management and Training: \$ 7,925,000.** The deployment of new computer systems and equipment on a worldwide basis requires increased emphasis on project management and training. Thus far, the ALMA team has trained approximately 15,000 employees in use of the new equipment and systems. It has also established procedures to control configuration changes and to respond to reported problems. During FY 2000 the Department plans to continue its training program, re-directing its focus to the classified equipment and systems to be installed at Foreign Service posts. The Department plans to extend its configuration management procedures to cover all IT operations, not just the ALMA installations, and to establish a worldwide operations management center to provide prompt around-the-clock hardware and software support for Department of State installations in all time zones.

STATE PROGRAMS

Border Security Program

The Department of State is the Nation's first line of defense against travel here by terrorists, international organized crime members, or persons whose presence here may otherwise violate U.S. immigration laws. Consistent with this mission, the Department has implemented a comprehensive strategy to improve automated consular systems and enhance U.S. border security. Funding for this program is generated by the Machine Readable Visa (MRV) application fee paid by persons seeking non-immigrant visas. The Department uses MRV fee collections to strengthen U.S. border security and to finance consular operations. The objectives of the border security program are:

- ❑ **Information.** Enhance data sharing initiatives with other agencies and increase the effectiveness and efficiency of name check systems by providing consular officials responsible for adjudicating passport or visa applications with any information the U.S. holds regarding that applicant.
- ❑ **Infrastructure.** Strengthen consular and passport services by providing business quality equipment, ensuring Year 2000 compliance, developing modernized software and implementing an effective equipment replacement program.
- ❑ **Connectivity.** Provide worldwide and redundant connectivity in support of passport and visa issuance, including sufficient bandwidth to support data sharing or remote system management.
- ❑ **Human Resources.** Meet MRV workload, address seasonal workload peaks for consular and passport services, and make systematic and major investments in our consular, passport, and support personnel by providing them training on the systems and processes that will support consular operations into the next century.
- ❑ **Integrity.** Ensure the integrity of the passport and visa issuance processes and products, including through improvements to the documents themselves, enhancements in information storage and retrieval, expanded training of anti-fraud personnel and a comprehensive program to investigate any allegations of fraud.

The Border Security Program continues to demonstrate significant accomplishments. As of January 1999, accomplishments included:

- ❑ Installed the Year 2000 compliant MRV-2 system at 133 posts that service 90 percent of the worldwide non-immigrant visa (NIV) adjudication workload.
- ❑ Achieved Y2K compliance for the namecheck system. This modernized system (called CLASS-Enhanced or CLASS-E) now supports visa adjudication at all overseas posts. CLASS-E now supports passport adjudication at all domestic passport agencies.
- ❑ Launched the Border Crossing Card program on April 1, 1998 as required by Section 104 of the Illegal Immigration and Immigrant Responsibility Act of 1996. The program now

STATE PROGRAMS

operates in Mexico at the U.S. consulates in Ciudad Juarez, Nuevo Laredo, Matamoros, Merida, Nogales, and Tijuana.

- ❑ Continued to make progress with the passport photodigitization program. Thirty percent of US domestic passport production capacity (the capacity at the National Passport Center in Portsmouth, NH) has been converted to the photodigitization systems. Photodigitization will be installed and operational at the Passport Agency in New Orleans by April, 1999. In addition, significant improvements are being made to the Travel Document Issuance System (TDIS), the precursor to photodigitization, to ensure that passport production will be Year 2000 compatible.
- ❑ Processed and issued a record number of 6.55 million passports in FY 1998 and expects to issue 6.9 million in FY 1999.
- ❑ Supported the worldwide installation of the ALMA system and the acquisition of additional communications bandwidth to support overseas consular operations.
- ❑ Financed the salaries of nearly 1,900 Department employees in FY 1999. In addition the program financed the implementation of such consular best practices as bank collection and appointment systems. The program also provided more than 16 person years of temporary duty support to overseas posts to help address consular workload or staffing gap issues.
- ❑ Supported Diplomatic Security investigations of visa and passport fraud.
- ❑ Expanded training for officers and support personnel responsible for the delivery of consular services, domestically and overseas.

The following chart summarizes the major activities of the Border Security Program. In FY 1999 and beyond, these activities continue to be financed in their entirety by MRV fee collections, including estimated new fee collections of \$310 million and estimated carry-forward MRV fee revenue balances of \$52 million. In FY 2000, the Department projects MRV fee collections of another \$310 million, and a carryforward into FY 2000 of \$50 million from FY 1999. This carryforward level is barely adequate to begin FY 2000 programmatic requirements, including American Salaries of Department employees. The carry-forward balances projected to begin FY 2001 are the minimum needed to continue consular operations and avoid disruptions in program operations in FY 2001.

Border Security Program Summary
(dollars in thousands)

Border Security Initiatives	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
<u>Consular Project Initiatives</u>			
Consular Systems Installation and Operations	\$47,500	\$45,000	\$30,000
Overseas Consular Systems Modernization/Support	19,000	24,000	22,500
Automated Namecheck Systems (CLASS)	9,000	8,000	8,500
MRV Support Costs	10,000	11,000	14,000
Border Crossing Card (BCC)	20,000	20,450	17,690
Consular Management	0	0	3,000
Document Integrity/Training/ Passport Security, Modernization and Workload	2,150	1,475	1,850
Charleston Passport Center	0	5,500	2,900
Passport Photodigitization	15,500	8,600	9,050
TIPOFF - Terrorism and Crime	750	900	1,050
Visa Processing - Affidavit of Support	0	2,045	3,050
<u>Diplomatic Security</u>			
Passport and Visa Fraud Investigative Support	1,731	2,186	2,350
<u>Technology Backbone</u>			
Information Management: Computer Systems and Operations	13,077	8,927	11,980
Diplomatic Telecommunications Service: Telecommunications Support	4,862	8,881	10,000
Subtotal, Project Initiatives	\$154,989	\$158,964	\$152,470
Border Security Staff and Support			
<u>Border Security Staff</u>			
Consular Affairs	8,760	43,010	46,125
Information Management	2,353	2,500	2,610
Diplomatic Security	9,028	11,479	12,392
Overseas Staff	57,693	62,110	67,030
<u>Border Security Support</u>			
Consular Affairs	15,856	29,916	31,238
Information Management	3,778	4,000	4,000
Diplomatic Security	822	850	850
Subtotal, Staff and Support Costs	\$98,290	\$153,865	\$164,245
Total, Border Security Program	\$253,279	\$312,829	\$316,715

STATE PROGRAMS

The Department will pursue the following objectives during FY 1999 and FY 2000 as part of its continuing effort to improve U.S. border security and to finance consular personnel and operating costs with user fees:

Consular Project Initiatives

- ❑ **Consular Systems Installation and Operations.** In FY 1999 the Department will complete the migration of its overseas consular systems from a mix of out-dated hardware and interim systems to a modernized, local area network structure with business-quality hardware and software. The Department will do so by installing its new architecture at all remaining visa-issuing posts. The completion of this aggressive installation project will mean that all of the Department's consular systems will be Year 2000 compliant. In addition, extensive training will be provided to overseas staff to ensure their proficiency with the modernized Non-Immigrant, Immigrant and American Citizens Services applications. The Department, consistent with its commitment to prevent technological obsolescence in the equipment and systems that help secure the U.S. borders, will also implement a 36-48 month equipment replacement cycle that will be augmented by more frequent visits to upgrade software and to provide on-scene training assistance at overseas posts.
- ❑ **Overseas Consular Systems Modernization/Support.** The Department of State depends upon a series of sophisticated systems to help deliver consular services to both Americans citizens and foreign nationals. Such software, which supports visa issuance and overseas citizen services, requires frequent updates and modifications in light of continuing changes in the underlying computer technology upon which the applications operate. For example, changes to software such as Oracle database products require that applications utilizing that product be tested and, if necessary, modified in order to work effectively with the new releases. All of the software that supports consular operations has been developed to meet Y2K specifications and is undergoing Y2K certification. In addition, the Department will begin in FY 1999 to develop a database of "lost and stolen" US passports in order to strengthen further the security of the US passport. In the FY 2000 period the Department expects to make significant investments in Consular Affairs Corporate Database. This database will receive electronically information from overseas visa issuing posts and then make that data available to other border security and law enforcement agencies, particularly the Immigration and Naturalization Service and the Customs Service. This "DataShare" initiative will strengthen information sharing among agencies, which is key to continuing to improve border security. The Bureau of Consular Affairs will continue to support such essential operations as a "Help Desk" and remote management practices that help to support worldwide consular operations. Finally, the Department will pursue in FY 2000 other initiatives, such as improvements in overseas passport production, which will also help improve the Nation's security.
- ❑ **Automated Namecheck Systems (CLASS).** The Consular Lookout and Support System-Enhanced (CLASS-E) contains the names and other biographical information

STATE PROGRAMS

- on more than five million aliens who may be excludable from the U.S. owing to links to international terrorism, crime, and narco-trafficking activities, or whose admission to the U.S. may violate other provisions of U.S. immigration law. In addition, CLASS-E contains information on about 2 million Americans who may be ineligible for a U.S. passport. Most of the names of American citizens are included in response to requirements of U.S. law that makes international flight of “deadbeat parents” more difficult by denying such persons a U.S. passport. Every person seeking a passport or visa will be checked against CLASS-E. The Department will continue to make targeted investments in FY 2000 to improve the namechecking capabilities of CLASS-E. In FY 2000 the testing and final development of algorithms tailored to check Russo-Slavic and Hispanic names will begin.
- ❑ **MRV Support Costs.** The Department utilizes a small portion of its MRV revenue to finance border security related expenses such as additional staff and operating costs in support of passport and visa issuance. The Department will also fund expenses such as bank fees that are incurred when overseas financial institutions collect MRV fee revenues. Efforts to reduce crowds around overseas consular sections have significant security and customer service advantages. Accordingly, the Department will increase its spending on these activities in the current and next fiscal year. In addition in FY 2000 the Bureau of Consular Affairs will need to finance another cost-of-service study in order to ensure that consular fees are set at a level consistent with the principles of full cost recovery.
 - ❑ **Border Crossing Cards (BCC) .** As required by Section 104 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, the Department of State began to adjudicate “laser visas” on April 1, 1998. As of January, 1999, laser visa applications are being accepted at the U.S. consulates in Ciudad Juarez, Nuevo Laredo, Matamoros, Merida, Nogales and Tijuana. Expansion of this program to other sites in Mexico has been delayed owing to laser visa production difficulties encountered by the Immigration and Naturalization Service (INS). The Department of State expects that INS will overcome its production problems during FY 1999, thus allowing for the expansion of this program to all consulates in Mexico plus the embassy in Mexico City. The Department of State expects to adjudicate more than 1.5 million applications for either first time laser visas or re-applications in both FY 1999 and FY 2000. The Border Security Program will finance the expansion of physical facilities in Mexico, the hiring of additional staff, including contract personnel, and significant investments in automated systems and communication services. All costs for this project, including those for card production, will be recovered from fees charged to BCC applicants. Last year, the Congress has passed legislation that will provide Mexican applicants an additional two years in which to renew their existing BCC cards. This extension is needed in order to process the renewal of the 5 million existing BCC cards, especially in light of the problems encountered by the INS in fulfilling its agreement to produce these cards as its part of a joint agreement with the Department of State on program implementation. The legislation also provided that

STATE PROGRAMS

certain visas be provided at a reduced cost, with that cost being recovered from the overall worldwide MRV collections.

- ❑ **Consular Management.** In FY 2000 the Department will finance the cost of consular agents through the Border Security program. Consular agents are overseas American citizens who provide limited consular support in areas where there is a significant U.S. citizen population but no U.S. consulate or embassy is nearby. Support to consular agents includes a modest salary and, in some cases, the provision of office space, support personnel and automated systems needed to help ensure the effective delivery of consular services to American citizens. In addition, the Department will begin to finance the cost of furnishings and furniture utilized in consular sections through this program.
- ❑ **Document Integrity/Training.** In FY 2000, the Department will continue to make targeted investments to detect, combat and counter document fraud. In addition, the Department will expand its efforts to train its personnel through the Foreign Service Institute concerning both the operations and direction of modernized consular applications.
- ❑ **Passport Security, Modernization and Workload.** The Department of State is confronted each year with record passport demand. The number of citizens applying for passports has nearly doubled since 1993. Total domestic passport issuances reached 6.55 million in FY 1998 and are expected to reach 7.2 million by FY 2000. This growth in passport demand requires additional production facilities, as well as systematic renovations and improvements to existing facilities. Such improvements are especially important in order to meet enhanced domestic security standards and to meet the legitimate needs of customers. This initiative also helps finance improvements to the automated systems, communications networks and human resource programs, including contract personnel and services, that support passport adjudication and management
- ❑ **Charleston Passport Center.** Consistent with the objectives stated above, the Department will begin in FY 1999 to renovate and outfit the National Passport Center in Charleston, S.C. This process will be completed in FY 2000. In addition to meeting final outfitting costs in FY 2000, the Department will use MRV funds to finance the long-term maintenance and support costs of the Charleston Passport Center.
- ❑ **Passport Photodigitization.** In FY 1999 the Department will begin the field installation of the passport photodigitization project. This initiative, which is also key to ensuring that the passport production system will be Y2K compliant, will address one of the few security weaknesses in the U.S. passport—its potential vulnerability to photosubstitution. Photodigitization will replace the bearer's physical photograph in a U.S. passport with a digitized image that will be printed directly into the passport's data page. The photodigitization initiative will also allow passport production to migrate to modern printer technology. This step is critical since existing passport

STATE PROGRAMS

book printing technology is nearly twenty years old and is beyond its useful and maintainable life. New passport book printing technology will also help deal with the continuing growth in demand for U.S. passports. The installation of photodigitization will be completed in FY 2000. One consequence of using a photodigitized passport will be an increase in the cost of the materials utilized during the passport production process. All such costs will be met as part of this budget activity.

- ❑ TIPOFF - International Terrorist and Criminal Namecheck System and Data Exchange. The Department of State's TIPOFF systems play a pivotal role in U.S. border security by serving as an interface between the highly classified holdings of the U.S. intelligence and law enforcement communities concerning terrorists and international organized crime members, and consular personnel abroad and port-of-entry inspectors. In FY 2000, the Department plans to continue to expand TIPOFF so that it can focus on additional international organized crime syndicates and other threats to U.S. national security.
- ❑ Visa Processing – Affidavit of Support. The Illegal Immigration and Immigrant Responsibility Act of 1996 imposed a variety of new procedures. One of these is the Affidavit of Support (AOS). The AOS procedure means that the petitioner who is sponsoring an alien's immigration must have an income and assets that amount to more than 125 percent of the federal poverty guidelines for a family that includes both the petitioner's and the alien's. The objective of this procedure is to reduce utilization of public assistance by immigrants by making the petitioner legally responsible for the alien and his/her family. The AOS is a form developed by the INS that seeks to quantify the petitioner's income and assets.

The AOS procedure has had a dramatic effect on overseas immigrant visa processing. Some posts are now denying immigrant visas to as many as 90 percent of the applicants, owing either to errors in the AOS or an inability to meet the 125 percent test. Such denials of immigrant visas are time consuming for both Foreign Service national employees and the officers who adjudicate the immigrant visa application.

The Bureau of Consular Affairs estimates that the AOS procedure generates about 100 work-years of additional processing time. To help reduce the staffing implications of the AOS, the Department will begin to perform much of the AOS processing at the National Visa Center (NVC) in Portsmouth, NH. This proposal takes advantage of the high productivity and relatively low cost of that facility. Furthermore, by having the NVC deal directly with the petitioner in the U.S. regarding the AOS, many of the procedural flaws in the document should be resolved by the time that the AOS is sent to the overseas visa post for final processing and adjudication.

The Department will begin a pilot AOS project in FY 1999 involving a small number of very high-volume immigrant visa posts (such as Ciudad Juarez, Mexico and

STATE PROGRAMS

Manila, Philippines). This program will be expanded in FY 2000 to all posts that process more than 8,000 immigrant visas per year.

Diplomatic Security

- ❑ Diplomatic Security: Passport and Visa Fraud Investigative Support. The Bureau of Diplomatic Security has an aggressive program to investigate visa and passport fraud. Such investigations are essential to maintain the security of the underlying consular functions. Costs associated with these activities are financed through this program.

Technology Backbone

- ❑ Information Management: Computer Systems and Operations. Effective and sophisticated information management systems are essential elements of the Department's Border Security Program. In FY 2000, expected growth in the CLASS-E databases and algorithms will generate the need for additional mainframe computer capacity. Such capacity, as well as associated software requirements, will be funded through this budget initiative.
- ❑ Diplomatic Telecommunications Service: Telecommunications Support. Without effective and worldwide telecommunications circuits, the Border Security program would be crippled: Namechecks could not be run; fingerprint files in support of the Border Crossing Card program would not be transmitted; and the "DataShare" initiative with other border security agencies would fail. MRV revenues finance circuitry lease costs and related support activities directly related to the workload imposed by the Border Security program. As in past years, the funds committed to this activity are in addition to funds budgeted separately for the Diplomatic Telecommunications Service.

Border Security Staff and Support Costs

- ❑ People and related operating costs are the final key element of the U.S. Border Security Program. In FY 2000 the Department of State will finance the salaries and benefits of nearly 2,000 American employees who provide consular and related services, either domestically or overseas. As part of this initiative, the Border Security program will finance personnel, including an increase of 49 overseas consular positions for worldwide consular workload, and operating costs associated with efforts to prevent and investigate passport and visa fraud domestically and overseas and to develop and manage consular and passport computer systems, including CLASS. In addition, direct operating costs related to passport production, such as the printing of the highly secure U.S. passport books, file miniaturization and storage, and other operating expenses in support of the passport management, adjudication and production processes are financed with MRV fees. Support is also provided to the other bureaus and offices that play a vital role in strengthening the Nation's border security.

Using fees for these purposes is consistent with current law that allows the Department of State to retain MRV fees to provide consular services. Without these

STATE PROGRAMS

fees, it would be impossible for the Department to continue to provide these vital services to American citizens and foreigners desiring to visit or immigrate to the United States. The cost of providing this support in FY 2000 is estimated at \$164.2 million. FY 2000 levels reflect anticipated payroll increases, along with an increase in the level of consular staffing required to meet workload increases, as discussed above.

STATE PROGRAMS

Page not used.

SECURITY AND MAINTENANCE OF U.S. MISSIONS

Summary Statement of Budget Authority

(Dollars in thousands)

Program	FY 1998 Actual	FY 1999 Enacted	FY 2000 Request	Increase or (Decrease)
Capital Program	9,500	15,000 \a	-	(15,000)
Leasehold Program	116,368	119,692	138,210 \b	18,518
Functional Programs				
Physical Security Upgrades	8,400	17,800	16,105	(1,695)
Fire/Life Safety	8,205	8,505	8,643	138
Energy Conservation	3,700	3,700	3,778	78
Power Support Program	5,147	5,291	6,615	1,324
Seismic Program	675	675	720	45
Post Communications	5,000	5,000	10,210	5,210
Environmental Services	2,600	2,670	2,747	77
Maintenance of Buildings	70,495	74,238	77,342	3,104
Facility Rehabilitation	62,784	46,463	52,500	6,037
Facility Maint. Assist.	32,107	34,447	39,374	4,927
Program Execution	32,079	33,428	34,425	997
Construction Security	21,538	17,491	22,985	5,494
Subtotal, Functional Programs	252,730	249,708	275,444	25,736
Administration	19,345	19,161	20,412	1,251
Total FBO Appropriation	397,943	403,561	434,066	30,505
Worldwide Security Upgrades		627,000	49,617	(577,383)
Capital Projects		313,500	36,000	(277,500)
Other Security Upgrades/Support Costs		313,500	13,617	(299,883)
FBO GRAND TOTAL	397,943	1,030,561	483,683 \b	(546,878)
<i>Advance Appropriations - Capital Projects (FY 2001-FY 2005)</i>			3,000,000	3,000,000

\a \$7.561 million for Main State renovation realigned from Capital Program to Facility Rehabilitation to reflect appropriate display of this project within the S&MUSM line item structure. This realignment will be addressed in the S&MUSM reprogramming.

\b Includes transfer of \$16.9 million from USIA's International Information Programs for overseas leases of former USIA employees transferring to the Department of State in accordance with the Reorganization Plan and Report of December 1998, pursuant to Section 1601 of the Foreign Affairs Reform and Restructuring Act of 1998.

