

# E R R A T A

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COMMITTEE ON FOREIGN RELATIONS  
COMMITTEE ON INTERNATIONAL RELATIONS

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## Legislation on Foreign Relations Through 1999



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CURRENT LEGISLATION AND  
RELATED EXECUTIVE ORDERS

U.S. SENATE  
U.S. HOUSE OF REPRESENTATIVES

## ERRATA

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NOTE.—Section 586 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (H.R. 3422, enacted by reference in sec. 1000(a)(2) of Public Law 106–113; 113 Stat. 1535), authorized the President to abolish the Inter-American Foundation and made conforming amendments to legislation related to the Inter-American Foundation to reflect the abolishment. These amendments were to be effective and executed only after the Director of the Office of Management and Budget transmitted to Congress a certification that responsibilities delegated to the Director, primarily that of administering and winding-up any outstanding obligations of the Inter-American Foundation, had been fully discharged.

Amendments were incorporated into four laws in *Legislation on Foreign Relations Through 1999*, vol. I–A, as though the President had exercised his authority to abolish the Inter-American Foundation and the Director of the Office of Management and Budget had completed the certification process required by law. At the time of publication, neither of these events had, in fact, occurred.

The following pages provide corrections to sections of law pertaining to the Inter-American Foundation, to state those sections of law prior to execution of amendments pursuant to the completion of requirements stated in sec. 586 of Public Law 106–113. Corrected laws, in order of citation in sec. 586, include:

1. Foreign Assistance Act of 1969 (page 603)
  2. International Security and Development Cooperation Act of 1980 (page 577)
  3. Foreign Assistance Act of 1973 (page 633)
  4. Foreign Assistance Act of 1961 (page 79)
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**1. Replace page 603 (Foreign Assistance Act of 1969) with the following:**

**bb. Foreign Assistance Act of 1969, as amended**

Partial text of Public Law 91-175 [H.R. 14480], 83 Stat. 805, approved December 30, 1969, as amended by Public Law 92-226 [Foreign Assistance Act of 1971, S. 2819], 86 Stat. 20, 34, approved February 7, 1972; Public Law 95-105 [Foreign Relations Authorization Act, Fiscal Year 1978; H.R. 6689], 91 Stat. 844 at 859, approved August 17, 1977; Public Law 97-241 [Department of Defense Authorization Act, 1983; S. 1193], 96 Stat. 273 at 297, approved August 24, 1982; Public Law 98-164 [Department of State Authorization Act, Fiscal Years 1984 and 1985, H.R. 2915], 97 Stat. 1017 at 1051, approved November 22, 1983; Public Law 99-83 [International Security and Development Cooperation Act of 1985, S. 960], 99 Stat. 190 at 247, approved August 8, 1985; Public Law 99-529 [Special Foreign Assistance Act of 1986, S. 1917], 100 Stat. 3010, approved October 24, 1986; Public Law 101-246 [Foreign Relations Authorization Act for Fiscal Years 1990 and 1991; H.R. 3792], 104 Stat. 15, approved February 16, 1990; Public Law 102-138 [Foreign Relations Authorization Act for Fiscal Years 1992 and 1993; H.R. 1415], 105 Stat. 647, approved October 28, 1991; and by Public Law 106-113 [Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000; H.R. 3422, enacted by reference H.R. 3194], 113 Stat. 1501, approved November 29, 1999

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NOTE.—Except for Part IV, which relates to the Inter-American Social Development Institute (title changed to The Inter-American Foundation Act by Sec. 406(1) of the FA Act of 1971) and Part V, which relates to amendments to other acts, the Foreign Assistance Act of 1969 consists of amendments to the Foreign Assistance Act of 1961, as amended.

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**PART IV—THE INTER-AMERICAN FOUNDATION ACT<sup>1</sup>**

**Sec. 401.<sup>2</sup> Inter-American Foundation.**—(a) There is created as an agency of the United States of America a body corporate to be known as the Inter-American Foundation (hereinafter in this section referred to as the “Foundation”).<sup>3</sup>

<sup>1</sup>Sec. 406(1) of the Foreign Assistance Act of 1971 (Public Law 92-226; 86 Stat. 20), inserted the title “Part IV—The Inter-American Foundation Act” in lieu of “Part IV—Inter-American Social Development Institute”.