SECURITY AND MAINTENANCE OF U.S. MISSIONS

Program Summary

The FY 2000 request of \$483.7 million for the Security and Maintenance of U.S. Missions (S&MUSM) appropriation supports the Department's diplomatic activities by providing safe, secure, and functional facilities to carry out the nation's foreign policy goals. The request of \$483.7 million is a decrease of \$546.9 million from the FY 1999 enacted level and reflects reductions for one-time emergency supplemental funding provided in FY 1999 for worldwide security upgrades (\$627.0 million). The request also reflects the integration of overseas lease costs for former USIA employees transferring to the Department of State as part of the consolidation of foreign affairs agencies (\$16.9 million). For purposes of comparison, the basic S&MUSM request – net of the impact of consolidation and FY 1999 emergency supplemental funding for worldwide security upgrades – increases by \$63.2 million over the FY 1999 enacted level. This amount includes \$13.6 million to cover recurring costs stemming from the FY 1999 emergency supplemental appropriation for worldwide security upgrades (\$9.6 million for leaseholds, \$2.0 million for equipment maintenance, and \$2.0 million for salaries and benefits of newly hired personnel) and \$11.5 million for overseas inflation and mandatory cost-of-living increases. While the request includes no funds for the Department's "regular" Capital Program, it does include \$36 million for site acquisition and design costs for the next tranche of embassy/consulate relocations begun with the FY 1999 emergency supplemental funding, and to be continued with \$3 billion in advance appropriations requested for FY 2001–FY 2005.

The request reflects the Administration's continuing commitment to protect U.S. Government personnel serving abroad, improve the security posture of U.S. Government facilities overseas, and correct deficiencies in our overseas facilities infrastructure. The bombing of our embassies in Kenya and Tanzania reminds us of the risks faced every day by Americans serving overseas and the Department is committed to providing them the safest possible workplaces. Because the average age of our facilities overseas is almost 40 years, there is a continuing requirement to repair, renew, and sometimes replace facilities. Proper stewardship of these facilities dictates a continuing investment in maintenance and repair to retain value, retard deterioration, and ensure serviceability. The Department has identified more than 3,600 facility maintenance and repair, major rehabilitation, and improvement projects that would require more than \$700 million to implement. Since it is not practicable to fund and execute all of these requirements immediately, the Department maintains a priority list of facility projects, which places primary emphasis on safety and security of employees. This approach permits the Department to apply its limited resources to the most critical requirements.

In addition to the appropriation request, the Department plans in FY 2000 to complete property sales in order to make cost-effective property acquisitions in certain locations where the Department leases facilities, in an ongoing effort to hold the line on cost increases in the leasehold account. The proceeds, along with anticipated future proceeds, and the appropriation request, will enable the Department to continue addressing long-standing facility and staff housing requirements worldwide.

SECURITY AND MAINTENANCE OF U.S. MISSIONS

Program Highlights

Capital Program - \$0

No funds are requested for FY 2000 under the regular Capital Program. However, \$36 million is requested for site acquisition and design for eight new projects in FY 2000, and an advance appropriation totaling \$3 billion over five years (FY 2001 – FY 2005) is requested to construct replacement facilities at our most vulnerable posts, as described under the section entitled “Worldwide Security Upgrades.”

Leasehold and Asset Management Programs - \$138,210,000

The FY 2000 Leasehold Program request of \$138.2 million is increase of \$18.5 million over the FY 1999 enacted level and includes \$16.9 million transferring to the Department for the USIA leasehold program and \$1.6 million for price inflation.

The Department will continue its effort to contain the rate of inflationary increases to the worldwide leasing program by using funds available from the disposal of excess and underutilized real property assets to make economic purchases where it expects to maintain a long-term presence. These investments have resulted in cost avoidance, which has enabled the Department to limit its new budget authority requests.

In FY 1998, the Department obligated \$58.5 million to acquire real property in Bangkok, Beijing, Brussels, Buenos Aires, Copenhagen, Dushanbe, Frankfurt, Guatemala, Harare, Helsinki, Ljubljana, Mexico, Paris, Stockholm, and St. Petersburg.

In FY 1998, the Department completed sales of overseas real property worth \$102.6 million in Alexandria, Athens, Bonn, Budapest, Cairo, Canberra, Casablanca, Colombo, Edinburgh, Hamburg, Izmir, Kinshasa, Lahore, La Paz, Lima, Nassau, New Delhi, Osaka-Kobe, Rabat, Singapore, and Tokyo.

Functional Programs - \$275,444,000

The FY 2000 request of \$275.4 million for Functional Programs reflects the Department’s commitment to provide a safe and secure work environment for U.S. Government overseas employees and enable the Department to maintain and rehabilitate facilities overseas and make more efficient use of them by extending their useful life. The request specifically includes funding for the Department’s share of facility upgrades at selected posts to maintain 24-hour, seven-day-a-week security coverage by Marine Security Guards. In addition, the Department seeks an increase to accelerate the pace of urgently needed telephone systems replacement. The request also includes increases for two core building rehabilitation and maintenance programs – the Facility Maintenance Assistance and Facility Rehabilitation and Support Systems

SECURITY AND MAINTENANCE OF U.S. MISSIONS

Replacement programs – to continue vital rehabilitation and preventive maintenance activities at their pre-FY 1999 level and to increase staffing for the Facility Maintenance Specialist Program.

The FY 2000 request for the *Physical Security Upgrade Program* provides \$5.2 million to maintain the ongoing program of surveys, designs, and construction of physical access control and perimeter security upgrades at posts. In addition, \$10.9 million is requested for the Department's share of a joint program of facility upgrades necessary to enable the deployment of Marine Security Guards to posts that currently lack such support.

Funding for the *Fire/Life Safety Program* is requested at a level appropriate to ensure that the Department protects employees overseas by providing fully-automatic early-warning fire alarm detection for all principal buildings (i.e., chanceries, consulate office buildings, and buildings supporting post communications centers). In addition, funding requested for the Safety, Health and Environmental Management (SHEM) Program will allow safety personnel to continue their efforts to minimize major mishaps and operational disruptions at posts. The FY 2000 requested level of \$1.5 million will enable the Department to implement the final phase of its on-site technical assistance program focusing on safety and environmental risk reduction.

The FY 2000 request for the *Energy Conservation Program* includes funding for energy surveys and implementation of energy conservation measures (ECMs). The Department is aggressively pursuing a worldwide program to increase energy efficiency at its facilities. It is estimated that when fully implemented, ECM projects will yield more than \$3.6 million annually in utilities savings at posts overseas.

The FY 2000 request for the *Post Communications Program* includes \$10.2 million to replace obsolete telephone systems in Government-owned and long-term leased facilities overseas with modern, reliable digital systems. The \$5.2 million increase will accelerate the pace of telephone system replacement at high-priority posts.

The request of \$77.3 million for the *Maintenance of Buildings Program* will support the continuing routine maintenance and repair requirements, as well as special maintenance and improvement projects for approximately 2,900 Government-owned and long-term leased properties. The additional funding requested is needed to cover inflationary increases for material and labor and for renovating newly acquired facilities.

The \$52.5 million request for the *Facility Rehabilitation and Support Systems Replacement Program* represents an increase of \$6 million over the FY 1999 enacted level which will enable the Department to upgrade or replace deteriorating building systems (e.g., electrical, plumbing, heating/ventilation/air conditioning) at pre-FY 1999 levels. The request will support 36 new projects in FY 2000 and the continuation or completion of seven projects initiated before FY 2000, including the renovation of Main State.

The FY 2000 request for the *Facilities Maintenance Assistance Program* is \$39.4 million, a \$4.9 million increase over the FY 1999 program level. This increase will fund additional staff for both the Facility Maintenance Specialist Program, which continues to be a major success in enabling the Department to develop a cadre of maintenance professionals overseas, and the Global Condition Survey Program, which is a vital management tool for assessing the condition

SECURITY AND MAINTENANCE OF U.S. MISSIONS

of Government-owned and long-term leased facilities overseas. This increase also enables the Department to fund professional roofing, elevator, and power quality contractors to meet the increasing demand for maintenance and repair of these systems at posts worldwide.

Administration - \$20,412,000

The staffing levels funded under the Administration account support executive direction, resource management, information resource management, planning, and real property acquisition functions for the organization. Also, funding is required for rent and utilities, information systems and services, supplies, office equipment, and furnishings.

Worldwide Security Upgrades - \$49,617,000

The \$49.6 million request in FY 2000 for Worldwide Security Upgrades supports the Department's commitment to improving the safety and security of U.S. Government personnel and facilities overseas. As a follow-up to the FY 1999 emergency security supplemental-funded projects to relocate our highest risk posts, the FY 2000 request includes \$36 million to support the site acquisition and design for replacement of the next tranche of the most urgent, security-driven projects. Construction costs for these projects are included in the request for advance appropriations for fiscal years 2001-2005. In addition, the request includes \$13.6 million to cover recurring costs stemming from the FY 1999 emergency supplemental (\$9.6 million for leaseholds, \$2.0 million for equipment maintenance, and \$2.0 million for salaries and benefits for newly hired personnel).

Advance Appropriations - \$3,000,000,000

The Department is seeking an advance appropriation totaling \$3 billion over the five year period FY 2001 through FY 2005 (FY 2001 - \$300 million, FY 2002 - \$450 million, FY 2003 - \$600 million, FY 2004 - \$750 million, FY 2005 - \$900 million) to replace our highest risk, most vulnerable embassies and consulates. Funding requested in FY 2001 will enable the Department to proceed with the construction of those projects for which site acquisition and design was initiated in FY 1999 and FY 2000. Funds requested for FY 2002 – FY 2005 will allow the Department to continue the process of relocating the highest risk posts based on an analysis of security factors, the global political situation, and the executability of those projects.

Explanation of FY 2000 Request

LEASEHOLD PROGRAM: \$138,210,000. These funds are used for the acquisition of property by lease, lease-purchase, and purchase, and for living quarters allowance payments to Department employees assigned overseas. The decision to lease or purchase is based on an economic analysis of the cost alternatives and the availability of funds. The FY 2000 leasehold request of \$138.2 million, in addition to \$50 million in reimbursements from other federal agencies, will finance the cost of leases for approximately 1,100 office and functional properties (e.g., warehouses, garages, etc.) and nearly 8,000 residential units.

SECURITY AND MAINTENANCE OF U.S. MISSIONS

FUNCTIONAL PROGRAMS: \$275,444,000. The funds requested for Functional Programs will enable the Department to maintain and rehabilitate facilities overseas and make more efficient use of them by extending their useful life.

- Physical Security Upgrade Program - \$16,105,000. The request provides \$5.2 million to maintain the ongoing program of surveys, designs, and construction of physical access control and perimeter security upgrades, and minor improvements and maintenance and repair services for physical security assets at posts (such as walls, fences, security lighting, planters, bollards, grilles, and vehicle and pedestrian gates). In addition, the request provides \$10.9 million for the Department's share of a joint program to acquire living quarters and make other facility modifications at selected posts to enable the deployment of Marine Security Guards to posts that currently lack such support. These projects are being closely coordinated among the Department, other tenant agencies, and the U.S. Marine Corps.
- Safety and Fire Programs - \$8,643,000. This program provides fire safety education and training, safety inspection activities, fire alarm and suppression systems installation, and acquisition of fire extinguishers and smoke detection alarms for use in overseas office and residential properties worldwide, and education, training and inspections to reduce safety hazards at post; and to provide assistance to posts in an effort to minimize mishaps and operational disruptions at post. The FY 2000 plans call for installation of fire alarm equipment for approximately 23,266 net square meters of office and support facilities. Funding requested for the Safety, Health and Environmental Management (SHEM) Program will enable the Department to implement the final phase of its on-site technical assistance program focusing on safety and environmental risk reduction.
- Energy Conservation and Investment Program - \$3,778,000. This program identifies and implements projects that improve energy efficiency and reduce operating and maintenance costs of the Department's overseas facilities. Priorities for implementation of projects defined in energy surveys are established using criteria that consider the present value of savings generated by the investment, the ability of the post to implement the project, the service life of the investment, and maintenance and operating costs. Of the \$3.8 million requested, \$0.6 million will be used for post energy surveys; the remaining funds will be used for energy conservation measures.
- Power Support Program - \$6,615,000. This program provides emergency power supply and provision of clean, continuous, stable power for all Department facilities overseas. The program funds the procurement of office and residential generators, uninterruptible power supply (UPS) systems, and associated design and construction activities.
- Seismic Program - \$720,000. This program addresses earthquake life/safety issues in the Department's facilities overseas by assessing the building inventory and mitigation support activities (i.e., engineering, acquisition and planning assistance, and continuing education). The current program focus is on completing assessments of Government-owned and leased buildings in high-risk seismic zones, reducing the number of deficient buildings in the Department's inventory, and continuing mitigation efforts.

SECURITY AND MAINTENANCE OF U.S. MISSIONS

- Post Communications Support Programs - \$10,210,000. These funds will be used to procure telephone systems in Government-owned and long-term leased facilities overseas. Over half of the Department's overseas missions are operating with obsolete telephone systems. The replacement systems will be modern, Y2K-compliant digital systems capable of delivering a full range of voice and data services, and will also provide management tools and productivity enhancements such as direct inward dialing, call accounting, voice mail, automated voice attendant (multiple language), and a threat-call recorder. The request represents a \$5.2 million increase over the FY 199 level and is intended to accelerate the pace of implementation for this critical program.
- Environmental Services Program - \$2,747,000. These funds will be used for inspection of and work in overseas facilities to ensure that employee workplaces and U.S. Government-provided quarters are free from hazardous materials such as asbestos, lead paint, and radon, and for abatement activities.
- Maintenance of Buildings Program - \$77,342,000. These funds will be used for continuing routine maintenance and repair requirements and for priority special maintenance and improvement projects for approximately 2,900 Government-owned and long-term leased properties. Requirements identified by posts always exceed funding available. In determining priorities and to allocate available funds, the Department emphasizes fire/life safety, security, and requirements to maintain structural integrity of buildings. Other considerations include the importance of the project to post operations and the feasibility of executing the project in a timely manner. This activity also provides funding necessary to preserve, maintain, and repair buildings that are owned or directly leased by the Department of State in the United States. Funding is also provided for the Interior Planning, Design and Furnishings (IDF) Program, which consists of three major components: (1) interior planning and design for new office buildings and major rehabilitations of existing facilities; (2) the replacement and repair of equipment, furniture, and furnishings at the 355 official residences of Ambassadors, Deputy Chiefs of Mission, and Principal Officers maintained by the Department; and (3) the Art in Embassies Program. At the requested funding level, the Department will be able to refurbish its representational residences only every thirteen years, six years beyond the expected useful life of the inventory.
- Facility Rehabilitation and Support Systems Replacement Program - \$52,500,000. These funds will be used to restore the aging inventory of Government-owned and long-term leased facilities systematically, extend their useful life, and enhance their functionality. Funding for this program excludes any physical security upgrade and on-site construction management and construction security costs that may be required. (These costs are budgeted elsewhere within the Functional Program activities.) The request includes the most critical projects necessary to protect operational efficiency, security, and live and safety of building occupants.
- Facility Maintenance Assistance Program - \$39,374,000. The program provides technical assistance and support to overseas posts in maintaining major building systems. The request will fund support provided by the Washington Maintenance Assistance Center (WASHMAC), the Facility Maintenance Specialist (FMS) Program, the Global Condition

SECURITY AND MAINTENANCE OF U.S. MISSIONS

Survey (GCS) and the Facilities Evaluation and Assistance (FEAP) Programs. The WASHMAC provides hands-on technical support by providing cleared American personnel to perform repairs, renovations, and systems rehabilitation at overseas posts where no local expertise exists or where security clearances are required for entry. The FMS program provides a cadre of professionally trained and experienced on-site building managers for newly constructed or rehabilitated embassy facilities. These managers are required to meet more complicated needs that exceed the technical abilities of personnel at post. The request provides for salaries, benefits, and support costs for 141 facility maintenance specialists, an increase of five positions over the FY 1999 level. The GCS Program provides survey teams to examine the entire inventory of U.S. Government-owned and long-term leased facilities and develop an assessment of building conditions and a prioritization of the facilities maintenance and rehabilitation workload. The request includes three additional positions to staff an additional GCS team. The FEAP Program assists posts in developing more effective maintenance management programs.

- Program Execution - \$34,425,000. This program provides the staff resources necessary to plan, design, and construct major projects. These services include the Building Design and Engineering Division (\$10.1 million), which performs design, architecture, cost, civil, electrical, and mechanical engineering functions; compensation and other support costs for staff positions in Construction Management (\$18.5 million); Program Management (\$4.8 million); and commercial support (\$1.0 million).
- Construction Security - \$22,985,000. The Department is required by law to establish and maintain a program to ensure the security of each construction project that it undertakes. This program provides measures to safeguard office facilities under construction or renovation from potentially hostile intelligence efforts. The funds requested would be used for protecting sites, materials, and equipment through the use of cleared American guards who secure the building sites; construction surveillance technicians who monitor foreign laborers; technical equipment; and U.S. Government oversight of these activities.

ADMINISTRATION: \$20,412,000. These funds provide for the headquarters operating expenses of A/FBO. The request includes the salaries of direct hire and personal service contract staff dedicated to the executive direction, resource management, and planning functions, and includes rent, utilities, communications services, printing and reproduction services, supplies, information resource management, and office equipment and furnishings for the A/FBO domestic staff.

WORLDWIDE SECURITY UPGRADES: \$49,617,000. The FY 2000 request of \$49.6 million for the Worldwide Security Upgrades program supports the Department's commitment to improving the safety and security of U.S. Government personnel and facilities overseas. The urgency of this requirement was underscored in August 1998 by the tragic terrorist attacks on U.S. Embassies in Dar Es Salaam and Nairobi. The request includes \$36 million to follow-up the relocation of our highest risk posts begun as part of the FY 1999 Emergency Security Supplemental with start-up activities for the next tranche of urgent, security-driven projects. The Department has developed a priority listing of projects based on an assessment of security factors, global political situation, and project executability. These funds will be used for site

SECURITY AND MAINTENANCE OF U.S. MISSIONS

acquisition and design for eight projects. Construction costs for these projects are included in the request for advanced appropriations for Fiscal Years 2001-2005. In addition, the request includes \$13.6 million to cover recurring costs stemming from the FY 1999 emergency supplemental (\$9.6 million for leaseholds, \$2.0 million for equipment maintenance, and \$2.0 million for salaries and benefits for newly hired personnel).

ADVANCE APPROPRIATION: \$3,000,000,000. The Department is requesting advanced appropriations totaling \$3 billion for FY 2001 (\$300 million); FY 2002 (\$450 million), FY 2003 (\$600 million), FY 2004 (\$750 million), and FY 2005 (\$900 million). The \$300 million for FY 2001 is for construction of projects for which site acquisition and/or design was funded within the FY 1999 emergency supplemental. Funds requested for FY 2002-FY 2005 are intended to continue the process of relocating embassies at high-risk posts. Posts will be selected from a priority list, which will be updated based on security factors, global political situation, and project executability.

Purpose of Programs

The purpose of the programs funded by the Security and Maintenance of U.S. Missions (S&MUSM) appropriation is stated in the Mission Statement of the Office of Foreign Buildings Operations (A/FBO): "Under the direction of the Secretary of State, FBO's mission is to assure that U.S. diplomatic missions abroad are provided appropriate facilities which will assist them in achieving the foreign policy objectives of the United States. A/FBO oversees the U.S. Government's overseas real property investments to ensure that the taxpayers' money is used wisely and that U.S. Government employees are provided with safe, secure, and functional facilities." S&MUSM programs are authorized by the Foreign Service Buildings Act of 1926, as amended. In addition, as provided in the FY 1999 Commerce-Justice-State appropriations bill, funds appropriated in this account may be used to support domestic facilities owned or leased by the Department of State.

Program Description

The Office of Foreign Buildings Operations:

- Provides guidance concerning facilities to overseas posts, regional bureaus, and other foreign affairs agencies;
- Initiates and develops long-range planning and programs and determines world-wide facilities program priorities;
- Manages all phases of capital and non-capital project development, including design and construction; provides for on-site security of facilities under construction or renovation; and assigns project directors and technical and security staff at posts to oversee construction work;
- Provides for the interior design of representational space in embassies, consulates, and official residences of principal officers and deputy chiefs of mission;

SECURITY AND MAINTENANCE OF U.S. MISSIONS

- Develops and directs various facilities programs including, among others, fire-life safety, maintenance and physical security;
- Assigns facility maintenance specialists to selected posts to manage facility maintenance and repair programs;
- Directs the Department's asset management efforts overseas including the acquisition and disposal of real property; maintains statistical, financial, and visual records of overseas properties; and serves as the Department of State repository for official deeds, surveys, and other documents for U.S. Government-owned and leased properties; and
- As the Single Real Property Manager for non-military real property overseas, establishes standards and policies for all owned and leased properties occupied by all federal agencies operating under authority of the Chiefs of Mission.

Benefits

The effective implementation of the programs of the Office of Foreign Buildings Operations provides U.S. diplomatic missions with appropriate facilities in a cost-effective manner and protects the value of the U.S. Government investment in real property overseas. The forty-one new chancery facilities and housing projects completed since 1986 provide U.S. staff with protection against terrorist and technical threat, enable the effective use of state-of-the-art technology at posts, and enable our personnel overseas to attain an acceptable quality of life. When completed, the seven capital construction projects currently in progress will enhance the effectiveness of these posts to carry out the USG's foreign policy objectives.

Substantial investments are being made to maintain and protect the value of existing facilities. This will extend their useful life and defer expensive new capital acquisitions. Post operations are improved through upgrades of existing facilities and modernization of support systems.

Performance Plan

Consistent with the provisions of the Government Performance and Results Act (GPRA) of 1993 which requires that government entities assess the results of programs against the purposes for which they exist, the FY 2000 Congressional Presentation Document for the Security and Maintenance of U.S. Missions appropriation includes an FY 1998 progress report concerning four priority areas of concentration for this appropriation, and FY 1999 and FY 2000 performance plans for a number of A/FBO's programs.

OFFICE OF INSPECTOR GENERAL

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Executive Direction and Policy Formulation	\$370	\$370	\$380	\$10
Inspections and Audits	25,775	26,775	28,287	1,512
Administration and Staff Activities	1,350	1,350	1,387	37
Appropriation Total	\$27,495	\$28,495	\$30,054	\$1,559

Explanation of 2000 Request

This request funds the activities of the Office of Inspector General (OIG) to include audits, investigations, and inspections of worldwide operations and programs of the Department of State and the Broadcasting Board of Governors (BBG). The \$1,559,000 increase requested for FY 2000 will fund the OIG's anticipated wage and price increases, and will allow OIG to carry out its worldwide security responsibilities in light of the recent bombings of our embassies in Nairobi and Dar Es Salaam. In FY 2000, the OIG will continue to evaluate the Department of State's performance, make recommendations for improvements to promote effective and efficient operations, and follow up to ensure compliance with laws and regulations.

Purpose Of Program

The OIG's objectives are to:

- improve the economy, efficiency, and effectiveness of Department of State and BBG operations, stimulating positive change;
- detect and prevent fraud, waste, abuse, or mismanagement;
- assess the implementation of U.S. foreign policy primarily through inspection of overseas posts and domestic offices to assure that their activities are consistent with the goals established by the Secretary of State; and
- independently evaluate the formulation, applicability, and implementation of security standards at all U.S. diplomatic and consular posts.

OFFICE OF INSPECTOR GENERAL

Program Description

In support of the Government Performance and Results Act, the work of OIG is focused on five strategic goals:

- Improved implementation of U.S. foreign policy;
- Better alignment of fiscal and human resources with U.S. foreign policy priorities;
- More effective, efficient, and secure operations and infrastructure;
- Greater adherence to fundamental principles governing professional and ethical conduct, and;
- Improved management and performance of resources to accomplish OIG objectives.

These goals provide the framework for specific activities leading to measurable results as reflected in OIG's annual performance plan.

Reflecting the general functional approach of the audit process, audit plans will focus on procurement, grants and contracts, financial management, broadcasting, property management, international narcotics matters, refugee programs, information management, and personnel management. Post and bureau inspection plans will be developed according to a variety of criteria including susceptibility to fraud and waste, and length of time since the last OIG visit. The Office of Investigations will pursue innovative methods to identify fraud, waste, and abuse. The Office of Security and Intelligence Oversight will now conduct security inspections at critical and high threat posts, audit critical security programs and review intelligence operations.

In addition to the current and ongoing areas of review, other programs and activities will be selected for audits and inspections according to their significance to the promotion of major Departmental goals, magnitude in dollars and other resources, and areas of particular interest to the Congress, the President, the Secretary, and other Department principals.

Benefits

The Office of Inspector General assists the Department and the BBG in improving the economy, efficiency, and effectiveness of their operations. Additionally, the OIG helps detect and prevent fraud, waste, and mismanagement. OIG assessments of management and operations around the world have enhanced the Department's ability to meet its mandate of managing the foreign affairs of the United States.

EDUCATIONAL AND CULTURAL EXCHANGES

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Academic Programs	\$119,105	\$123,529	\$121,153	\$-2,376
Professional/Cultural Programs	63,202	69,948	66,175	-3,773
Exchanges Support	20,703	20,965	23,001	2,036
Total Direct Obligations	\$203,010	\$214,442	\$210,329	\$-4,113
Deduct Recoveries and Balances Applied	-19,221	-13,942	--	13,942
Add Balances Out	13,942	--	--	--
Appropriation Total	\$197,731	\$200,500^{a/}	\$210,329	\$9,829

^{a/} Includes a transfer of \$2,000,000 to the Technology Fund.

Explanation Of 2000 Request

The FY 2000 request of \$210,329,000 funds exchange program requirements. The request reflects a net increase of \$9,829,000 over the amount that was appropriated to the United States Information Agency (USIA) in FY 1999. The request includes \$873,000 for net built-in requirements to maintain current services, comprised mainly of price increases and full-year and anticipated costs of federal pay raises, offset by non-recurring FY 1999 one-time program costs. The FY 2000 request also reflects a functional transfer of \$1,246,000 as discussed in the Reorganization Plan and Report of December 1998 (submitted to Congress) that stipulates that former USIA grants management and J-visa program designation staffs be merged with Exchanges. The request also includes program increases of \$10,700,000 to enhance the J. William Fulbright Educational Exchange Program (\$8,500,000), expand the Congress-Bundestag Youth Exchange Program (\$400,000), and establish the United States/China High School Exchange Initiative (\$1,800,000). These increases are offset, in part, by program reductions of \$2,990,000.

In addition to the appropriated amounts shown above, in FY 1998, the U.S. Agency for International Development (USAID) transferred \$70,114,000 in new budget authority and \$1,510,000 in balances to USIA for SEED, FSA, and CASP exchanges. Additional balances of \$9,582,000 from prior year USAID transfers were available for these programs in FY 1998. Of these amounts, a total of \$65,403,000 was obligated in FY 1998, and balances of \$15,803,000 were carried into FY 1999. Additional appropriation transfers from USAID for FSA, SEED, and CASP are anticipated in FY 1999 and FY 2000 to continue exchanges with Russia and the Newly Independent States, Eastern Europe, and Cyprus.

EDUCATIONAL AND CULTURAL EXCHANGES

Purpose Of Program

The purpose of these exchange programs is to support U.S. foreign, economic, and security policy objectives, and to assist in the development of peaceful relations between the United States and other countries by fostering mutual understanding through international exchange and training activities. This appropriation leverages support for exchanges from state and local governments; higher education, business, and non-governmental organizations; U.S. Allies; and other U.S. government agencies, and focuses their participation to promote the national interest. In FY 1998, such gross support totaled over \$500 million. The cost-sharing is primarily derived from private sector and foreign government contributions and non-direct U.S. government sources (i.e., interagency appropriation and allocation transfers, reimbursements, trusts, endowments, and other support). Development of private and foreign government support for exchanges is dependent upon the availability of U.S. government funding.

Program Description

This appropriation provides funding for programs authorized by the Mutual Educational and Cultural Exchange Act of 1961 (Fulbright-Hays Act), as amended. Programs include:

- ❑ Academic Exchanges - Academic exchanges include the following programs: J. William Fulbright Educational Exchange Program for the exchange of long- and short-term scholars, students, and teachers between the United States and foreign countries; Hubert H. Humphrey Fellowship Program of academic study and internships in the United States for mid-career professionals from developing countries; and, programs to promote U.S./foreign university partnerships and English study abroad, and to advise foreign students about educational opportunities in the United States.
- ❑ Professional and Cultural Exchanges – Professional and cultural exchanges include the following programs: the International Visitor Program which supports travel in the United States by current and emerging foreign leaders to obtain first-hand knowledge about the United States, its people, politics, and culture; the Citizen Exchange Program which awards grants to U.S. non-profit organizations for professional, cultural, civic education, non-governmental organizational development, grassroots community exchanges with foreign counterparts; and programs of special Congressional interest such as the Congress-Bundestag Youth Exchange, the Mike Mansfield Fellowship, and the Claude and Mildred Pepper Memorial Scholarship Programs.
- ❑ Freedom Support and SEED Exchanges – Freedom Support and SEED Exchanges fund democracy and free-market development programs for the exchange of students, scholars, and professionals between the United States and the New Independent States of the former Soviet Union and Central and Eastern Europe authorized under the Freedom Support Act of 1992, and the Support for East European Democracy Act of 1988 (funded through appropriation transfers from U.S. Agency for International Development).
- ❑ Exchanges Support - Exchanges support includes staff and support for exchange programs management; support to increase cooperation among U.S. government agencies that

EDUCATIONAL AND CULTURAL EXCHANGES

administer international exchange and training programs; and, funds for the U.S. Cultural Advisory Committee that acts on requests from foreign governments with the United States to assist in cultural preservation and prevention of theft of cultural material.

Benefits

International relations are no longer primarily identified by ideology, but instead by culture, traditions, values and beliefs. Exchanges create opportunities for U.S. and foreign publics to understand each other's societies and cultures directly. Mutual understanding provides a sensible context in which the United States can articulate its intentions and actions abroad.

EDUCATIONAL AND CULTURAL EXCHANGES

Page not used

REPRESENTATION ALLOWANCES

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Promotion of U.S. National Interests	\$3,680	\$3,790	\$3,890	\$100
Protection of U.S. Citizens' Interests	80	90	90	0
Promotion of Economic Activities	240	250	250	0
Commemorative and Ceremonial Requirements	200	220	220	0
Public Diplomacy			\$1,400	\$1,400
Appropriation Total	\$4,200	\$4,350	\$5,850	\$1,500

Explanation Of 2000 Request

The FY 2000 request will support U.S. national interests, economic activities, and other diplomatic functions by providing resources for representational events. The increase of \$1,500,000 above FY 1999 includes \$1,400,000 to support public diplomacy activities previously funded within the United States Information Agency International Information Programs (IIP) appropriation. The remaining increase of \$100,000 is required to partially cover the cost of inflation.

Purpose Of Program

This appropriation provides reimbursement to diplomatic and consular personnel for officially representing the United States at functions overseas and at missions to international organizations in the United States.

Program Description

The activities funded by this appropriation typically include:

- promotion of the U.S. national interests through formal and informal interactions with knowledgeable foreign officials and long-term residents, usually at receptions, small working luncheons, and informal dinners;
- protection of U.S. citizens' interests by developing and maintaining personal relationships with foreign officials, which facilitates providing assistance and solving problems of Americans abroad;
- promotion of economic activities by establishing and maintaining relationships with foreign and American officials, business persons, labor leaders, and others who may be helpful in performing duties connected with promoting and protecting American trade; and

REPRESENTATION ALLOWANCES

- ❑ fulfillment of commemorative and ceremonial requirements such as Fourth of July celebrations or the laying of a wreath at the tomb of a local national hero.
- ❑ interaction with influential individuals and organizations, including the local media, key political elites, academics and members of non-governmental organizations to assess the overseas public affairs climate and convey and reinforce acceptance of U.S. policies and values.
- ❑ promotion of peaceful relations between the U. S. and other countries by fostering mutual understanding thorough academic, professional and cultural activities.

Benefits

Activities performed under this appropriation facilitate the effective conveyance of U.S. foreign policy goals and objectives, the gathering of information central to the formulation of our bilateral and multilateral foreign policy, and the cultivation of and support for U.S. policies and values.

BUYING POWER MAINTENANCE FUND

Program Activities Summary

Summary Statement

(dollars in thousands)

Year	Opening Balance	Appropriation	Transfers In/Out (-)	Net Cum. Balance
1998	\$11,725	—	—	\$11,725
1999	\$11,725	—	—	\$11,725
2000	\$11,725	—	\$18,706	\$30,431

Explanation Of 2000 Request

The Department is not seeking additional FY 2000 appropriations for this fund; however, the FY 2000 balance reflects the transfer of \$18.7 million from the United States Information Agency (USIA) as part of the consolidation of foreign affairs agencies. While the State Department's BPM account had been capitalized at a level of over \$20 million in the mid-1980s, balances were depleted in subsequent years due to the decline in the value of the dollar against the currencies of virtually every major industrialized country. During FY 1995, the Department completely depleted the BPM account by using the \$10 million in funding remaining at that time to partially offset: (1) the annualized effects of the dramatic decline in the dollar which occurred in the latter part of FY 1994 (\$5 million); and (2) the continued decline in the dollar during the first half of FY 1995 (\$5 million). In FY 1997 the value of the dollar increased against the currencies of most major industrialized countries and the Department deposited these gains of \$11.7 million into the Fund.

Purpose Of Program

The Buying Power Maintenance (BPM) Fund provides standby budget authority to sustain approved levels of activities under rapidly changing economic conditions abroad. Situations that can have a direct, adverse impact on the Department of State's overseas budget include inflation on goods and services, local employee wage increases, and exchange rate fluctuations. To the extent that adverse exchange rate fluctuations are experienced, the Department's buying power deteriorates, causing potentially large operating deficits. The Fund is currently limited by practice to the following countries where available economic data are most accurate and the impact on our appropriation is likely to be the greatest: Austria, Belgium, Canada, Denmark, Finland, France, Federal Republic of Germany, Italy, Japan, the Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland, and the United Kingdom.

BUYING POWER MAINTENANCE FUND

Benefits

When this account has an adequate balance, the Department is able to buffer overseas operations from the adverse impact of exchange rate losses.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Extraordinary Protection of International Organizations, Foreign Missions & Officials in New York	\$6,617	\$6,767	\$8,126	\$+1,359
Extraordinary Protection of International Organizations, Foreign Missions & Officials Elsewhere in the United States	1,283	1,333	1,364	+31
Appropriation Total	\$7,900	\$8,100	\$9,490	+1,390

Explanation Of 2000 Request

The FY 2000 request of \$9,490,000, to remain available for two fiscal years, funds the anticipated requirements for the extraordinary protection of international organizations and foreign missions and officials in the United States. This increase of \$1,390,000 above the FY 1999 estimate will be used to provide protection at the United Nations Women's Conference in New York City during June 2000 (\$1,200,000) and to cover built-in needs resulting from domestic inflation (\$190,000). This increase for the United Nations Women's Conference, which is expected to last at least one week, will cover overtime, travel, and hotel costs for protective details as well as reimbursement to the New York City Police for motorcades and guard posts.

Program Description

Under the authority of the Foreign Missions Act of 1982, and 3 USC 202(8), 202(10), and 208, the Department of State provides for the extraordinary protection of international organizations, foreign missions and officials, and foreign dignitaries (under certain circumstances) throughout the United States. The Bureau of Diplomatic Security administers this program in the following manner:

- **Extraordinary Protection of International Organizations and Foreign Missions and Officials in New York** - Extraordinary protection of foreign missions and officials (including those accredited to the UN and other international organizations), and visiting foreign dignitaries under certain circumstances, is arranged when deemed necessary by the Secretary of State either at the request of a foreign mission or international organization, at the initiative of the Department of State, or in response to a request by state or local law enforcement authorities. In those instances where the Secretary of State determines that the required level of protection exceeds that which local law enforcement agencies can reasonably be expected to provide, the Department is authorized to use its own resources

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

to reimburse other Federal agencies (including the U.S. Marshals Service and the Bureau of Alcohol, Tobacco, and Firearms), contract for the services of private security firms, or reimburse state or local authorities for extraordinary protective services.

- ❑ **Extraordinary Protection of International Organizations, Foreign Missions and Officials Elsewhere in the United States** - Throughout the rest of the United States, extraordinary protection of international organizations, foreign missions and officials, and visiting foreign dignitaries under certain circumstances, is arranged when deemed necessary by the Secretary of State either at the request of a foreign mission or international organization, at the initiative of the Department of State, or upon a request by state or local law enforcement authorities. In those instances where the Secretary of State determines that the required level of protection exceeds that which local law enforcement agencies can reasonably be expected to provide, the Department is authorized to use its own resources to reimburse other Federal agencies (including the U.S. Secret Service and the U.S. Park Police), contract for the services of private security firms, or reimburse state or local authorities for extraordinary protective services.

Benefits

This program is used by the United States Government in fulfilling its obligation under the Vienna Convention and other international treaties to ensure reasonable security for foreign missions and officials in the United States.

Examples of the protection given to foreign missions and officials include:

- ❑ permanent protection for certain foreign missions, consulates, and chanceries throughout the United States;
- ❑ intermittent protection for certain other consulates in the United States;
- ❑ protection for foreign officials and certain other distinguished foreign visitors during the annual United Nations General Assembly; and
- ❑ protection of foreign government officials while in the United States to conduct official business with the United States Government and while visiting metropolitan areas where there are 20 or more full-time consular or diplomatic missions.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Emergency Evacuations and Other Activities	\$2,356 ^{/a}	\$9,000 ^{/b}	\$8,000	(\$1,000)
Rewards	3,000	6,500 ^{/b}	9,000	\$2,500
Appropriation Total	\$5,356 ^{/a}	\$15,500 ^{/b}	\$17,000	\$1,500

/a Reflects \$144,000 transfer from the Emergencies in the Diplomatic and Consular Service (EDCS) Appropriation to the Repatriation Loans Program in FY 1998.

/b Includes \$10,000,000 in emergency supplemental funding for emergency evacuation costs (\$5,500,000) and rewards (\$4,500,000) associated with the Nairobi and Dar es Salaam embassy bombings.

Explanation Of 2000 Request

The FY 2000 request increases overall U.S. support for the Emergencies in the Diplomatic and Consular Service by \$1.5 million over the FY 1999 funding level. This level will allow the Department to meet emergency requirements in the conduct of foreign affairs. Included in this request are:

- travel, per diem, and other related expenses for evacuation of American government employees and their families from troubled areas to the United States and/or “safe haven” posts;
- allowances granted to State Department employees and their dependents evacuated in such emergencies;
- investigations and apprehension of groups or individuals involved in fraudulent issuance of U.S. passports and visas;
- payment of rewards for information concerning international terrorist and narco-terrorist activities; and
- representation expenses for senior domestic officials related to the conduct of foreign affairs.

The request includes \$9.0 million in funding for payments of rewards. The number of rewards cases considered for payment has continued at a high level as a result of aggressive and successful publicity campaigns. In addition, the State Department Basic Authorities Act was amended in FY 1999 (P.L. 105-323) to increase the reward payment ceiling from \$2 million to \$5 million per individual incident. The request also includes \$8.0 million for evacuations and other activities, an increase of \$4.5 million over the FY 1999 level. The request matches the actual level of activity in this account over the past two years when the Department relied on

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

available carryover balances to meet expenditures in excess of new budget authority. However, little, if any, carryover balances will be available in FY 2000 to supplement new budget authority. Recent worldwide events have demonstrated the importance of having an emergency reserve upon which to draw to protect American lives overseas in times of strife, terrorism and natural disaster.

Purpose Of Program

The Emergencies in the Diplomatic and Consular Service appropriation is a no-year appropriation utilized to meet unforeseen emergency and other requirements that arise in the conduct of foreign affairs.

Program Description

The appropriation is authorized to:

- meet emergency situations in the conduct of foreign affairs, such as the evacuation of USG employees and their families from areas of political unrest or natural disaster, as well as provide reimbursable evacuation assistance to private American citizens and designated third country nationals;
- pay rewards for information concerning acts of international terrorism, international narco-terrorism, drug trafficking, and war crimes. There are standing offers which cover numerous terrorist incidents such as the murders of U.S. Defense Attaché William Nordeen in Athens and U.S. Navy Diver Robert Stethem in Beirut; the bombings of Pan Am Flight 103, the World Trade Center, and the embassies in Nairobi and Dar Es Salaam; and the targeting of major international drug lords operating internationally; and
- support certain representational activities, such as those incurred during visits of official foreign dignitaries and at international summits.