<sup>2</sup>22 U.S.C. 290f. Sec. 586(c)(2) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (H.R. 3422, enacted by reference in sec. 1000(a)(2) of Public Law 106-113; 113 Stat. 1535), will repeal sec. 401 upon execution of the requirements of sec. 586.

<sup>3</sup>The caption of sec. 401 and subsec. (a) thereof, which were amended by sec. 406(2) of the Foreign Assistance Act of 1971, (Public Law 92-226; 86 Stat. 20), formerly read as follows:

Continued

(b) The future of freedom, security, and economic development in the Western Hemisphere rests on the realization that man is the foundation of all human progress. It is the purpose of this section to provide support for developmental activities designed to achieve conditions in the Western Hemisphere under which the dignity and the worth of each human person will be respected and under which all men will be afforded the opportunity to develop their potential, to seek through gainful and productive work the fulfillment of their aspirations for a better life, and to live in justice and peace. To this end, it shall be the purpose of the Foundation,<sup>4</sup> primarily in cooperation with private, regional, and international organizations, to—

- (1) strengthen the bonds of friendship and understanding among the peoples of this hemisphere;
- (2) support self-help efforts designed to enlarge the opportunities for individual development;
- (3) stimulate and assist effective and ever wider participation of the people in the development process;
- (4) encourage the establishment and growth of democratic institutions, private and governmental, appropriate to the requirements of the individual sovereign nations of this hemisphere.

In pursuing these purposes, the Foundation shall place primary emphasis on the enlargement of educational opportunities at all levels, the production of food and the development of agriculture, and the improvement of environmental conditions relating to health, maternal and child care, family planning, housing, free trade union development, and other social and economic needs of the people.

(c) The Foundation shall carry out the purposes set forth in subsection (b) of this section primarily through and with private organizations, individuals, and international organizations by undertaking or sponsoring appropriate research and by planning, initiating, assisting, financing, administering, and executing programs and projects designed to promote the achievement of such purposes.

(d) In carrying out its functions under this section, the Foundation shall, to the maximum extent possible, coordinate its undertakings with the developmental activities in the Western Hemisphere of the various organs of the Organization of American States, the United States Government, international organizations, and other entities engaged in promoting social and economic development of Latin America.

(e) The Foundation, as a corporation—

- (1) shall have perpetual succession unless sooner dissolved by an Act of Congress;
- (2) may adopt, alter, and use a corporate seal, which shall be judicially noticed;
- (3) may make and perform contracts and other agreements with any individual, corporation, or other body of persons how-

<sup>3</sup>Inter-American Social Development Institute.—(a) There is created as an agency of the United States of America a body corporate to be known as the 'Inter-American Social Development Institute' (hereafter in this section referred to as 'Institute')."

<sup>4</sup>Sec. 406(3) of the Foreign Assistance Act of 1971 (Public Law 92-226; 86 Stat. 20), amended sec. 401 by substituting "Foundation" in lieu of "Institute" wherever it appeared.

ever designated whether within or without the United States of America, and with any government or governmental agency, domestic or foreign;

(4)<sup>5</sup> shall determine and prescribe the manner in which its obligations shall be incurred and its expenses, including expenses for representation (not to exceed \$10,000 in any fiscal year), allowed and paid;

(5) may, as necessary for the transaction of the business of the Foundation, employ, and fix the compensation of not to exceed one hundred persons at any one time;

(6) may acquire by purchase, devise, bequest, or gift, or otherwise lease, hold, and improve, such real and personal property as it finds to be necessary to its purposes, whether within or without the United States, and in any manner dispose of all such real and personal property held by it and use as general funds all receipts arising from the disposition of such property;

(7) shall be entitled to the use of the United States mails in the same manner and on the same conditions as the executive departments of the Government;

(8) may, with the consent of any board, corporation, commission, independent establishment, or executive department of the Government, including any field service thereof, avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this section;

(9) may accept money, funds, property, and services of every kind by gift, devise, bequest, grant, or otherwise, and make advances, grants, and loans to any individual, corporation, or other body of persons, whether within or without the United States of America, or to any government or governmental agency, domestic or foreign, when deemed advisable by the Foundation in furtherance of its purposes;

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

(11) shall have such other powers as may be necessary and incident to carrying out its powers and duties under this section.

(f) Upon termination of the corporate life of the Foundation all of its assets shall be liquidated and, unless otherwise provided by Congress, shall be transferred to the United States Treasury as the property of the United States.