Benefits

In FY 1998, funds were used to:

- provide for the evacuation and related support of USG employees and their families who were evacuated from Kuala Lumpur, Malaysia; Kuwait City, Kuwait; Lome, Togo; Dushanbe, Tajikistan; Kinshasa, Democratic Republic of the Congo; Tel Aviv, Israel; Jakarta, Indonesia; Asmara, Eritrea; Tirana, Albania; Dar Es Salaam, Tanzania; Nairobi, Kenya; Bissau, Guinea-Bissau; Maseru, Lesotho; Monrovia, Liberia; Phnom Penh, Cambodia; and all four posts in Pakistan (Islamabad, Karachi, Lahore, and Peshawar).
- publicize the rewards program overseas for information leading to the apprehension, effective prosecution, and punishment of individuals responsible for terrorist activities and for the prevention of acts of international terrorism outside the territorial jurisdiction of the United States against U.S. citizens or property; and
- make five narcotics-related reward payments and four terrorism-related rewards payments totaling \$3.1 million.

REPATRIATION LOANS: SUBSIDY AND ADMINISTRATION

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Subsidy	\$737	\$593	\$593	—
Administration	607	607	607	—
Appropriation Total	\$1,344*	\$1,200	\$1,200	—

** Includes \$144,000 which the Department transferred from the Emergencies in the Diplomatic and Consular Service (EDCS) Appropriation to the Repatriation Loans Program in FY 1998.*

Explanation Of 2000 Request

The FY 2000 request will allow the Department of State to subsidize and administer the Repatriation Loans program consistent with the Credit Reform Act of 1990. This activity is funded as a direct loan program in accordance with the Credit Reform Act. The Department of State receives a limited level of financing for direct loans from the Department of the Treasury in a separate financing account, disburses these funds to U.S. citizens as needed abroad, and repays the Treasury as the repatriation loans are collected from the public.

The subsidy appropriation represents the cost of the program to the U.S. government for loans that are not repaid. The FY 2000 subsidy request of \$593,000 provides a loan level of \$741,000. Should actual Repatriation Loan requirements be greater than this level, the Department would again need to transfer funds from the Emergencies in the Diplomatic and Consular Service (EDCS) Appropriation to the Repatriation Loans Program in FY 2000. The FY 2000 loan administration request of \$607,000 reflects the cost of administering the Repatriation Loans Program, and will enable the Department to meet the operational requirements of managing the program. To maintain flexibility in program implementation, the loan portion may be transferred to and merged with the Diplomatic and Consular appropriation.

Purpose Of Program

The Department of State's Repatriation Loans program provides emergency loans to assist destitute Americans abroad who have no other source of funds to return to the United States. They include Americans temporarily abroad who are without funds because of unforeseen events such as theft, illness, or accident; individuals suffering from serious physical or mental illness who need to return to the United States for medical care; Americans residing abroad with an alien spouse needing assistance to escape an abusive situation; and individuals caught in a disaster or emergency abroad who need to be removed from harm's way. Approval of a repatriation loan is not based on an applicant's credit worthiness but rather destitution. Repatriation loans are provided for temporary subsistence and transportation to the nearest U.S. port of entry.

REPATRIATION LOANS: SUBSIDY AND ADMINISTRATION

Program Description

When U.S. citizens abroad become destitute and are unable to fund their return home, they may enlist the assistance of the U.S. Embassy or Consulate in the country in which they are stranded. Consular officers first attempt to obtain funds for the person in need from family members in the United States. If this cannot be done, the post is authorized in certain circumstances to purchase transportation for direct return to the United States and to provide food and lodging for the period prior to the next available flight via U.S. carrier. The recipient is required to sign a promissory note for the amount of the loan. The Department of State actively seeks repayment of these loans. To encourage repayment, the recipient's passport is restricted at the time the loan is granted to allow return to the United States only. This restriction remains in effect until the loan is repaid.

Benefits

The benefits of this program to the U.S. government are the protection of indigent Americans from possible incarceration abroad, and the prevention of them from becoming public nuisances and harming U.S. foreign policy interests. During FY 1998, 927 repatriation loan cases were processed abroad in the following regions: Africa, 183 cases; the Americas, 249; Asia (and Oceania), 129; Europe, 320; Near East Asia, 39; and South Asia, 7.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Economic Services	\$815	\$855	\$898	\$43
Commercial Services	1,360	1,428	1,499	71
Travel Services	2,040	2,142	2,249	107
Cultural and Information Services	1,770	1,858	1,950	92
Other Services	6,383	6,727	7,327	600
Agriculture Services	372	400	420	20
Washington Office Activities	1,260	1,340	1,417	77
Appropriation Total	\$14,000	\$14,750	\$15,760	\$1,010

Explanation Of 2000 Request

This request funds a contract between the American Institute in Taiwan (AIT) and the Department of State. Of the additional \$1.0 million requested in FY 2000, \$500,000 will be used to fund an anticipated increase in residential leaseholds; \$479,000 will fund wage and price increases; and \$31,000 will fund computer and telecommunication system upgrades in the Washington Office.

Funding From Other Sources

The American Institute in Taiwan (AIT), a nonprofit corporation, has historically received reimbursement for other services performed. In FY 2000, AIT anticipates collecting a total of \$16.2 million. This includes \$10 million in visa processing fees and \$6.2 million in reimbursements from other agency contracts as well as for additional costs associated with supporting the Foreign Service Institute's Chinese Language School. Of the \$10 million in visa processing fees collected, approximately \$8 million will be used to cover direct and indirect State expenses in addition to the appropriation provided. The remaining \$2 million will be set aside for capital projects.

The funding of capital projects is the responsibility of AIT and is not included in the Department of State's Security and Maintenance of U.S. Missions appropriation. The current balance of the AIT capital fund is \$18 million with a projected balance of \$22 million by the end of FY 2000. Current unmet needs for capital improvement include the construction of an office building complex that will consolidate services and downtown residences. This would include the Institute's principle offices, Travel Services and other services which are located on commercial properties in Taipei. Construction of these facilities would relieve AIT of the significant expense of maintaining office buildings that are more than 45 years old. Commercial property standards

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

typically allow for a 50-year life cycle under ideal conditions. Taipei's environment is less than ideal; over the years Taipei has experienced a number of typhoons and earthquakes which have contributed to the degradation of the facilities.

Purpose Of Program

The American Institute in Taiwan was established in 1979 to carry out the Taiwan Relations Act (Public Law 96-8) by providing economic and commercial services, cultural and information programs, and travel services for Americans and the people on Taiwan. To support U.S. interests in Taiwan, AIT promotes U.S. exports; participates in cultural, scientific, and information exchange programs; analyzes and reports on political and economic events critical to U.S. interests; provides consular and travel-related services; and performs liaison functions on behalf of the Department of State and various U.S. government agencies with its Taiwan counterpart organization.

Program Description

Pursuant to Section 6(a) of the Taiwan Relations Act, "programs, transactions, and other relations conducted or carried out by the President or any agency of the United States Government with respect to Taiwan shall, in the manner and extent directed by the President, be conducted and carried out by or through the American Institute in Taiwan...." Under contract with the U.S. Department of State, AIT is reimbursed for the DOS share of salaries, benefits, rents, representation, and other expenses associated with operations in Taiwan and in the United States. The broad range of contractual responsibilities is described below:

- ❑ Economic Services includes reporting on economic developments in Taiwan, negotiations on trade barriers to U.S. products and services, resolution of trade disputes, and negotiations on trade and investment policy matters. The primary areas covered in bilateral consultations and negotiations include general market access, textiles, telecommunications, financial services, intellectual property rights protection, and environmental issues.
- ❑ Commercial Services activities include a strong trade promotion program providing commercial services to benefit U.S. exporters. These activities include one-on-one counseling on business conditions, the issuance of credit reports on Taiwanese companies, searches for representatives for U.S. business organizations, bulletins on specific export conditions and market research on generic lines of business. AIT also serves the large resident U.S. business community in Taiwan.
- ❑ Travel Services functions include processing of immigrant and non-immigrant visas, notarial services, reports of births of Americans, interrogatories on behalf of Americans in legal processes, and passport services. AIT assists Americans in cases involving death, arrest, welfare and whereabouts, and voter registration.
- ❑ Cultural and Information Services encompass outreach to Taiwan's aggressive and influential media, the coordination of visitor programs to the U.S., presentations on American history, culture and society through exhibits and programs, contributions to the

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

Foundation for Scholarly Exchange, and maintenance of an electronic library of English language materials and books.

- ❑ Agricultural Affairs identifies new trade opportunities, analyzes agriculture trade issues, and assists U.S. agriculture exporters.
- ❑ Other Services activities represent a diverse category of functions including: political reporting, promotion of sales of American agricultural products and services, support for the defense needs of Taiwan, cooperation to combat international drug trafficking, and administrative support for program activities.
- ❑ The Washington Office carries out the executive, negotiation, and liaison functions between various U.S. Government agencies and the Taipei Economic and Cultural Representative Office (TECRO). The Washington office provides executive and administrative direction for AIT and public affairs programming for business and other interest groups in the United States. In accordance with the AIT-TECRO Agreement on Privileges and Immunities, the Washington office also issues identity cards and tax-exemption cards to TECRO employees and their dependents, and liaises on their behalf with the Department of State and the Immigration and Naturalization Service regarding visas and adjustments of status.

Benefits

Taiwan is the 7th largest export market and 6th largest deficit trade partner of the United States. The trade deficit between the U.S. and Taiwan was approximately \$15 billion in 1998 alone. The activities of AIT preserve and promote the successful commercial, cultural, and other relations between the people of the United States and the people of Taiwan.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

Page not used.

**PAYMENT TO FOREIGN SERVICE RETIREMENT
AND DISABILITY FUND**

Program Activity Summary

Summary Statement

(dollars in thousands)

1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
\$129,935	\$132,500	\$128,541	\$-3,959

Explanation Of 2000 Request

This request represents the cost of maintaining the Foreign Service Retirement System for those employees not covered under the Foreign Service Pension System (FSPS), which is the Foreign Service version of the Federal Employees Retirement System, as well as the cost of amortizing previously unfunded liabilities that will continue to be funded by this separate appropriation. The FY 2000 decrease of \$3,959,000 is budgeted to amortize properly the unfunded liability created by Federal salary increases, as documented by the annual evaluation of Fund balances performed by the Fund's Government Actuary at the Department of Treasury. This separate payment is authorized by the Foreign Service Act of 1980 (Section 821 of Public Law 96-465) which provides for an appropriation to the Fund, in 30 equal annual installments, of the amount required for the unfunded liability created by:

- new or liberalized benefits;
- new groups of beneficiaries; or
- increased salaries on which benefits are computed.

In addition, Section 821 also finances the balance of the normal cost for each fiscal year, an amount equal to the balance of annual costs to the Fund in excess of current employee and employer contributions.

Purpose of program

The purpose of this appropriation is to maintain the Foreign Service Retirement and Disability Fund. This appropriation is one of several sources of income to the Fund. The Fund is maintained through:

- contributions by participants;
- matching government contributions;
- special government contributions, including this program;
- interest on investments; and
- voluntary contributions.

**PAYMENT TO FOREIGN SERVICE RETIREMENT
AND DISABILITY FUND**

Page not used.

**PART TWO
INTERNATIONAL ORGANIZATIONS
AND CONFERENCES**

OVERVIEW

This section contains the FY 2000 appropriations in the
International Organizations and Conferences title.

SUMMARY STATEMENT

(Dollars in thousands)

Appropriations	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request	Increase/ Decrease
Contributions to International Organizations	888,883 /m	922,000	963,308	41,308
Contributions for Int'l. Peacekeeping Activities	210,632 /m	231,000	235,000	4,000
CIO/CIPA Arrearage Payments	100,000	475,000	446,000 /n	-29,000
International Conferences & Contingencies	12,000 /m	--	--	--
TOTAL APPROPRIATIONS	1,211,515	1,628,000	1,644,308	16,308

/m Reflects transfer from the Contributions to International Organizations appropriation to: the International Conferences and Contingencies appropriation for costs associated with the Comprehensive Test Ban Treaty Organization (\$12,000,000); and the Contributions to International Peacekeeping Activities appropriation for payment of FY 1998 peacekeeping assessments (\$632,000).

/n \$37,000,000 is in excess of the automatic adjustments provided by the bipartisan Balanced Budget Act of 1997.

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Page not used.

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase/ Decrease (-)
Annual Requirements	\$888,696 ^{/a}	\$922,000	\$963,308	\$41,308
Arrears Subject to Authorization	54,000	—	—	0
Arrears Payments	187	—	—	0
Appropriation Total	\$942,883	\$922,000	\$963,308	\$41,308

/a This amount reflects transfers of \$12,000,000 from CIO to the ICC account to pay for costs associated with the Comprehensive Test Ban Treaty Organization and \$632,000 from CIO to the CIPA account.

Explanation Of 2000 Request

The FY 2000 request of \$963,308,000 represents full funding, consistent with statutory restrictions, of U.S. assessed contributions to the 47 international organizations funded through this appropriation, and recognizes the United States' international obligations and the President's commitment to maintain the financial stability of the UN and other international organizations.

The Administration also is seeking funding to pay arrears owed to international organizations and for peacekeeping activities. Further information regarding this request can be found on page 105.

Purpose Of Program

This appropriation provides funds for pursuing critical U.S. foreign policy initiatives and addressing global issues that transcend bilateral considerations, (e.g., human rights, environmental issues, and humanitarian concerns).

Program Description

The various activities under this appropriation include assessed contributions to:

- the **UN and Affiliated Agencies**, that cover such diverse fields as peaceful uses of nuclear energy, international peace and security, international war crimes tribunals, arms control activities, international agricultural programs, labor, health and medical research, postal services, telecommunications, shipping, civil aviation, meteorology, maritime safety and pollution control, and patent classifications and copyrights;
- the **Inter-American Organizations** that are involved in matters of democracy and human rights, animal and plant health, international law, eradication of endemic diseases, and cartographic and geophysics surveys in the Western Hemisphere;

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

- ❑ the **Regional Organizations** that are involved in matters of economic and social development, national security, and consultations with representatives of national legislative bodies in geographic areas of high interest to the United States; and
- ❑ **Other International Organizations** that are mainly concerned with international trade (including a broad range of commodities), the environment, and legal decision making and arbitration through courts and administrative bodies operating at international levels.

Allocation by Organization

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request
United Nations & Affiliated Agencies			
Food & Agriculture Organization	\$80,810	\$80,973	\$81,038
Int'l. Atomic Energy Agency	56,059	50,816	53,997
Int'l. Civil Aviation Organization	12,778	13,439	12,164
Int'l. Labor Organization	57,231	63,968	60,806
Int'l. Maritime Organization	1,206	1,449	1,422
Int'l. Telecommunications Union	6,744	7,546	7,118
United Nations – Regular	304,581	297,077	303,696
United Nations - War Crimes Tribunals	13,637	25,000	29,000
Cambodia War Crimes Commission	—	—	3,000
Iraq War Crimes Commission	—	—	4,000
Universal Postal Union	1,410	1,537	1,456
World Health Organization	106,864	108,371	108,371
World Intellectual Property Org.	1,155	1,320	1,168
World Meteorological Org.	10,803	11,749	11,091
Subtotal, UN and Affiliated Agencies	653,278	663,245	678,327
Inter-American Organizations			
Inter-American Indian Institute	—	—	110
Inter-American Institute for Cooperation on Agriculture	16,560	16,560	16,560
Organization of American States	55,396	55,396	56,946
Pan American Health Organization	49,741	49,928	49,928
Pan American Institute of Geography and History	427	375	324
Subtotal, Inter-American Organizations	122,124	122,259	123,868
Regional Organizations			
Asia-Pacific Economic Cooperation	695	730	765
Colombo Plan Council for Technical Cooperation	14	14	14
North Atlantic Assembly	688	828	839
North Atlantic Treaty Organization	36,523	48,053	48,977

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Activities	1998 Actual	1999 Estimate	2000 Request
Regional Organizations (cont.)			
Organization for Economic Cooperation and Development	54,892	63,149	61,925
South Pacific Commission	1,211	1,252	1,252
Subtotal, Regional Organizations	94,023	114,026	113,772
Other International Organizations			
Bureau of International Expositions	27	—	31
Customs Cooperation Council	3,200	3,873	3,535
Hague Conference on Private Int'l. Law	108	128	127
Int'l. Agency for Research on Cancer	1,666	1,718	1,718
Int'l. Bureau of the Permanent Court of Arbitration	20	22	21
Int'l. Bureau for the Publication of Customs Tariffs	99	107	104
Int'l. Bureau of Weights & Measures	892	972	929
Int'l. Copper Study Group	61	77	74
Int'l. Cotton Advisory Committee	259	286	286
Int'l. Center for the Study of Preservation & Restoration of Cultural Property	755	755	755
Int'l. Hydrographic Organization	105	100	91
Int'l. Institute for the Unification of Private Law	110	125	121
Int'l. Lead & Zinc Study Group	63	65	63
Int'l. Natural Rubber Organization	300	300	300
Int'l. Office of Epizootics	82	93	91
Int'l. Organization for Legal Metrology	109	124	119
Int'l. Office of the Vine & Wine	59	64	63
Int'l. Rubber Study Group	106	111	108
Int'l. Seed Testing Association	7	8	8
Int'l. Tropical Timber Organization	105	105	105
Int'l. Union for the Conservation of Nature & Natural Resources	258	283	267
Int'l. Grains Council	502	517	505
Interparliamentary Union	5	—	500

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Activities	1998 Actual	1999 Estimate	2000 Request
Other International Organizations (Cont.)			
Organization for the Prevention of Chemical Weapons	24,264	16,636	15,927
World Trade Organization/General Agreement on Tariffs and Trade	12,535	13,594	13,493
Subtotal, Other International Organizations	45,697	40,063	39,341
Subtotal	\$915,122	\$939,593	\$955,308
Arrears Payment	187	—	—
Arrears Subject to Authorization	54,000	—	—
Potential Foreign Currency Exchange Rate Adjustments	—	—	8,000
United Nations Tax Credit	(27,345)	—	—
FY 1998 United Nations Buydown	(18,674)	—	—
FY 1999 United Nations Buydown	19,593	(19,593)	—
Chemical/Biological/Nuclear Weapons Center	—	2,000 ^b	—
Appropriation Total	\$942,883^a	\$922,000	\$963,308

/a This amount reflects transfers of \$12,000,000 from CIO to the ICC account to pay for costs associated with the Comprehensive Test Ban Treaty Organization and \$632,000 from CIO to the CIPA account.

/b This amount reflects a provision to make available \$2,000,000 to establish an international center for response to chemical, biological, and nuclear weapons.

Benefits

Membership in international organizations benefits the United States in the following ways:

- building U.S. coalitions and gaining support for U.S. interests and policies in the UN and its affiliated agencies, and pursuing multilateral programs and activities which advance U.S. interests and democratic principles and fundamental human rights based on the rule of law;
- promoting economic growth through market economies, free trade and investment, and efficient multilateral development assistance;
- settling disputes peacefully and providing an effective means to address our specific national interests in certain geographic areas of the world and strengthening our alliances in these areas;
- encouraging non-proliferation, nuclear safeguards, arms control, and disarmament;
- adopting international standards to facilitate international trade, telecommunications, transportation, intellectual property protection, environmental protection, and scientific exchange; and

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

- strengthening international cooperation in environment, agriculture, technology, science, health, and drug abuse prevention.