(g) The management of the Foundation shall be vested in a board of directors (hereafter in this section referred to as the "Board") composed of nine<sup>6</sup> members appointed by the President, by and with the advice and consent of the Senate, one of whom he shall designate to serve as Chairman of the Board and one of whom he shall designate to serve as Vice Chairman of the Board. Six members of the Board shall be appointed from private life. Three members of the Board shall be appointed from among officers or employees of agencies of the United States concerned with inter-Amer-

<sup>5</sup>Sec. 401(e)(4) was amended by sec. 406(4) of the Foreign Assistance Act of 1971 (Public Law 92-226; 86 Stat. 20). It formerly read as follows: "(4) shall determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid;"

<sup>6</sup>Sec. 403(a) of Public Law 99-529 (100 Stat. 3010) added "nine" and "six", respectively, in lieu of "seven" and "four".

ican affairs. Members of the Board shall be appointed for terms of six years, except that of the members first appointed two shall be appointed for terms of two years and two shall be appointed for terms of four years, as designated by the President at the time of their appointment. A member of the Board appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term; but upon the expiration of his term of office a member shall continue to serve until his successor is appointed and shall have qualified. Members of the Board shall be eligible for reappointment. All individuals appointed to the Board shall possess an understanding of and sensitivity to community level development processes. No more than 5 members of the Board may be members of any one political party.<sup>7</sup>

(h) Members of the Board shall serve without additional compensation, but shall be reimbursed for travel expenses, including per diem, in lieu of subsistence, in accordance with section 5703 of title 5, United States Code,<sup>8</sup> while engaged in their duties on behalf of the corporation.

(i) The Board shall direct the exercise of all the powers of the Foundation.

(j) The Board may prescribe, amend, and repeal bylaws, rules, and regulations governing the manner in which the business of the Foundation may be conducted and in which the powers granted to it by law may be exercised and enjoyed. A majority of the Board shall be required as a quorum.

(k) In furtherance and not in limitation of the powers conferred upon it, the Board may appoint such committees for the carrying out of the work of the Foundation as the Board finds to be for the best interests of the Foundation, each committee to consist of two or more members of the Board, which committees, together with officers and agents duly authorized by the Board and to the extent provided by the Board, shall have and may exercise the powers of the Board in the management of the business and affairs of the Foundation.

(1)<sup>9</sup> (1) The chief executive officer of the Foundation shall be a President who shall be appointed by the Board of Directors on such terms as the Board may determine. The President shall receive compensation at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(2) Experts and consultants, or organizations thereof, may be employed as authorized by section 3109 of title 5, United States Code.

<sup>7</sup>Sec. 173(b)(1) of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102-138; 105 Stat. 679), added the last sentence. Subpar. (2) of that section further provided that: "The requirements established by the amendment made by paragraph (1) do not affect appointments made to the Board of the Inter-American Foundation before the date of enactment of this Act."

<sup>8</sup>The words "travel expenses, including per diem in lieu of subsistence, in accordance with section 5703 of title 5, United States Code" were inserted in lieu of "actual and necessary expenses not in excess of \$50 per day, and for transportation expenses" by sec. 501(b) of Public Law 97-241 (96 Stat. 297).

<sup>9</sup>Sec. 406(5) of the Foreign Assistance Act of 1971 (Public Law 92-226; 86 Stat. 20), amended sec. 401(1), which formerly read as follows: "(1) The chief executive officer of the Institute shall be an Executive Director who shall be appointed by the Board of Directors on such terms as the Board may determine. The Executive Director shall receive compensation at the rate provided for level IV of the Executive Schedule under section 5315 of title V, United States Code."

(m) In order to further the purposes of the Foundation there shall be established a Council to be composed of such number of individuals as may be selected by the Board from among individuals knowledgeable concerning developmental activities in the Western Hemisphere. The Board shall, from time to time, consult with the Council concerning the objectives of the Foundation. Members of the Council shall receive no compensation for their services but shall be entitled to reimbursement in accordance with section 5703 of title 5, United States Code, for travel and other expenses incurred by them in the performance of their functions under this subsection.

(n) The Foundation shall be a nonprofit corporation and shall have no capital stock. No part of its revenue, earnings, or other income or property shall inure to the benefit of its directors, officers, and employees and such revenue, earnings, or other income, or property shall be used for the carrying out of the corporate purposes set forth in this section. No director, officer, or employee of the corporation shall in any manner directly or indirectly participate in the deliberation upon or the determination of any question affecting his personal interests or the interest of any corporation, partnership, or organization in which he is directly or indirectly interested.

(o) When approved by the Foundation, in furtherance of its purpose, the officers and employees of the Foundation may accept and hold offices or positions to which no compensation is attached with governments or governmental agencies of foreign countries.

(p) The Secretary of State shall have authority to detail employees of any agency under his jurisdiction to the Foundation under such circumstances and upon such conditions as he may determine. Any such employee so detailed shall not lose any privileges, rights, or seniority as an employee of any such agency by virtue of such detail.

(q)<sup>10</sup> The Foundation shall maintain its principal office in the metropolitan Washington, D.C., area. The Foundation may establish agencies, branch offices, or other offices in any place or places outside the United States in which the Foundation may carry on all or any of its operations and business.

(r) The Foundation, including its franchise and income, shall be exempt from taxation now or hereafter imposed by the United States, or any territory or possession thereof, or by any State, county, municipality, or local taxing authority.

(s)(1) Notwithstanding any other provision of law, not to exceed an aggregate amount of \$50,000,000 of the funds made available for the fiscal years 1970 and 1971 to carry out part I of the Foreign Assistance Act of 1961 shall be available to carry out the purposes of this section. Funds made available to carry out the purposes of this section under the preceding sentence are authorized to remain available until expended.

<sup>10</sup>Sec. 173(c) of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102-138; 105 Stat. 680), amended and restated subsec. (q).

(2)<sup>11</sup> There are authorized to be appropriated \$28,800,000 for the fiscal year 1992 and \$31,000,000 for the fiscal year 1993 to carry out this section.

(t) The Foundation shall be subject to the provisions of the Government Corporation Control Act.

(u)<sup>12</sup> When, with the permission of the Foundation, funds made available to a grantee under this section are invested pending disbursement, the resulting interest is not required to be deposited in the United States Treasury if the grantee uses the resulting interest for the purposes for which the grant was made. This subsection applies with respect to both interest earned before and interest earned after the enactment of this subsection.

(v)<sup>13</sup> Funds made available to the Foundation may be used for the expenses described in section 1345 of title 31 of the United States Code (relating to travel, transportation, and subsistence expenses for meetings).

(w)<sup>13</sup> Funds made available to the Foundation may be used for printing and binding without regard to section 501 of title 44, United States Code.

#### PART V—AMENDMENTS TO OTHER ACTS

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<sup>11</sup> Par. (2) was added by sec. 508 of the Foreign Relations Authorization Act, Fiscal Year 1978 (Public Law 95-426; 91 Stat. 859).

The authorization figures for fiscal years 1992 and 1993 were added by sec. 173(a) of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102-138; 105 Stat. 679).

Authorizations provided in recent years under this section include the following: Fiscal year 1982—\$12,000,000; fiscal year 1983—\$12,800,000; fiscal year 1984—\$16,000,000; fiscal year 1985—\$16,000,000; fiscal year 1986—\$11,969,000; fiscal year 1987—\$11,969,000; fiscal year 1988—no authorization; fiscal year 1989—no authorization; fiscal year 1990—\$16,932,000; fiscal year 1991—\$25,000,000; fiscal years 1994 through 2000—no authorization.

Congress did not enact an authorization for fiscal year 2000. Instead, title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (H.R. 3422, enacted by reference in sec. 1000(a)(2) of Public Law 106-113; 113 Stat. 1535), Stat. 2681), provided the following:

“DEVELOPMENT ASSISTANCE

“(INCLUDING TRANSFER OF FUNDS)

“For necessary expenses to carry out the provisions of sections 103 through 106, and chapter 10 of part I of the Foreign Assistance Act of 1961, title V of the International Security and Development Cooperation Act of 1980 (Public Law 96-533) and the provisions of section 401 of the Foreign Assistance Act of 1969, \$1,228,000,000, to remain available until September 30, 2001: *Provided*, That of the amount appropriated under this heading, up to \$5,000,000 may be made available for the Inter-American Foundation and shall be apportioned directly to that Agency:  
\* \* \*”

<sup>12</sup> Subsec. (u) was added by sec. 501(c) of Public Law 97-241 (96 Stat. 297).

<sup>13</sup> Sec. 173(d) of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102-138; 105 Stat. 680), added new subsecs. (v) and (w).