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Page not used.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request
UN Disengagement Observer Force (UNDOF)	\$7,904	\$8,000	\$8,900
UN Interim Force in Lebanon (UNIFIL)	35,699	29,900	36,000
UN Iraq/Kuwait Observer Mission (UNIKOM)	4,217	5,000	5,500
UN Operations in Angola	37,121	13,700	34,200
UN Mission in Western Sahara (MINURSO)	13,158	23,600	15,000
UN Operations in the Former Yugoslavia:			
UN Protection Force in Yugoslavia (UNPROFOR) - Phasedown/Close-out	1,478	48,000	0
UN Preventive Deployment Force (UNPREDEP) - Former Yugoslav Republic of Macedonia (FYROM)	11,372	12,000	16,000
UN Peacekeeping in Eastern Slavonia	6,888	—	—
UN Mission in Bosnia and Herzegovina (UNMIBH), includes UN Mission of Observers in Prevlaka (UNMOP)	<u>60,491</u>	<u>45,000</u>	<u>50,000</u>
Subtotal, Former Yugoslavia	80,229	105,000	66,000
UN Force in Cyprus (UNFICYP)	6,752	7,000	7,400
UN Operations in Haiti	—	—	7,000
UN Observer Mission in Georgia (UNOMIG)	4,953	8,300	10,500
UN Mission of Observers to Tajikistan (UNMOT)	4,946	3,000	7,000
War Crimes Tribunal - Yugoslavia	6,545	12,000	14,500
War Crimes Tribunal - Rwanda	6,577	12,000	14,500
UN Observer Mission in Sierra Leone (UNOMISL)	2,531	3,500	8,500
Subtotal	210,632	231,000	235,000
Arrears Subject to Authorization	46,000	—	—
Appropriation Total	\$256,632	\$231,000	\$235,000

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

Explanation Of 2000 Request

The FY 2000 request provides funds for the United States' share of the expenses of United Nations (UN) peacekeeping operations. In accordance with the President's commitment to maintain the financial stability of international organizations and peacekeeping activities, the FY 2000 request is \$235 million, for full funding of projected FY 2000 operations.

The Administration requests these funds to be appropriated as "no year funds" due to the demonstrated unpredictability of the requirements in this account from year to year, and the nature of multi-year operations which have mandates overlapping the United States' fiscal year.

The Administration also is seeking funding to pay arrears owed to international organizations and for peacekeeping activities. Further information regarding this request can be found on page 105.

Purpose Of Program

The purpose of this appropriation is to fund the U.S. share of assessed UN peacekeeping budgets so as to ensure continued American leadership in shaping the international community's response to developments that threaten international peace and stability. UN peacekeeping activities promote the peaceful resolution of conflict. All assessments for operations for FY 1998-FY 2000 are calculated at the legislatively-mandated rate of 25 percent.

Program Description

This appropriation will fund the U.S. assessed share of UN peacekeeping operations as follows:

- ❑ **UN Disengagement Observer Force** (UNDOF, initial UN mandate in May 1974) – acts as a buffer between Syria and Israeli troops in the strategic Golan Heights area.
- ❑ **UN Interim Force in Lebanon** (UNIFIL, initial UN mandate in March 1978) – (1) restores international peace and security in southern Lebanon; and (2) restores Lebanese sovereignty in the south of Lebanon. Israel has accepted UN Security Council Resolution (UNSCR) 425, and will withdraw "when the Lebanese Government establishes security guarantees that preclude hostile actions against its populace." Until a clear framework exists for Lebanese-Israeli peace talks, UNIFIL continues to have a role in any successful implementation of UNSCR 425 by Israel.
- ❑ **UN Iraq/Kuwait Observer Mission** (UNIKOM, initial UN mandate in April 1991) – monitors the demilitarized zone between Iraq and Kuwait established in the aftermath of the Gulf War. Kuwait provides two-thirds of the costs of this force.
- ❑ **UN Operations in Angola** (initial UN mandate in May 1991) – covers expenses of the mission, per agreement between the Government of Angola and the National Union for the Total Independence of Angola (UNITA) signed in November 1994, as well as costs of a follow-on mission. Although Angolan peacekeeping may be significantly downsized or terminated, the needs for UN peacekeeping in other troubled areas in Sub-Saharan Africa are likely to more than make-up for any reduction.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

- ❑ **UN Mission in Western Sahara** (MINURSO, initial UN mandate in April 1991) – monitors the cease-fire and assists in conducting a referendum on the future status of the Western Sahara – MINURSO’s original mandate. The focus of this operation will depend upon the continuing efforts of the Secretary General’s special envoy, former Secretary of State, James A. Baker, III, to resolve this long-standing dispute.
- ❑ **UN Preventive Deployment Force** (UNPREDEP, initial separate UN mandate in March 1995) – monitors the border between Serbia and the Former Yugoslav Republic of Macedonia (FYROM).
- ❑ **UN Mission in Bosnia and Herzegovina** (UNMIBH, initial UN mandate in December 1995) – established by the UN Security Council as a result of the Dayton Agreement, monitors local police activity and assists in establishing reformed police forces trained in democratic community policing.
- ❑ **UN Mission of Observers in Prevlaka** - (UNMOP, initial UN mandate in February 1992) – observes and monitors demilitarization on the Prevlaka Peninsula in Croatia. Funding for UNMOP is included within UNMIBH.
- ❑ **UN Force in Cyprus** (UNFICYP, initial UN mandate in March 1964) – halts violence between the Turkish Cypriot and Greek Cypriot communities. UNFICYP helps maintain order on the island. Together, the Greek and Cypriot governments fund more than half of the costs of this force.
- ❑ **UN Operations in Haiti** (initial UN mandate in September 1993) – assists in the professionalization of Haitian security forces.
- ❑ **UN Observer Mission in Georgia** (UNOMIG, initial UN mandate in August 1993) – monitors compliance with the cease-fire agreement reached between the Republic of Georgia and Abkhaz separatist forces on May 14, 1994.
- ❑ **UN Mission of Observers to Tajikistan** (UNMOT, initial UN mandate in December 1994) – monitors the cease-fire agreement, and promotes political reconciliation.
- ❑ **War Crimes Tribunals in Yugoslavia and Rwanda** (established for Yugoslavia in February 1993 and for Rwanda in November 1994) – examines war crimes in these areas. Half of each of these tribunals is funded by a special assessment using the UN regular budget scale of assessments (which is paid out of the Contributions to International Organizations account), and the other half is funded using the UN peacekeeping scale (which is paid out of this account).
- ❑ **UN Observer Mission in Sierra Leone** (UNOMISL, initial UN mandate in July 1998) – the recent offensive by insurgent forces has made disarmament, demobilization, and reintegration impractical. At the present time, most UNOMISL personnel have been temporarily relocated to Conakry, Guinea. In the short to medium term, UNOMISL is likely to focus on good offices and human rights activities.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

Benefits

United Nations (UN) peacekeeping operations are an effective means of containing conflict and resolving disputes before they directly threaten U.S. national interests. We need the flexibility to respond to different crises in different ways, including UN peacekeeping. Acting through the UN allows us to share the risks and costs of dealing with international crises with other nations. Deployment of UN peacekeeping operations, and selective U.S. participation in them, can advance important U.S. interests.

Peacekeeping can:

- separate adversaries;
- maintain cease-fires;
- facilitate the delivery of humanitarian relief;
- enable refugees and displaced persons to return home;
- constrain and disarm the forces of opposing parties;
- disarm combatants; and
- create conditions conducive to political reconciliation and the conduct of free elections.

In these and other ways, peacekeeping operations can help nurture new democracies, lower the global tide of refugees, reduce the likelihood of unsanctioned interventions, and prevent small conflicts from growing into larger wars. These results directly serve the national interests of the United States.

Since the explosion of demand for UN peacekeeping operations in the early 1990s, both the U.S. and the UN have learned key lessons on whether, when, and how to intervene in case of conflict. This greater discipline in peacekeeping decision-making has brought down the number of UN peacekeepers in the field from almost 70,000 in early 1995 to less than 15,000 in late 1998. The United States' annual funding contribution has declined rapidly as well, from over \$1 billion in FY 1994 to a proposed \$235 million in FY 2000.

ARREARAGE PAYMENTS

Program Activity Summary

Summary Statement

(dollars in thousands)

	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Appropriation Total	\$0	\$475,000	\$446,000^{/a}	(\$29,000)

^{/a} \$37,000,000 is in excess of the automatic adjustments provided by the bipartisan Balanced Budget Act of 1997.

Explanation Of 2000 Request

The FY 2000 budget requests includes \$446,000,000 to pay arrears owed by the United States to the United Nations and other international organizations. In FY 1998, arrearage payment funding was included in the Contributions to International Organizations (\$54,000,000) and Contributions for International Peacekeeping Activities (\$46,000,000) accounts. In FY 1999, the Congress appropriated \$475,000,000 for arrearage payments.

Purpose Of Program

These funds will be used for the payment of arrears owed by the United States to the United Nations (regular budget and peacekeeping) and other international organizations.

Benefits

This funding and the authorization allowing payment of these arrears is essential if the United States is to right its relationship with the United Nations and other international organizations and to restore the United States' leadership position.

ARREARAGE PAYMENTS

Page not used

INTERNATIONAL CONFERENCES AND CONTINGENCIES

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Participation in Int'l Conferences	\$0	\$0	\$0	\$0
Contributions to New or Provisional Organizations:				
Comprehensive Test Ban Treaty Organization	12,000	—	—	—
Subtotal	12,000	0	0	0
Appropriation Total	\$12,000^{a/}	\$0^{b/}	\$0	\$0

a/ Funds were made available via a transfer from the CIO account.

b/ Subject to reprogramming requirements, the conference agreement for the Omnibus Consolidated and Emergency Appropriations Act of 1999 included a provision allowing the transfer of up to \$1,233,000 to the ICC account from the Contributions to International Organizations account for assessed contributions to new or provisional organizations or for travel expenses for official delegates to international conferences.

Explanation Of 2000 Request

No funds are requested for this account in FY 2000.

Purpose Of Program

The objective of the International Conferences and Contingencies (ICC) appropriation is to provide funding for United States' contributions to international organizations in which U.S. participation is new or provisional or for travel expenses for official delegates to international conferences.

Benefits

This appropriation allows the United States to pay its assessment to international organizations in which its membership is new or provisional.

INTERNATIONAL CONFERENCES AND CONTINGENCIES

Page not used

PART THREE
INTERNATIONAL COMMISSIONS

OVERVIEW

This section contains the FY 2000 appropriations in the International Commissions title.

SUMMARY STATEMENT

(Dollars in thousands)

Appropriations	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request	Increase/ Decrease
International Boundary & Water Commission:				
Salaries & Expenses	17,490	19,551	20,413	862
Construction	6,463	5,939	8,435	2,496
Subtotal, International Boundary & Water Commission	23,953	25,490	28,848	3,358
International Fisheries Commissions	14,549	14,549	16,702	2,153
American Sections:				
International Boundary Commission	761	761	859	98
International Joint Commission	3,189	3,432	3,819	387
Border Environment Cooperation Commission	1,540	1,540	1,815	275
Subtotal, American Sections	5,490	5,733	6,493	760
TOTAL APPROPRIATIONS	43,992	45,772	52,043	9,354

**INTERNATIONAL BOUNDARY & WATER COMMISSION,
UNITED STATES & MEXICO - SALARIES & EXPENSES**

Page not used.

**INTERNATIONAL BOUNDARY & WATER COMMISSION,
UNITED STATES & MEXICO - SALARIES & EXPENSES**

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Administration	\$3,490	\$4,322	\$3,771	(\$551)
Engineering	2,904	2,356	2,168	(188)
Operations & Maintenance	11,096	12,873	14,474	1,601
Appropriation Total	\$17,490	\$19,551	\$20,413	\$862

Explanation Of 2000 Request

The FY 2000 request is \$20,413,000, a \$862,000 increase over the FY 1999 enacted appropriation. Major components of the increase are additional design engineers for unmet and emerging needs, information management improvements, and additional field operation and maintenance requirements.

Purpose Of Program

The mission of the International Boundary & Water Commission (IBWC) is to:

- apply the rights and obligations which the governments of the United States and Mexico assumed under numerous boundary and water treaties and related agreements;
- improve the water quality of the boundary rivers (the Rio Grande and Colorado), and resolve border sanitation problems;
- distribute boundary rivers' water to both countries equitably;
- operate the international flood control projects along the boundary rivers;
- operate the international reservoirs for the conservation of Rio Grande water and for hydroelectric generation;
- establish and maintain the boundary in the international rivers (the Rio Grande, Colorado, New, and Tijuana);
- demarcate the land boundary; and
- operate and maintain international wastewater treatment facilities.

Program Description

The IBWC S&E appropriation ensures that the rights and obligations of treaties and agreements between the United States and Mexico are met through the administration and ongoing maintenance and operation of facilities constructed using funds appropriated to IBWC's construction account.

INTERNATIONAL BOUNDARY & WATER COMMISSION, UNITED STATES & MEXICO - SALARIES & EXPENSES

In addition, the Commission will:

- implement joint water quality programs for the observation of the biological, mineral, chemical, and toxic quality of international river waters;
- ensure compliance with National Pollution Discharge System (NPDES) permits for the Nogales International Wastewater Treatment Plant (NIWTP) located in Nogales, Arizona, and the South Bay International Waste Water Treatment Plant (SBIWTP) located in San Ysidro, California;
- design operational and wastewater structures and water conveyances for the Rio Grande American Canal Extension Project in El Paso, Texas; and,
- investigate and report on the most feasible measures for solving border sanitation problems along the U.S.-Mexico border.

Benefits

The work of the Commission facilitates the solution of international boundary and water problems, which benefits people on both sides of the boundary and improves relations between the two countries. Particular emphasis is placed on the resolution of critical environmental issues.

**INTERNATIONAL BOUNDARY & WATER COMMISSION,
UNITED STATES & MEXICO - CONSTRUCTION**

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
South Bay Int'l Wastewater Treatment Plant and Nogales Int'l Wastewater Treatment Plant	\$0	\$0	\$1,300	\$1,300
Amistad Dam Sinkholes	—	29	—	(29)
Amistad Dam/Falcon Dam Safety	—	0	500	500
Chamizal Cordova Bridge Project	—	41	—	(41)
Rio Grande Flood Control System	—	0	625	625
Tijuana Sanitation	—	2,098	—	(2,098)
San Diego Reimbursement	—	1,678	—	(1,678)
Facilities Renovation	470	541	425	(116)
American Canal Extension	7,499	5,177	2,625	(2,552)
Rio Grande Canalization	3,221	3,195	1,750	(1,445)
Lower Rio Grande Hydraulic Rehabilitation	—	—	260	260
Colorado River Project	1,000	1,248	950	(298)
Boundary Preservation Work	—	200	—	(200)
Subtotal	\$12,190	\$14,207	\$8,435	(\$5,772)
less Unobligated Balances Applied	(5,727)	(8,268)	—	(8,268)
Appropriation Total	\$6,463	\$5,939	\$8,435	\$2,496

Explanation of 2000 Request

The FY 2000 request permits program support at levels consistent with overall foreign policy objectives and provides new budget authority for the following:

- South Bay International Wastewater Treatment Plant/Nogales Wastewater Treatment Plant, providing for rehabilitation, emergency, and non-routine needs;
- new Amistad/Falcon Dams safety project;
- Rio Grand Flood Control System Rehabilitation, to provide start-up costs for new multi-year projects;
- facilities renovation projects, providing for a continuation of this multi-year program;
- the American Canal extension continues work intended for completion in FY 2001;
- Rio Grande Canalization, for a continuation of this multi-year project with intended completion in FY 2001;

INTERNATIONAL BOUNDARY & WATER COMMISSION, UNITED STATES & MEXICO - CONSTRUCTION

- ❑ Lower Rio Grande Hydraulic Rehabilitation, for new projects to determine impacts of major flooding along the Rio Grande; and
- ❑ the third year of the Colorado River Boundary Preservation and Flood Control Project, providing for continuing requirements studies.

Purpose Of Program

The purpose of the International Boundary & Water Commission (IBWC) construction program is to carry out joint construction projects with Mexico that will solve border sanitation and flood control problems.

Explanation Of Projects

The status of the major projects in FY 2000 is:

- ❑ **Nogales International Wastewater Treatment Plant (NIWTP) and South Bay International Wastewater Treatment Plant (SBIWTP)** (\$1,300,000) - Funding will be used for the purpose of performing a comprehensive rehabilitation of the NIWTP located in Nogales, Arizona. The USIBWC operates the plant that has developed problems due to increased flows since 1992 (when the plant was last upgraded). The IBWC has received a “Notice of Violation” from the Arizona Department of Environmental Quality citing several operating failures in violation of the plant’s permit. In addition, funds are included to provide for emergency and non-routine needs such as equipment replacement and environmental compliance for the South Bay International Wastewater Treatment Plant and the NIWTP.
- ❑ **Amistad/Falcon Dam and Safety of Dams Project** (\$500,000) - The USIBWC is solely responsible for two diversion dams on the on the Rio Grande, the American Dam and the International Dam. In addition, the Commission is jointly responsible for the operation and maintenance of the Amistad, Falcon, Anzalduas, and Retarnal Dams. The dams were built to provide for the distribution of waters of the Rio Grande between the United States and Mexico and for the conservation, flood control, storage, power generation, and regulation of the flow of the river. The Safety of Dams Project will provide direction for the safe operation and maintenance of the dams mentioned above. The dams are inspected jointly by the Commission’s technical advisors through Joint Technical Advisor Meetings. The technical advisors continually review and enforce the need to protect against the potentially devastating affects of dam failure. Additionally, commitment to public safety at the dams directly impacts the lives and property of citizens of the United States and Mexico.
- ❑ **Rio Grande Flood Control System Rehabilitation** (\$625,000) – Funding is included for start-up costs for a new, multi-year Rio Grande Flood Control Rehabilitation project. The ultimate goal is to rehabilitate all the USIBWC’s Rio Grande flood control levees, consisting of rehabilitation of all levees within the Upper Rio Grande Canalization and Rectification projects, Presidio Flood Control project, and the Lower Flood Control project. These projects consist of approximately 510 miles of earthen levees and confined

INTERNATIONAL BOUNDARY & WATER COMMISSION, UNITED STATES & MEXICO - CONSTRUCTION

flood ways (175 miles on-river and 375 miles off-river). The levees range in age from 25 to 60 years old. The flood control projects provide flood protection to urban, suburban, and highly developed irrigated farmlands in the Rio Grande delta. A failure of the levees systems during floods would cause extensive property damage and possible loss of life. The importance of flood protection in this area has grown in recent years due to the increased urbanization adjacent to the project levees.

- ❑ **Facilities Renovations** (\$425,000) - Funds will be used to continue a multi-year program of facilities renovations. In FY 1999, rehabilitation work to bring IBWC facilities up-to-date for safety and efficiency will include: continuing to resurface levees at the Upper and Lower Rio Grande Flood Control Projects; renovating gaging stations; performing structural, electrical, and plumbing rehabilitations at field office buildings; refurbishing electrical units and motors necessary for gate operation; and installing dam riprap for erosion control.
- ❑ **American Canal** (\$2,625,000) - Funding is requested to continue construction of an extension of the American Canal. In 1935, the United States built the American Dam and Canal in El Paso, Texas to prevent illegal diversion of more water from the Rio Grande River than was allotted to Mexico under a 1906 treaty. Congress has authorized \$42,000,000 for the extension of the American Canal to further protect U.S. water interests. Initial studies began in FY 1991, and the actual design and construction of the project began in FY 1992.
- ❑ **Rio Grande Canalization** (\$1,750,000) - Funding is requested for stabilization construction on the Rio Grande channel between the American Dam in El Paso, Texas, and the Caballo Dam in New Mexico. Channel scouring has exposed foundations of bridges, siphons, and diversion dams in portions of the Rio Grande channel, jeopardizing the structural integrity of some structures. The U.S. Section has evaluated the causes of the scouring and will construct necessary features to control the scouring process throughout the channel. Collapse of these structures could affect the U.S. Section's ability to deliver water to Mexico as required by the 1906 Water Treaty.
- ❑ **Lower Rio Grande Hydraulic Studies** (\$260,000) - Funding is being requested for a new Lower Rio Grande Hydraulic Studies Project. This request represents the first of a three-year program to determine potential impacts along the Rio Grande during major floods and possible required actions to prevent major flood damages to property and to border residents. The program will consist of determining the Rio Grande flood profiles through the major Sister-Cities. It will also reevaluate the ability of the Lower Rio Grande Flood Control project to convey the design flood (in the face of changes in flood plain practices and increased vegetation on the U.S. side of the border), and determine the inundation limits of flood releases that may be made from the Amistad Dam.
- ❑ **Colorado River Boundary Preservation and Flood Control Project** (\$950,000) - Funding will be used to continue studies concerning the conveying capacity of the international segment of the Colorado River. Due to flooding, the river is filled with excessive sediment that has drastically changed the capacity of its channel. The deposits from this sediment could affect Mexico's ability to utilize the water being delivered under

INTERNATIONAL BOUNDARY & WATER COMMISSION, UNITED STATES & MEXICO - CONSTRUCTION

the 1944 Water Treaty. In addition, Mexico has asserted that a salinity problem exists in the water being delivered, an issue which would also be included for study under this project. The request will be used for continuing studies to develop total project requirements.

Benefits

Benefits of this appropriation include:

- implementing boundary preservation, flood control, and sanitation projects consistent with treaty obligations between the Governments of the United States and Mexico and Acts of Congress;
- promoting successful resolution of a broad range of environmental issues;
- maintaining the natural boundary between the United States and Mexico;
- preventing potentially destructive flooding in towns along the boundary; and
- preserving the water quality for peoples' use on both sides of the boundary.

INTERNATIONAL FISHERIES COMMISSIONS

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Inter-American Tropical Tuna Commission	\$3,177	\$3,177	\$3,400	\$223
Great Lakes Fishery Commission	8,353	8,353	9,353	1,000
Pacific Salmon Commission	1,487	1,434	1,819	385
Other Marine Conservation Orgs.	1,532	1,585	2,130	545
Appropriation Total	\$14,549	\$14,549	\$16,702	2,153

Explanation Of 2000 Request

The FY 2000 request increases overall U.S. support for the International Fisheries Commissions above the FY 1999 appropriated level. The largest component of the increased funding request, \$1,000,000, provides for the U.S. contribution towards the Great Lakes Fishery Commission's (GLFC) five year St. Mary's River project to control sea lampreys. The St. Mary's River is the primary source of sea lamprey in northern Lake Huron. The GLFC increase will provide for chemical purchases (bayluscide - \$500,000), the sterile male program (\$300,000), and for enhanced trapping (\$200,000).

The request also provides for research projects for the International Pacific Halibut Commission, increased negotiation costs for the Pacific Salmon Commission, and an increased U.S. contribution for the inter-American Tropical Tuna Commission. Funding is also requested for projected increases in assessment costs and the U.S. contribution for two new commissions. The funding will sustain ongoing activities at existing levels for scientific sampling, monitoring, establishing catch quotas, and testing of fishery stocks and their habitats.

Purpose Of Program

The purpose of these international fisheries organizations is to strengthen regional stability and secure a sustainable global environment by:

- conducting continuing scientific studies on marine resources for which they are responsible, and
- recommending conservation measures to member governments based on study results.

INTERNATIONAL FISHERIES COMMISSIONS

Program description

The International Fisheries Commissions appropriation provides for:

- the U.S. share of operating expenses of ten international fisheries commissions and organizations, three international marine science organizations, and one sea turtle commission;
- travel expenses of U.S. Commissioners and their advisors; and
- compensation payments to non-government employees of the Pacific Salmon Commission for days actually worked as U.S. Commissioners, panel members, advisors, and/or alternates.

Benefits

Membership in these organizations produces the following benefits to the United States:

- manages and conserves recreational and commercial fisheries which contribute a net economic benefit of over \$5 billion to the U.S. economy;
- continues efforts to eradicate sea lampreys in the Great Lakes and their tributaries;
- ensures that U.S. fishermen have the opportunity to harvest an equitable share of fish in international fisheries;
- guards against the depletion of fishery resources;
- ensures the protection of whale stocks pursued through the International Whaling Commission;
- provides a means by which the United States can achieve important conservation goals through international cooperation (e.g., dolphin protection pursued through the Inter-American Tropical Tuna Commission); and
- provides fora for discussion of problems of mutual interest between the United States and other fishing nations.

INTERNATIONAL BOUNDARY COMMISSION

Program Activity Summary

Summary Statement

(dollars in thousands)

	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Appropriation Total	\$761	\$761	\$859	\$98

Explanation Of 2000 Request

The FY 2000 request reflects the resources required for the U.S. Government to meet treaty commitments with Canada to maintain a clearly-defined and demarcated boundary line between the two countries. These treaty obligations generate the need for the U.S. Section to operate at least three separate boundary maintenance projects, of at least five months' duration each, headed by a permanent International Boundary Commission (IBC) employee assisted by a crew of temporary employees.

The FY 2000 request of \$859,000 will fully support the U.S. Government's equitable share in meeting treaty commitments with Canada. The FY 2000 increase is \$98,000 over the FY 1999 level. Of this amount, \$20,000 is related to FY 2000 wage and price increases. The remainder of the increase (\$78,000) is a direct result of the Commission absorbing all wage and price increases for the past seven fiscal years. The increase will restore the International Boundary Commission's capability to meet minimum Treaty obligations by funding three full-sized crews in the field for the necessary five months. No new initiatives or program expansions proposed.

Purpose Of Program

The United States and Canada are obligated by treaty to maintain an "effective" boundary between the two countries. The bilateral International Boundary Commission is charged by the governments of both countries with executing treaty requirements. The Treaty specifies that, to be effective, the boundary line must be well-demarcated and offer a 20-foot wide clear line-of-sight (i.e., "vista") from one boundary monument to the next along the entire 5,525 mile U.S.-Canada border.

Program Description

Although the boundary was cleared, surveyed, and marked years ago, a cyclical maintenance program is needed to preserve an effective boundary line. The request will fund the U.S. Section of the Commission to continue to:

- clear the 20-foot wide border vista of new timber and brush growth;
- maintain boundary monuments in good repair;

INTERNATIONAL BOUNDARY COMMISSION

- establish monuments and markers where necessary;
- regulate construction which crosses or is adjacent to the boundary to preserve the integrity of the vista; and
- provide boundary-related positional/cartographic data to the public and private sectors.

In FY 2000, the U.S. Section of the IBC will conduct three boundary maintenance operations:

- completion of survey work and monumentation work along the Maine-New Brunswick boundary plus the commencement of survey work and monumentation along the Maine-Quebec border;
- completion of monument maintenance along the Minnesota/North Dakota-Manitoba boundary; and
- continuation of work on the Montana-Alberta/British Columbia boundary involving both monument maintenance and Global Positioning System (GPS) survey work.

Benefits

Maintaining and preserving an effective boundary line between the United States and Canada ensures the sovereignty of each nation over its territory by clearly establishing where one's rights end and the other's begins. An ambiguous boundary line would complicate the business of government and private industry as well as the lives of the people living and working along it.

INTERNATIONAL JOINT COMMISSION

Program Activities Summary

Summary Statement

(dollars in thousands)

	1998	1999	2000	Increase or
Activities	Actual	Estimate	Request	Decrease (-)
U.S. Section	\$2,739	\$2,968	\$3,273	\$305
Special & Technical Investigations by U.S. Geological Survey	450	464	546	82
Appropriation Total	\$3,189	\$3,432	\$3,819	\$387

Explanation Of 2000 Request

The FY 2000 request reflects an increase from the FY 1999 level to fund ongoing studies and investigations, wage and price increases, and enhanced support to the vital United States Geological Survey gauging station program.

Purpose Of Program

The International Joint Commission's (IJC) mission is to develop and, where appropriate, administer programs to assist the governments of the United States and Canada to address water quality and quantity issues and air pollution problems along the U.S./Canadian border through the implementation of the provisions of the Boundary Waters Treaty of 1909 and related international agreements. In addition, the United States' share (approximately 50 percent) of the Commission's Great Lakes Regional Office is funded through this account.

Program Description

The IJC performs the following activities:

- approves (licenses) projects affecting the levels and flows of boundary waters and, in some cases, transboundary rivers;
- oversees the operation of these projects;
- issues reports to the U.S. and Canadian governments on referred matters regarding water quality and quantity and air pollution; and
- monitors progress of the U.S. and Canadian governments in achieving the purposes and objectives of the Great Lakes Water Quality Agreement.

INTERNATIONAL JOINT COMMISSION

During FY 2000, the Commission will continue to manage water levels and flows in the Great Lakes to achieve an appropriate balance among the many significant interests affected by water levels in the region. Unpredictable water supplies coupled with greater demands on the resource and increased political attention to water level issues are expected to continue. Consistent with available resources, the Commission will continue to study and review its orders of approval and consider improved methods of regulating water levels in the Great Lakes basin.

The Commission will continue work on references issued to it by the two governments during FY 1999 and continue its ongoing review of existing orders of approval. These references include:

- ❑ an in-depth environmental assessment of a proposed mine on the Taku River in British Columbia that may pose a risk of substantial damage to the salmon fishery in Alaska;
- ❑ an assessment of potential transboundary effects of a proposed emergency outlet from Devil's Lake in North Dakota;
- ❑ an evaluation of current and projected diversions and consumptive use of boundary waters along the U.S.-Canada border with emphasis on the Great Lakes; and,
- ❑ development of an initial international watershed board in the U.S.-Canada border region, for the purpose of improving cross-border communication and coordination facilitating local and regional problem solving.

The Commission will complete work on a June 12, 1997 reference from the Governments of the United States and Canada regarding flooding in the Red River Basin. In addition, the IJC will fulfill its responsibility under the 1991 Air Quality Agreement between the United States and Canada, by conducting a broad public involvement program (including public hearings, public meetings, focus groups, and/or a series of teleconferences) and receiving comment from interested parties on reports of the bilateral Air Quality Committee. The IJC will then synthesize the comments received and provide that synthesis to the governments of the United States and Canada and the public.

The Commission will complete its formal review of its Order for the Regulation of Rainy and Namakan Lakes pursuant to the 1938 Rainy Lake Convention to determine whether the regulation criteria governing the flows of the Rainy River continue to achieve the purpose of the Convention, which is to avoid emergency conditions in the Rainy Lake watershed. The Order was last reviewed in 1970.

Benefits

The quality and quantity of boundary waters, including the Great Lakes, are maintained and monitored to ensure that millions of Americans and Canadians will not lose the economic, recreational and aesthetic benefits that they now depend on from the boundary waters. Joint fact-finding is utilized in the resolution and prevention of environmental or other disputes.

BORDER ENVIRONMENT COOPERATION COMMISSION

Program Activity Summary

Summary Statement

(dollars in thousands)

	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Appropriation Total	\$1,540	\$1,540	\$1,815	\$275

Explanation Of 2000 Request

The FY 2000 request of \$1,815,000, an increase of \$275,000 over the FY 1999 enacted level, provides funding for the U.S. contribution to the Border Environment Cooperation Commission (BECC), a bi-national institution jointly funded, in equal shares, by the United States and Mexico. The FY 2000 contribution will enable the BECC to continue to assist border communities in designing, financing, coordinating, and constructing large and small scale environmental infrastructure projects that will be considered for financing by the North America Development Bank (NADBank) or by other lending or granting institutions. The BECC will continue its public outreach strategy to bring its program and objectives to the attention of the border communities in order to identify potential beneficial environmental infrastructure projects.

Purpose Of Program

Established under a side agreement to the North American Free Trade Agreement (NAFTA), the BECC's central objective is to assist states, local communities, private industry, and non-governmental organizations in developing effective solutions to resolve environmental problems along the U.S.-Mexico border. The BECC accomplishes this by providing technical and financial planning assistance for environmental infrastructure projects and by certifying environmental infrastructure projects.

Program Description

The BECC assists states, localities, and private investors that propose environmental infrastructure projects by providing technical support—such as engineering analysis, project design, environmental assessment, and public participation—to border communities seeking to develop environmental infrastructure projects. The BECC reviews and certifies environmental infrastructure projects, focusing primarily on the areas of wastewater treatment, water pollution, and municipal solid waste. The BECC also notifies the public about specific projects and receives comments from affected communities to ensure extensive participation in the policies and decisions of the Commission.

Under an evolving process of broad bi-national public consultation, twenty-six environmental infrastructure projects with an estimated value of \$618 million have been certified; 14 of these projects are moving into the construction phase and one is completed and in operation. The process of identifying potential new projects and developing these projects has matured into a

BORDER ENVIRONMENT COOPERATION COMMISSION

comprehensive system, well integrated with the NADB and other affected federal agencies in both countries.

The BECC has received applications for 113 additional projects, of which 78 are currently under development, as a result of satisfying basic certification criteria (being a water, wastewater, or solid waste initiative, and being located within 100 kilometers on either side of the border). From this last number, 9 projects have been scheduled for possible certification during the first two quarters of calendar year 1999.

Members of the Board of Directors of the BECC are appointed by the President of the United States and the President of Mexico. The Administrator of the Environmental Protection Agency and the U.S. Commissioner of the International Boundary and Water Commission are members of the Board, as are their Mexican counterparts. The other six members are a representation of border states, communities, and the public at large.

Benefits

The benefits of the BECC include:

- assisting states and localities and other public entities and private investors in:
 - coordinating environmental infrastructure projects to address serious environmental degradation problems along the 2,000 mile U.S.-Mexico border;
 - preparing, developing, implementing, and overseeing environmental infrastructure projects in the border region, including the design, siting, and other technical aspects of such projects;
 - analyzing the financial feasibility and/or the environmental aspects of environmental infrastructure projects in the border region;
 - evaluating social and economic benefits of environmental infrastructure projects in the border region; and
 - organizing, developing, and arranging public and private financing for environmental infrastructure projects in the border region.
- certifying applications for financing to the NADBank, or to other sources of financing that request such certification, for environmental infrastructure projects in the border region;
- serving as a unique institution for providing an innovative approach to address common environmental infrastructure needs along the international border; and
- providing a forum for public input into critical decision making on the development and implementation of infrastructure projects.

PART FOUR
RELATED APPROPRIATIONS

OVERVIEW

This section contains the FY 2000 appropriations in the Related Appropriations title.

SUMMARY STATEMENT

(Dollars in thousands)

Appropriations	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request	Increase/ Decrease
The Asia Foundation	8,000	8,250	15,000	6,750
National Endowment for Democracy	30,000	31,000	32,000	1,000
East-West Center	12,000	12,500	12,500	--
North-South Center	1,500	1,750	2,500	750
Eisenhower Exchange Fellowship Program	570	525	525	--
Israeli Arab Scholarship Program	400	350	350	--
TOTAL APPROPRIATIONS	52,470	54,375	62,875	8,500

THE ASIA FOUNDATION

Page not used.

THE ASIA FOUNDATION

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Operating Activity Expenses	\$1,590	\$1,610	\$2,820	\$1,210
Program Grants and Services	6,410	6,640	12,180	\$5,540
Appropriation Total	\$8,000	\$8,250	\$15,000	\$6,750

Explanation Of 2000 Request

The FY 2000 request will provide funding for The Asia Foundation at \$15 million, which represents an increase of \$6.75 million from FY 1999. The FY 2000 request will be used to:

- develop stronger and more effective open market economies and address critical and urgent issues related to the ongoing Asian economic crisis;
- support countries in transition to more open democratic systems;
- strengthen democratic institutions and the rule of law; increase access to judicial institutions; assist the development of emerging non-governmental organizations (NGOs) as independent citizen organizations; promote women's political participation; and
- assist the development of regional institutions and U.S.-Asian dialogue, including human rights.
- provide a special \$5 million grant to the Foundation to carry out expanded legal reform programs in Asia.

The Foundation will continue to increase fund-raising efforts in the private sector and expects to raise \$4 million in project funds in FY 2000, an increase over the approximately \$3 million expected in FY 1999. Appropriated funds are critical to the Foundation's ability to attract private and other funds. The Foundation will also receive in-kind contributions.

Purpose Of Program

The Foundation, as a non-governmental grant-making organization, plays a complementary role in advancing U.S. interests in the region. The mission of the Foundation is to support peaceful and stable transitions to more open political and economic systems characterized by effective governance and legal systems, an engaged and responsible civil society, and open markets. In addition, through its programs and presence in the region, the Foundation assists in strengthening U.S.-Asian understanding and relations. The Asia Foundation is a core component of U.S.

THE ASIA FOUNDATION

presence in Asia and is perceived by the Asian community as a sign of a firm commitment to the region.

The Asia Foundation is vital in helping the U.S. Government attain its goals in Asia and the Pacific. The Foundation is able to address issues that governments cannot address directly, and is in locations where the U.S. Government no longer maintains a presence with development programs. Foundation programs include: encouraging and strengthening more open local government; developing human rights organizations; assisting in the drafting of needed laws; supporting the development of policies affecting intellectual property rights protection; and building constituencies for economic reform, open markets and regional institutions. The Foundation also supports informal regional discussions on sensitive subjects, like human rights. Further, the U.S. Government receives a high return on its investment in The Asia Foundation, both with respect to the Foundation's results-oriented work in support of national foreign policy interests, and its efficient use of resources and ability to leverage other funds.

Program Description

The Asia Foundation is primarily a grant-making organization with field offices in Asia and the Pacific. Through research, workshops, equipment purchases, and grants for such activities as technical assistance, training, and institutional support, the Foundation contributes to U.S. and Asian interests in the following ways:

- strengthening key democratic institutions such as legislatures and courts, professional organizations, citizen advocacy groups, and other NGOs that represent public interests;
- supporting Asian-Pacific efforts to shift from centrally planned to open market economies and to liberalize trade and investment policies, and strengthening key financial institutions and polices to prevent crises of the magnitude currently faced in Asia;
- promoting leadership development by arranging project-related professional training and study tours for staff members of grantee institutions;
- facilitating U.S.-Asian dialogue on political, economic, and security issues affecting U.S. interests in the region; and
- managing the Books for Asia program, which distributes over half a million American books and journals a year throughout Asia and the Pacific.

Benefits

The Asia Foundation's programs advance long-term U.S. interests and address immediate needs in Asia and the Pacific, strengthening democracy and human rights, opening regional trading opportunities, and encouraging cooperation in the region. The Foundation will continue to be a model for public-private partnership in addressing the challenges facing the Asia/Pacific region.

NATIONAL ENDOWMENT FOR DEMOCRACY

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Appropriation Total	\$30,000	\$31,000	\$32,000	\$1,000

Explanation Of 2000 Request

This appropriation is being transferred to the Department of State. The FY 2000 request will provide funding for the National Endowment for Democracy (NED) at \$32 million, which represents an increase of \$1 million from the FY 1999 level. Grant funding will be used to:

- support countries in transition to more open democratic systems;
- strengthen democratic institutions and the rule of law, and assist the development of emerging non-governmental organizations (NGOs) as independent citizen organizations;
- provide assistance to democratic activists in closed societies, including access to new information technologies; and,
- develop strong regional networks of democrats, including activists in countries of the former Soviet Bloc.

Purpose Of Program

The NED is a private, non-profit organization created in 1983 to strengthen democratic institutions around the world through non-governmental efforts. The Endowment is governed by an independent, non-partisan board of directors. With its annual Federal grant, NED makes hundreds of grants each year to support pro-democracy groups in Africa, Asia, Central and Eastern Europe, Latin America, the Middle East, and the former Soviet Union. The mission of the Endowment is to support peaceful and stable transitions to more open political and economic systems characterized by effective governance and legal systems, an engaged and responsible civil society, and open markets.

NATIONAL ENDOWMENT FOR DEMOCRACY

Program Description

The National Endowment for Democracy is primarily a grant-making organization. Programs in the areas of labor, open markets, and political party development are funded through four core institutes: the American Center for International Labor Solidarity (ACILS), the Center for International Private Enterprise (CIPE), the International Republican Institute (IRI), and the National Democratic Institute (NDI). The Endowment also annually funds scores of programs in the areas of human rights, civic education, independent media, rule of law, strengthening non-governmental organizations, and other aspect of democratic development.

Benefits

The National Endowment for Democracy's programs advance long-term U.S. interests and address immediate needs in strengthening democracy, human rights, and the rule of law. As recent events in Russia, East and South Asia, the Balkan region, Central Africa, and elsewhere make evident, strong democratic institutions are the best long-term protection against economic and social breakdown. Promoting democracy through the National Endowment for Democracy is vital to U.S. national security since democracies typically do not sponsor terrorism, proliferate weapons of mass destruction, or create destabilizing flows of refugees.

EAST-WEST CENTER

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
East-West Center	\$12,000	\$12,500	\$12,500	--
Appropriation Total	\$12,000	\$12,500	\$12,500	--

Explanation Of 2000 Request

This appropriation is being transferred to the Department of State. The FY 2000 request of \$12,500,000 funds a non-competitive grant to the Center for Cultural and Technical Interchange between the East and West. Additional support is provided by private agencies, individuals, corporations, and more than 20 Asian and Pacific governments. Grant funding will support Center research and programs designed to:

- help develop stronger and more effective open market economies and address critical and urgent issues related to the ongoing Asian economic crisis;
- support countries in transition to more open democratic systems;
- strengthen democratic institutions and the rule of law, increase access to judicial institutions, develop non-governmental organizations (NGOs);
- promote women's political participation; and,
- advance the development of regional institutions and U.S.-Asian dialogue, including human rights.

Purpose Of Program

The East-West Center (EWC) was established in Hawaii by Congress in 1960 as a national and regional source of information and analysis about the Asia-Pacific region, including the United States. Its purpose is to promote better relations and understanding between the United States and the nations and peoples of Asia and the Pacific through cooperative study, training, and research which address regional issues of contemporary significance.

Program Description

The EWC is a public, non-profit institution chartered by the State of Hawaii with an 18-member international board of governors. Principal funding comes from this appropriation. Some 2,000 scholars, government and business leaders, educators, journalists, and other professionals from throughout the region work through the EWC annually.

EAST-WEST CENTER

- ❑ Education and Training – The EWC offers a wide range of educational opportunities for students and professionals specializing in Asia and the Pacific. These include support for undergraduate and graduate study, pre- and post-doctoral fellowships, and special programs for Pacific Islanders and students of native Hawaiian ancestry. The Asian Studies Development Program (ASDP) works with educators from more than 100 colleges and universities in 35 states to reach American college students to expand their knowledge about Asia and the Pacific. ASDP now has 12 regional resource centers on American college campuses that work closely with neighboring higher educational institutions to expand Asian studies. The Center also provides opportunities for kindergarten through twelfth grade educators in Hawaii and on the U.S. mainland to increase their awareness and knowledge about Asia and the Pacific. The Center offers annual Jefferson Fellowships to print and broadcast journalists as well as short-term training for editors, producers, and other mid-level and senior media professionals.

- ❑ Research – The overarching theme of EWC research is the increasing integration of the Asia-Pacific region. Center researchers annually work with more than 100 government and private organizations and thousands of specialists throughout the region. The issues they address range from population, environmental and energy resources to Pacific island nation development and regional economies and politics. Research findings reach decision-makers in government, business, and education through conferences, publications, and reports.

Benefits

The EWC advances long-term U.S. interests and addresses multilateral needs in Asia and the Pacific, including strengthening democracy and human rights, and encouraging open markets. Presidents, prime ministers, ambassadors, scholars, business executives, and journalists use the EWC as a forum to advance international cooperation. Among its resources is a network of some 43,000 alumni around the world.

NORTH-SOUTH CENTER

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
North-South Center	\$1,500	\$1,750	\$2,500	\$750
Appropriation Total	\$1,500	\$1,750	\$2,500	\$750

Explanation Of 2000 Request

This appropriation is being transferred to the Department of State. The FY 2000 request of \$2,500,000 funds a non-competitive grant to the Dante B. Fascell North-South Center, which represents a \$750,000 increase over the FY 1999 level. Grant funding will support Center research and programs designed to:

- advancing freedom and democracy in the Western Hemisphere;
- understanding economic crises that divide rich and poor and obstruct the path toward sustainable development; and,
- encouraging trade partnerships that cross international borders.

Purpose Of Program

The North-South Center serves as a national and regional source of information and analysis about the Western Hemisphere. Its purpose is to promote better relations between the United States and the nations of Latin America, the Caribbean, and Canada through policy-relevant study, training, and research.

Program Description

The North-South Center is a private non-profit institution which was established in Florida in 1984. The North-South Center Act of 1990 authorized Federal funding for the Center. The Center contributes to more effective policy-making on social, political, and economic issues. In addition to publications and facilitating conferences, research programs include:

- North-South Scholars Program- Provides graduate-level education and on-the-job training to promising students whose career objectives relate directly to the North-South Center's mission. The scholars are actively involved in the internal research activities of the Center. Criteria for selection include academic merit, language competency, related professional experience, and a strong commitment to a career in inter-American relations. As the fields of study are coordinated with the Center's priority research areas, it is hoped that these individuals will become leaders prepared to contribute to solving the hemisphere's most

NORTH-SOUTH CENTER

pressing problems. Half or more of the scholars are from Latin America, the Caribbean, and Canada.

- ❑ National Linkages Program – Through collaboration with think-tanks, government and academic institutions, and international organizations, the National Linkages Program establishes the North-South Center as a forum for presentation and outreach for inter-American policy formulation. The program contributes directly to substantive discussion of policy issues of U.S. concern. The program’s objective is to reach the broadest and most influential audience possible.
- ❑ Policy Crisis and Traveling Scholar Program – Presents panels, lectures, or discussions of “front-burner” policy issues and scholarly debates on a “short notice” to develop, clarify, and analyze viable policy alternatives. Sessions are open to the news media, and include Center researchers and outside policy analysts. Reports and papers are disseminated to analysts in government, business, academia, and the media.

Benefits

The North-South Center advances long-term U.S. interests and addresses multilateral needs in the Western Hemisphere, including strengthening democracy, encouraging open markets, promoting Caribbean studies, and providing a policy focus on refugee and immigration issues, arms control, drug control, peace, economic growth, and sustainable development in the hemisphere.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
EEF Program Trust Fund Interest and Earnings	\$570	\$525	\$525	--
Appropriation Total	\$570	\$525	\$525	--

Explanation Of 2000 Request

This endowment is being transferred to the Department of State. In FY 2000, the request seeks appropriation authority to spend \$525,000 in estimated interest and earnings of the Eisenhower Exchange Fellowship Program Trust Fund. The funding will be applied to:

- increasing educational opportunities for young leaders in preparation for and enhancement of their professional careers; and,
- advancing peace through international understanding.

Purpose Of Program

The Eisenhower Exchange Fellowship Program (EEF) promotes international understanding and productivity through the exchange of information, ideas, and perspectives among emerging leaders throughout the world.

Program Description

The EEF was created in 1953 to honor President Eisenhower. The Eisenhower Exchange Fellowship Act of 1990 authorized a permanent endowment for the program and established a trust fund for this purpose. The 1992 Department of State and Related Agencies Appropriations Act provided an endowment of \$5 million with interest and earnings to be appropriated to Eisenhower Exchange Fellowships, Inc. The 1995 Department of State and Related Agencies Appropriations Act provided an additional payment of \$2.5 million to the endowment.

The program brings outstanding professionals who are rising leaders in their countries to the United States, and sends their American counterparts abroad with a custom-designed program for each participant. EEF consists of three major components:

- Multi-Nation Program –Brings to the United States one fellow from each of two dozen countries.
- Single Nation or Single Area Program – Allows 10 or more fellows, representing a variety of professions and disciplines from a single country or area, to visit the United States.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM

- ❑ USA Program – Sends Americans abroad, primarily to study in emerging democracies of Eastern Europe.

Benefits

EEF exchanges strengthen democratic development and international peace, and create opportunities for emerging U.S. and foreign leaders to understand each other's societies and cultures directly.

ISRAELI ARAB SCHOLARSHIP PROGRAM

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
IASP Trust Fund Interest and Earnings	\$400	\$350	\$350	--
Appropriation Total	\$ 400	\$350	\$350	--

Explanation Of 2000 Request

This endowment is being transferred to the Department of State. In FY 2000, the request seeks appropriation authority to spend \$350,000 in estimated interest and earnings of the Israeli Arab Scholarship Endowment Fund. The funding will be applied to:

- increasing educational opportunities for Israeli Arab students to study and conduct research in the United States; and
- advancing peace through international understanding.

Purpose Of Program

The Israeli Arab Scholarship Program (IASP) fosters mutual understanding between Arab citizens of Israel and the United States through international exchange and training activities.

Program Description

The IASP was created by the Foreign Relations Authorizations Act for fiscal years 1992 and 1993. A permanent endowment of \$4,978,500 was established in 1992 with funds made available under Section 556(b) of the Foreign Operations Export Financing and Related Programs Appropriations Act of 1990, as amended.

Benefits

The income and earnings generated from this endowment are used to provide scholarships for Israeli Arab students to study in the United States. IASP exchanges strengthen international peace and create opportunities for understanding each other's societies and cultures directly.

ISRAELI ARAB SCHOLARSHIP PROGRAM

Page not used.

**PART FIVE
FOREIGN ASSISTANCE**

OVERVIEW

This section contains the FY 2000 State Department Appropriations authorized in the State Department Authorization bill, but appropriated in the Foreign Operations bill.

SUMMARY STATEMENT

(Dollars in thousands)

Appropriations	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request	Increase/ Decrease
Migration & Refugee Assistance	650,384 /o	640,000	660,000	20,000
Emergency Refugee/Migration Assistance	50,000	30,000	30,000	--
TOTAL APPROPRIATIONS	700,384	670,000	690,000	20,000

/o Reflects a transfer from the D&CP appropriation for ICASS implementation (\$384,000).

MIGRATION AND REFUGEE ASSISTANCE

Page not used.

MIGRATION AND REFUGEE ASSISTANCE

Program Activities Summary

Summary Statement

(dollars in thousands)

Activities	1998 Actual	1999 Estimate	2000 Request	Increase or Decrease (-)
Overseas Assistance:				
<i>Africa</i>	\$130,757	\$135,550	\$144,800	\$9,250
<i>East Asia</i>	17,675	13,950	12,100	(1,850)
<i>Europe</i>	109,562	91,840	90,300	(1,540)
<i>Near East</i>	93,541	96,600	99,500	2,900
<i>South Asia</i>	26,316	30,000	26,900	(3,100)
<i>Western Hemisphere</i>	14,200	13,000	15,800	2,800
<i>Multiregional Activities</i>	63,589	73,700	73,900	200
Subtotal	455,640	454,640	463,300	8,660
Refugee Admissions	102,360	102,360	122,900	20,540
Refugees to Israel	80,000	70,000	60,000	(10,000)
Administrative Expenses	12,384 ^{/a}	13,000	13,800	800
Appropriation Total	\$650,384^{/a}	\$640,000	\$660,000	\$20,000

/a This amount includes \$384,000 transferred from the Diplomatic and Consular Program (D&CP) appropriation for International Cooperative Administrative Support Services (ICASS).

Explanation Of 2000 Request

Humanitarian Response is one of the seven U.S. National Interests, as well as a strategic goal outlined within the Department of State Strategic Plan. Funds within the Migration and Refugee Assistance (MRA) appropriation, together with the U.S. Emergency Refugee and Migration Assistance Fund, are the principal funding components of the Department for the Humanitarian Response goal. The MRA appropriation supports programs that uphold the humanitarian principles the United States shares with others in the international community by providing assistance to victims of persecution and civil strife. These programs support the protection of refugees and conflict victims, the provision of basic needs to sustain life and health, and the resolution of refugee problems through voluntary repatriation, local integration, or permanent resettlement in a third country – including the United States. MRA funds also support efforts to manage international migration flows humanely and effectively.

Within the context of the Strategic Plan, the following areas have been identified as specific goals for MRA funding:

- ✓ **Protection** – Ensure protection and first asylum to refugees and conflict victims.

MIGRATION AND REFUGEE ASSISTANCE

- ✓ **Response Capacity and Standards of Care** – Maintain viable and efficient international humanitarian response mechanisms to respond to the needs of refugees and victims of conflict at internationally accepted minimum standards.
- ✓ **Voluntary Repatriation and Reintegration** – Support voluntary repatriation of refugees and provide a catalyst for their sustainable reintegration in the country of origin.
- ✓ **International Migration** – Balance the individual migrant's need for protection with national interests in security of borders in country and regional efforts to manage and cooperate on migration issues.
- ✓ **Resettlement** – Provide resettlement opportunities to refugees and other humanitarian migrants and encourage other countries to do so.

The FY 2000 request of \$660,000,000 for MRA will be used to fund: 1) overseas assistance activities, which support the first four goals outlined above; 2) the admission of refugees to the United States, supporting the resettlement goal; 3) a grant to support refugee resettlement in Israel, also supporting the resettlement goal; and 4) the majority of administrative expenses of the Bureau of Population, Refugees, and Migration (PRM).

- **Overseas Assistance:** In FY 2000, \$463,300,000 is requested for Overseas Assistance, an increase of \$8,660,000 from the FY 1999 estimate. This request will support the continuing assistance requirements for populations of concern, and will focus on the following initiatives: (a) ensuring that basic international life-sustaining **standards of care** are provided across geographical regions, particularly in Africa; (b) working with other governments, international organizations, and NGOs to enhance international **protection** for vulnerable groups and address the physical security of refugees, conflict victims, and humanitarian workers; (c) enhancing basic **education** opportunities for refugees worldwide, especially for women and girls; (d) increasing **migration policy** activities that promote support for basic human rights of migrants, and warn them of the risks of associated with irregular migration; and (e) expanding our consultation and coordination **with other donors** and the international organizations to ensure that the collective international effort meets critical humanitarian needs in the most efficient manner possible.

To accomplish these objectives, this request supports the programs of the UN High Commissioner for Refugees (UNHCR), the emergency appeals and headquarters budget of the International Committee of the Red Cross (ICRC), the requirements of the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), refugee-related activities of the World Food Program (WFP), and other international organizations. Non-governmental organizations that carry out relief services overseas to populations of concern are also supported. This request also supports the headquarters and programs of the International Organization for Migration (IOM), as well as other international migration activities.

- **Africa** - \$144,800,000. Some 3.5 million of the world's refugees are spread across the African continent. While there have been large repatriations, new refugee outflows (e.g.,

MIGRATION AND REFUGEE ASSISTANCE

from Sierra Leone, Angola, Burundi, the two Congos, Sudan) underscore the need for continued humanitarian assistance. Moreover, humanitarian assistance has not always been up to basic international standards in such life-sustaining sectors as nutrition and water/sanitation. The largest UNHCR, ICRC, WFP and NGO programs are expected to address the needs of refugees from, and conflict victims in, Angola, the Great Lakes area, Liberia, Sierra Leone, Sudan, and Somalia.

- **East Asia** - \$12,100,000. Burmese and Cambodians in Thailand constitute the largest groups of refugees requiring support in this region. In addition to supporting these groups, funds will also be dedicated to any remaining Burmese refugees in Bangladesh, for reintegration needs of those who returned to Burma, and for the repatriation and reintegration of Cambodians. Migration concerns, including trafficking in people, are gaining attention in the region. Funds will primarily support UNHCR, ICRC, and NGOs.
- **Europe** - \$90,300,000. Funds for European assistance will be used primarily for humanitarian relief for refugees and displaced persons from the Kosovo conflict; repatriation of refugees from Bosnia-Herzegovina and Croatia; and implementation of the Program of Action of the 1996 Regional Conference on Refugees and Migration in the Commonwealth of Independent States. Activities will also focus on humanitarian assistance to refugees and displaced persons, as well as migration and refugee program capacity building in the countries of the former Soviet Union. The majority of fund will be contributed to the programs of UNHCR, ICRC, and NGOs.
- **Near East** - \$99,500,000. The majority of funds requested for this region will support the programs of UNRWA. UNRWA provides education, medical assistance, vocational training, relief and social services, and small-scale income-generation projects to approximately 3.5 million Palestinian refugees – the world’s largest registered refugee population. Programs in this region will also be implemented through UNHCR, ICRC, and NGOs.
- **South Asia** - \$26,900,000. Funds will primarily support UNHCR and NGO programs providing humanitarian assistance to Afghan refugees in Pakistan, especially women and girls. ICRC will address life-support needs inside Afghanistan while UNHCR will aid returned refugees. Funds will also be used to assist the internally displaced and repatriate population in Sri Lanka, and Tibetan and Bhutanese refugees.
- **Western Hemisphere** - \$15,800,000. Funds for this region will support the core activities of UNHCR, ICRC, and NGOs. U.S. contributions to ICRC largely support ongoing core programs, including protection activities, tracing, dissemination, and medical assistance to conflict areas such as Colombia and Peru. Funds will also support follow-up activities to the Regional [North and Central America] Conference on Migration and other migration initiatives.
- **Multiregional Activities** - \$73,900,000. Funds will support the multiregional activities of UNHCR and refugee-related multiregional activities of other relevant international and non-governmental organizations, where additional initiatives will be undertaken in policy

MIGRATION AND REFUGEE ASSISTANCE

areas such as emergency preparedness, children, and women. International migration activities that are not region-specific will also be supported from these funds, as will support for a contribution to the ICRC headquarters budget and the U.S. assessment to IOM.

- ❑ **Refugee Admissions:** In FY 2000, \$122,900,000 is requested for Refugee Admissions, an increase of \$20,540,000 from the FY 1999 estimate. This request will fund the admission of 80,000 refugees to the United States, 5,000 above the level included in the FY 1999 budget. The requested increase is necessary to finance the higher admissions level, to support increased transportation requirements, and for a proposed increase in the level of the Reception and Placement Grants to U.S. voluntary resettlement agencies in support of domestic resettlement. Specific regional ceilings will be set by a Presidential Determination after the FY 2000 Congressional consultations process.

Refugee Admissions

Region	FY 1998 Actual	FY 1999 Ceiling
Africa	6,888	12,000
East Asia	10,854	9,000
Europe	54,363	45,000 ¹
Latin America/Caribbean	1,640	3,000
Near East/South Asia	3,311	4,000
Unallocated Reserve	—	2,000
Total	77,056	75,000¹

/1 An additional 3,000 admissions numbers are available for refugees from the former Soviet Union and the Baltic countries if needed for and if necessary funding can be identified within existing appropriations for the Departments of State and Health and Human Services. The Department will notify Congress should use of this contingency become necessary.

- ❑ **Refugees to Israel:** This request will provide a grant in support of the humanitarian migration of Jewish refugees to Israel. The \$10,000,000 reduction in the FY 2000 request reflects a decline in the number of individuals seeking resettlement in Israel. In 1991, approximately 145,000 individuals from the former Soviet Union arrived in Israel; by 1998, the number of new arrivals had declined to fewer than 60,000.
- ❑ **Administrative Expenses:** The request of \$13,800,000 for administrative expenses will finance the salaries and operating costs associated with a staff of 109 permanent positions in the Bureau of Population, Refugees, and Migration, an increase of ten from the FY 1999 estimate. The ten new positions, three overseas and seven domestic, are critically needed to manage the increased resources and array of issues for which PRM is responsible. This increase will allow PRM to have an overseas presence in three missions with important humanitarian and refugee responsibilities which do not currently have full-time refugee positions. Domestically, the additional positions will allow us to more effectively address expanding requirements for program design, monitoring, and evaluation for operations, while maintaining our equally important policy liaison role in supporting other parts of the State

MIGRATION AND REFUGEE ASSISTANCE

Department in integrating refugee and humanitarian issues into broader regional foreign policy concerns.

(Costs related to a staff of six permanent positions dedicated to international population activities are included in the Department of State's Diplomatic and Consular Programs appropriation.)

Purpose Of The Program

UNHCR estimates that there are just under 12 million refugees worldwide; an additional 3.5 million Palestinian refugees are registered with UNRWA. In addition, there is an even greater number of returnees, displaced persons, conflict victims, and others of concern to UNHCR and ICRC. The United States contributes toward the needs of refugees and conflict victims through programs of overseas assistance and by admitting refugees of special humanitarian concern for resettlement in the United States. Central to these efforts is a recognition that refugee problems are matters of international concern, requiring multilateral solutions.

Accordingly, the focus of U.S. foreign policy is:

- Protecting and providing life-sustaining relief for persons who have fled across international boundaries to seek refuge from persecution and conflict;
- Obtaining effective and timely responses from the international community to assist refugees and displaced persons;
- Seeking solutions to the origins of refugee problems and supporting repatriation and reintegration; and
- Helping victims of conflict.

Program Description

Overseas assistance is carried out through voluntary contributions to:

- The United Nations High Commissioner for Refugees (UNHCR);
- The International Committee of the Red Cross (ICRC);
- The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA);
- The International Organization for Migration (IOM);
- The World Food Program (WFP);
- Other international organizations; and
- Non-governmental organizations.

Refugee admissions are supported through funding:

MIGRATION AND REFUGEE ASSISTANCE

- Private voluntary agencies that conduct refugee processing and cultural orientation overseas, as well as provide initial reception and placement services in the United States; and
- IOM, which provides transportation, processing, medical screening services, and cultural orientation for refugees coming to the United States.

The Refugees to Israel program is implemented through a grant to the United Israel Appeal.

Benefits

Migration and Refugee Assistance funds continue to:

- Maintain U.S. global leadership in humanitarian affairs and international refugee and migration policy;
- Help maintain first asylum in countries that might otherwise close borders to refugees;
- Provide for the protection and direct humanitarian assistance to refugees and conflict victims and support refugee repatriation and reintegration when political conditions allow;
- Obtain multilateral support and burden sharing for refugee needs; and
- Bring refugees to the United States who are of special humanitarian concern.

EMERGENCY REFUGEE AND MIGRATION ASSISTANCE

Program Activity Summary

Summary Statement

(dollars in thousands)

	1999 Opening Balance	2000 Request
Emergency Fund	\$108,887 ^{/a}	\$30,000

/a Of which, \$78,887,267 was carried forward into FY 1999 and \$30,000,000 was appropriated in FY 1999.

Explanation Of 2000 Request

A \$30,000,000 replenishment of the Emergency Refugee and Migration Assistance (ERMA) Fund is requested to preserve the President's ability to respond to unforeseen and urgent refugee and migration needs worldwide.

Purpose Of Program

The ERMA Fund is a no-year appropriation, drawn upon by the President, to meet unexpected, urgent refugee and migration needs when it is important to the national interest to do so.

Program Description

Pursuant to statute, the President authorizes drawdowns from the ERMA Fund when unexpected refugee and migration needs require immediate financial support for programs sustaining life or providing other vital services. In FY 1998, a total of \$57 million was drawn down from the ERMA Fund for relief requirements of:

- Refugees, victims of conflict, and other persons at risk in Africa and Southeast Asia (PD 98-24 for \$37 million); and
- Refugees, displaced persons, conflict victims, and other persons at risk due to the Kosovo crisis (PD 98-34 for \$20 million).

As of the end of the first quarter of FY 1999, there have been no drawdowns authorized from the ERMA Fund.

Benefits

The ERMA Fund provides the President with the flexibility to respond on a timely basis to emergency refugee and migration crises around the world.

EMERGENCY REFUGEE AND MIGRATION ASSISTANCE

Page not used

Department of State
Fee Collections
(Dollars in Thousands)

Revenue Source	FY 1998 Actual	FY 1999 Estimate	FY 2000 Request
Machine Readable Visa Fees			
Prior Year Collections Unallocated	67,249	52,436	49,607
Current Year Collections Projected	247,503	310,000	310,000
Total Collections Available	314,752	362,436	359,607
Carryforward Allocations	9,037	0	0
Current Year Allocation Plan	253,279	312,829	316,715
Total Allocations	262,316	312,829	316,715
Unallocated Collections	52,436	49,607	42,892
Expedited Passport Fees			
Prior Year Collections Unallocated	6,904	22,673	10,000
Current Year Collections Projected	49,561	50,000	50,000
Total Collections Available	56,465	72,673	60,000
Carryforward Allocations	3,087	0	0
Current Year Allocation Plan	30,705	62,673	50,000
Total Allocations	33,792	62,673	50,000
Unallocated Collections	22,673	10,000	10,000
Diversity Visa Fees			
Prior Year Collections Unallocated	0	328	328
Current Year Collections Projected	4,044	6,500	6,500
Total Collections Available	4,044	6,828	6,828
Current Year Allocation Plan	3,716	6,500	6,500
Unallocated Collections	328	328	328
FBI Fingerprint Fees			
Prior Year Collections Unallocated	1,798	1,867	2,097
Current Year Collections Projected	2,815	300	300
Total Collections Available	4,613	2,167	2,397
Current Year Allocation Plan	2,746	70	75
Unallocated Collections	1,867	2,097	2,322
Defense Trade Control Fees			
Collections/Plan	700	1,000	1,000
Commercial Services Fees			
Prior Year Collections Unallocated	0	0	0
Current Year Collections Projected	9	10	10
Total Collections Available	9	10	10
Current Year Allocation Plan	9	10	10
Unallocated Collections	0	0	0
United States Information & Educational Exchange Fees			
Spending Authority	6,000	6,000	6,000

APPENDIX

Page not used.

APPENDIX

Explanation of Language Changes

This section explains those changes in the text of appropriation language other than changes in dollar amounts or fiscal year designations. Proposed deletions are denoted by enclosures in brackets ([]) and strikethrough text. Proposed insertions are denoted by ***bold italics***.

APPENDIX

DIPLOMATIC AND CONSULAR PROGRAMS

For necessary expenses of the Department of State and the Foreign Service not otherwise provided for, including expenses authorized by the State Department Basic Authorities Act of 1956, as amended, *the Mutual Educational and Cultural Exchange Act of 1961, as amended, and the United States Information and Educational Exchange Act of 1948, as amended, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed \$700,000 of this appropriation), as authorized by section 801 of such Act; expenses authorized by section 9 of the Act of August 31, 1964, as amended;* representation to certain international organizations in which the United States participates pursuant to treaties, ratified pursuant to the advice and consent of the Senate, or specific Acts of Congress; *arms control, nonproliferation and disarmament activities as authorized by the Arms Control and Disarmament Act of September 26, 1961, as amended;* acquisition by exchange or purchase of passenger motor vehicles as authorized by *law* [31 U.S.C. 1343, 40 U.S.C. 481(c), and 22 U.S.C. 2674]; and for expenses of general administration, [~~\$1,644,300,000~~] **\$2,837,772,000:** *Provided*, That of the amount made available under this heading, not to exceed \$4,000,000 may be transferred to, and merged with, funds in the ‘‘Emergencies in the Diplomatic and Consular Service’’ appropriations account, to be available only for emergency evacuations and terrorism rewards: [~~Provided further, That of the amount made available under this heading, \$500,000 shall be available only for the National Law Center for Inter American Free Trade.~~] *Provided further*, That notwithstanding section 140(a)(5), and the second sentence of section 140(a)(3), of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236), fees may be collected during fiscal [~~years 1999 and~~] **year 2000 and each fiscal year thereafter**, under the authority of section 140(a)(1) of that Act: *Provided further*, That all fees collected under the preceding proviso shall be deposited [~~in fiscal years 1999 and 2000~~] as an offsetting collection to appropriations made under this heading to recover costs as set forth under section 140(a)(2) of that Act and shall remain available until expended. *In addition, for transfer to the Presidential Advisory Commission on Holocaust Assets in the United States, as authorized by the U.S. Holocaust Assets Commission Act of 1998 (Public law 105-186), \$1,162,333.*

In addition, not to exceed \$1,252,000 shall be derived from fees collected from other executive agencies for lease or use of facilities located at the International Center in accordance with section 4 of the International Center Act (Public Law 90-553), as amended; in addition, as authorized by section 5 of such Act, \$490,000, to be derived from the reserve authorized by that section, to be used for the purposes set out in that section; *in addition, as authorized by section 810 of the United States Information and Educational Exchange Act, not to exceed \$6,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from English teaching, library, motion pictures, and publication programs, and from fees from educational advising and counseling, and exchange visitor programs;* and, in addition, not to exceed \$15,000, which shall be derived from reimbursements, surcharges, and fees for use of Blair House facilities in accordance with section 46 of the State Department Basic Authorities Act of 1956 [(22 U.S.C. 2718(a))].

[~~Notwithstanding section 402 of this Act, not to exceed 20 percent of the amounts made available in this Act in the appropriation accounts ‘‘Diplomatic and Consular Programs’’ and ‘‘Salaries~~

APPENDIX

and Expenses” under the heading “Administration of Foreign Affairs” may be transferred between such appropriation accounts: *Provided*, That any transfer pursuant to this sentence shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.] (22 U.S.C. 1431 et seq., 1471, 1475(e), 2451 et seq., 2551 et seq., 2674, 2718(a); 31 U.S.C. 1343, 3721; 40 U.S.C. 481(c); *The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).*)

[Notwithstanding section 15 of the State Department Basic Authorities Act of 1956, an additional amount for “Diplomatic and Consular Programs”, \$773,700,000, to remain available until expended, of which \$25,700,000 shall be available only to the extent that an official budget request that includes the designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided*, That as determined by the Secretary of State, such funds may be used to procure services and equipment overseas necessary to improve worldwide security and reconstitute embassy operations in Kenya and Tanzania on behalf of any other agency: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.] (*Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, Public Law 105-277, Division B, Title II, chapter 1.*)

Proposed Changes:

- (1) The first insertion is requested to provide authorities previously included in the Salaries and Expenses appropriation, which is being merged with the Diplomatic and Consular Programs appropriation, and in the International Information Programs appropriation of the United States Information Agency, part of which is being merged into the Diplomatic and Consular Programs appropriation.
- (2) The second insertion is requested to provide authorities previously included in the Arm Control and Disarmament Agency appropriation.
- (3) The third insertion and deletions are requested to eliminate unnecessary references to specific statute, which are now referred to at the end.
- (4) The next deletion is requested to eliminate an earmark.
- (5) The fourth insertion and deletion are requested to establish permanent language in the Diplomatic and Consular Program appropriation for the retention of Machine Readable Visa (MRV) fees.
- (6) The fifth insertion is requested to provide funds for the Presidential Advisory Commission on Holocaust Assets, which was previously funded out of the Salaries and Expenses appropriation.

APPENDIX

(7) The sixth insertion is requested to provide authorities previously included in the International Information Programs appropriation of the United States Information Agency, part of which is being merged into the Diplomatic and Consular Programs appropriation.

(8) The last two deletions are requested to eliminate an unnecessary transfer authority, since the Salaries and Expenses appropriation is being eliminated, and because the Administration is not requesting an emergency supplemental for embassy security.

[SALARIES AND EXPENSES]

~~[For expenses necessary for the general administration of the Department of State and the Foreign Service, provided for by law, including expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and the State Department Basic Authorities Act of 1956, as amended, \$355,000,000: *Provided*, That, of this amount, \$813,333 shall be transferred to the Presidential Advisory Commission on Holocaust Assets in the United States.]~~
(The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).)

~~[Notwithstanding section 15 of the State Department Basic Authorities Act of 1956, an additional amount for "Salaries and Expenses", \$12,000,000, to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.]~~ *(Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, Public Law 105-277, Division B, Title II, chapter 1.)*

Proposed Changes:

These deletions are requested to eliminate the Salaries and Expenses appropriation that is being merged into the Diplomatic and Consular Programs account, and because the Administration is not requesting an emergency supplemental for embassy security.

[INTERNATIONAL INFORMATION PROGRAMS]

~~[For expenses, not otherwise provide for, necessary to enable the United State Information Agency, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C 1431 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), to carry out international communication, educational and cultural activities; and to carry out related activities authorized by law, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed \$700,000 of this appropriation), as authorized by section 801 of such Act of 1948 (22 U.S.C. 1471), and entertainment, including official receptions, within the United States, not to exceed \$25,000 as authorized by section 804(3) of such Act of 1948 (22 U.S.C. 1474(3)), \$455,246,000: *Provided*, That not to exceed \$1,400,000 may be used for representation abroad as authorized by section 302 of such Act of 1948 (22 U.S.C. 1452) and section 905 of the Foreign Service Act of 1980 (22 U.S.C. 4085): *Provided further*, That not to exceed \$6,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from or in~~

APPENDIX

connection with English teaching, library, motion pictures, and publication programs as authorized by section 810 of such Act of 1948 (22 U.S.C. 1475e) and, notwithstanding any other law, fees from educational advising and counseling, and exchange visitor program services: *Provided further*, That not to exceed \$920,000, to remain available until expended, may be used to carry out projects involving security construction and related improvements for agency facilities not physically located together with Department of State facilities abroad.] (*The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).*)

Proposed Changes:

This deletion is requested to eliminate the International Information Programs appropriation of the United States Information Agency, part of which is being merged into the Diplomatic and Consular Programs appropriation.

[ARMS CONTROL AND DISARMAMENT ACTIVITIES]

[For necessary expenses not otherwise provided, for arms control, nonproliferation, and disarmament activities, \$41,500,000, of which not to exceed \$50,000 shall be for official reception and representation expenses as authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.).] (*The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).*)

Proposed Changes:

This deletion is requested to eliminate the Arms Control and Disarmament appropriation which is being merged into the Diplomatic and Consular Programs account.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App.), [~~\$27,495,000~~] **\$30,054,000**, notwithstanding section 209(a)(1) of the Foreign Service Act of 1980, as amended (Public Law 96-465), as it relates to post inspections. (*The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).*)

[Notwithstanding section 15 of the State Department Basic Authorities Act of 1956, an additional amount for "Office of Inspector General", \$1,000,000, to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.] (*Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, Public Law 105-277, Division B, Title II, chapter 1.*)

Proposed Changes:

This deletion is requested because the Administration is not requesting an emergency supplemental for embassy security.

SECURITY AND MAINTENANCE OF UNITED STATES MISSIONS

APPENDIX

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292–300), preserving, maintaining, repairing, and planning for, buildings that are owned or directly leased by the Department of State, renovating, in addition to funds otherwise available, the Main State Building, and carrying out the Diplomatic Security Construction Program as authorized by title IV of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4851), [~~\$403,561,000~~] **\$483,683,000**, to remain available until expended as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)): *Provided*, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture and furnishings and generators for other departments and agencies.

In addition, for necessary expenses for capital asset acquisition or construction, including alteration, modification, and equipment costs, of diplomatic and consular facilities, to become available on October 1 of the fiscal year specified and remain available until expended: fiscal year 2001, \$300,000,000; fiscal year 2002, \$450,000,000; fiscal year 2003, \$600,000,000; fiscal year 2004, \$750,000,000; and fiscal year 2005, \$900,000,000. (The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).)

~~[Notwithstanding section 15 of the State Department Basic Authorities Act of 1956, an additional amount for “Security and Maintenance of United States Missions”, \$627,000,000, to remain available until expended; of which \$56,000,000 is for security projects, relocations, and security equipment on behalf of missions of other U.S. Government agencies, which amount may be transferred to any appropriation for this purpose, to be merged with and available for the same time period as the appropriation to which transferred; and of which \$185,000,000 is for capital improvements or relocation of office and residential facilities to improve security, which amount shall become available fifteen days after notice thereof has been transmitted to the Appropriations Committees of both Houses of Congress: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.] (Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, Public Law 105-277, Division B, Title II, chapter 1.)~~

Proposed Changes:

- (1) This insertion is requested to provide for advance appropriations.
- (2) This deletion is requested because the Administration is not requesting an emergency supplemental for embassy security.

APPENDIX

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314) and 3 U.S.C. 208, [~~\$8,100,000~~] **\$9,490,000**, to remain available until September 30, [~~2000~~] **2001**. (*The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).*)

Proposed Changes:

This insertion is requested to make the funding in the account available for two years.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service pursuant to the requirement of 31 U.S.C. 3526(e), [~~\$5,500,000~~] **and as authorized by section 804(3) of the United States Information and Educational Exchange Act of 1948, as amended, \$17,000,000**, to remain available until expended as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)), of which not to exceed \$1,000,000 may be transferred to and merged with the Repatriation Loans Program Account, subject to the same terms and conditions. (*The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).*)

~~[Notwithstanding section 15 of the State Department Basic Authorities Act of 1956, an additional amount for "Emergencies in the Diplomatic and Consular Service", \$10,000,000, to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.] (*Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, Public Law 105-277, Division B, Title II, chapter 1.*)~~

Proposed Changes:

(1) The insertion is requested to provide authorities previously included in the International Information Programs appropriation of the United States Information Agency, part of which is being merged with the Emergencies in the Diplomatic and Consular Service appropriation.

(2) This deletion is requested because the Administration is not requesting an emergency supplemental for embassy security.

REPATRIATION LOANS PROGRAM ACCOUNT

For the cost of direct loans, \$593,000, as authorized by section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. In addition, for administrative expenses necessary to carry out the direct loan program, \$607,000, which may be transferred to and merged with the [~~Salaries and Expenses~~] **Diplomatic**

APPENDIX

and Consular Programs account under Administration of Foreign Affairs. (*The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).*)

Proposed Changes:

The deletion and insertion are requested because the Salaries and Expenses appropriation is being eliminated and merged into the Diplomatic and Consular Programs account.

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties ratified pursuant to the advice and consent of the Senate, conventions or specific Acts of Congress, [~~\$922,000,000~~] **\$963,308,000**: *Provided*, [~~That any payment of arrearages shall be directed toward special activities that are mutually agreed upon by the United States and the respective international organization;~~ *Provided further*,] That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings: [~~*Provided further*, That, of the funds appropriated in this paragraph, \$100,000,000 may be made available only on a semi-annual basis pursuant to a certification by the Secretary of State on a semi-annual basis, that the United Nations has taken no action during the preceding 6 months to increase funding for any United Nations program without identifying an offsetting decrease during that 6-month period elsewhere in the United Nations budget and cause the United Nations to exceed the expected reform budget for the biennium 1998-1999 of \$2,533,000,000: *Provided further*, That not to exceed \$15,000,000 shall be transferred from funds made available under this heading to the “International Conferences and Contingencies” account for United States contributions to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission, except that such transferred funds may be obligated or expended only for Commission meetings and sessions, provisional technical secretariat salaries and expenses, other Commission administrative and training activities, including purchase of training equipment, and upgrades to existing internationally based monitoring systems involved in cooperative data sharing agreements with the United States as of the date of enactment of this Act, until the United States Senate ratifies the Comprehensive Nuclear Test Ban Treaty: *Provided further*, That notwithstanding section 402 of this Act, not to exceed \$1,223,000 may be transferred from the funds made available under this heading to the “International Conferences and Contingencies” account for assessed contributions to new or provisional international organizations or for travel expenses of official delegates to international conferences: *Provided further*, That any transfer pursuant to the previous proviso shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section: *Provided further*, That not to exceed \$2,000,000 shall only be available to establish an international center for response to chemical, biological, and nuclear weapons:] *Provided further*, That funds appropriated under this paragraph may be obligated and expended to pay the full U.S. assessment to the civil budget of the North Atlantic Treaty Organization. (*The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).*)~~

APPENDIX

Proposed Changes:

The proposed deletions are requested to eliminate earmarks and certification requirements.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For necessary expenses to pay assessed and other expenses of international peacekeeping activities directed to the maintenance or restoration of international peace and security, [~~\$231,000,000~~] **\$235,000,000, to remain available until expended as authorized by 22 U.S.C. 2696(c):** *Provided*, That none of the funds made available under this Act shall be obligated or expended for any new or expanded United Nations peacekeeping mission unless, at least fifteen days in advance of voting for the new or expanded mission in the United Nations Security Council (or in an emergency, as far in advance as is practicable): (1) the Committees on Appropriations of the House of Representatives and the Senate and other appropriate Committees of the Congress are notified of the estimated cost and length of the mission, the vital national interest that will be served, and the planned exit strategy; and (2) a reprogramming of funds pursuant to section 605 of this Act is submitted, and the procedures therein followed, setting forth the source of funds that will be used to pay for the cost of the new or expanded mission: *Provided further*, That funds shall be available for peacekeeping expenses only upon a certification by the Secretary of State to the appropriate committees of the Congress that American manufacturers and suppliers are being given opportunities to provide equipment, services, and material for United Nations peacekeeping activities equal to those being given to foreign manufacturers and suppliers: *Provided further*, That none of the funds made available under this heading are available to pay the United States share of the cost of court monitoring that is part of any United Nations peacekeeping mission. (*The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).*)

Proposed Changes:

The insertion is being requested to change the availability of the account to no-year funding.

ARREARAGE PAYMENTS

For an additional amount for payment of arrearages to meet obligations of *authorized* membership in [~~the United Nations~~] ***international multilateral organizations***, and, ***notwithstanding section 404(b) of P.L. 103-236 for payment of arrearages incurred prior to October 1, 1995***, to pay assessed ***and other*** expenses of international peacekeeping activities, [~~\$475,000,000, to remain available until expended:~~ *Provided*, That none of the funds appropriated or otherwise made available under this heading for payment of arrearages may be obligated or expended unless such obligation or expenditure is expressly authorized by law: *Provided further*, That none of the funds appropriated or otherwise made available under this heading for payment of arrearages may be obligated or expended until such time as the share of the total of all assessed contributions for the regular budget of the United Nations does not exceed 22 percent for any single United Nations member, and the share of the budget for each assessed United Nations peacekeeping operation does not exceed 25 percent for any single United Nations member] ***to remain available until expended as authorized by 22 U.S.C.***

APPENDIX

2696(c), \$446,000,000. *(The Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(b).)*

Proposed Changes:

- (1) The first insertion and the first deletion are requested to ensure that funds appropriated in the Arrearage Payment account may be paid to international organizations in addition to the United Nations.
- (2) The second insertion is requested to allow payment of certain peacekeeping bills at the rate that the U.S. Government applied at the time such bills were received.
- (3) The second deletion is requested to eliminate certain conditions on the obligation and expenditure of these funds which have been under consideration in authorization legislation.
- (4) The last insertion is requested to make the funds appropriated to remain available until expended.