**2. Replace section 502 and related notes, page 577 (International Security and Development Cooperation Act of 1980) with the following:**

FINDINGS

**Sec. 502.**<sup>11</sup> The Congress finds that—

(1) social and economic development ultimately depends on the active participation of individuals within a society and on the enhancement of opportunities for those individuals;

(2)<sup>12</sup> the development of individuals and institutions in African countries can benefit by the provision of support for community-based self-help activities;

(3) by enacting title IX of chapter 2 of part I of the Foreign Assistance Act of 1961, and recent amendments to that Act, the Congress has sought to enable the poor to participate in the process of development;

(4)<sup>12</sup> the Inter-American Foundation, established by Congress in the Foreign Assistance Act of 1969 to support the efforts of the people of Latin America and the Caribbean to solve their development problems, has demonstrated a successful approach to development; and

(5)<sup>12</sup> an African Development Foundation similar in structure to the Inter-American Foundation, but adapted to the specific needs of Africa, can complement current United States development programs in Africa.

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<sup>11</sup> 22 U.S.C. 290h.

<sup>12</sup> Sec. 586(h)(1) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (H.R. 3422, enacted by reference in sec. 1000(a)(2) of Public Law 106-113; 113 Stat. 1535), will add “and” at the end of para. (2), replace a semicolon with a period at the end of para. (3), and strike out paras. (4) and (5), upon execution of that section’s requirements.

**3. Replace sec. 36 and related notes, page 633 (Foreign Assistance Act of 1973) with the following:**

REVISION OF SOCIAL PROGRESS TRUST FUND AGREEMENT

**Sec. 36.**<sup>7</sup> (a) The President or his delegate shall seek, as soon as possible, a revision of the Social Progress Trust Fund Agreement (dated June 19, 1961) between the United States and the Inter-American Development Bank. Such revision should provide for the—<sup>8</sup>

(1)<sup>8</sup> periodic transfer of unencumbered capital resources of such trust fund, and of any future repayments or other accruals otherwise payable to such trust fund, to the Inter-American Foundation, to be administered by the Foundation for purposes of part IV of the Foreign Assistance Act of 1969 (22 U.S.C. 290f and following);

(2) utilization of such unencumbered capital resources, future repayments, and other accruals by the Inter-American Development Bank for purposes of sections 1 and 2 of the Latin American Development Act<sup>9</sup> (22 U.S.C. 1942 and 1943) in such a way that the resources received in the currencies of the more developed member countries are utilized to the extent possible for the benefit of the lesser developed member countries; or

(3)<sup>10</sup> both the transfer described in paragraph (1) and the utilization described in paragraph (2).

(b) Any transfer or<sup>11</sup> utilization under this section shall be in such proportions as may be agreed to between the United States and the Inter-American Development Bank.

(c)<sup>11</sup> Any transfer under subsection (a)(1) shall be in the amounts, and in available currencies, determined in consultation with the Inter-American Foundation, to be required for its program purposes.”.

(d)<sup>11</sup> The revision of the Social Progress Trust Fund Agreement pursuant to this section shall provide that the President or his delegate shall specify, from time to time, after consultation with the Inter-American Development Bank, the particular currencies to be

<sup>7</sup> 22 U.S.C. 1942 note.

<sup>8</sup> Sec. 586(h)(2)(A)(i) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (H.R. 3422, enacted by reference in sec. 1000(a)(2) of Public Law 106-113; 113 Stat. 1535), will strike out “provide for the—” at this point, strike out para. (1), and strike out para. designation “(2)”, upon execution of that section’s requirements.

<sup>9</sup> For text, see *Legislation on Foreign Relations Through 1999*, vol. I-B.

<sup>10</sup> Sec. 586(h)(2)(A)(ii) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (H.R. 3422, enacted by reference in sec. 1000(a)(2) of Public Law 106-113; 113 Stat. 1535), will strike out para. (3), upon execution of that section’s requirements.

<sup>11</sup> Sec. 586(h)(2)(B) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (H.R. 3422, enacted by reference in sec. 1000(a)(2) of Public Law 106-113; 113 Stat. 1535), will strike out “transfer or” upon execution of that section’s requirements. Sec. 586(h)(2)(C) of that Act will strike out subsec. (c), upon execution of that section’s requirements, and will redesignate subsec. (d) as subsec. (c).

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used in making the transfer of<sup>11</sup> utilization described in the section.

(e)<sup>12</sup> \* \* \* [Repealed—1981]

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<sup>12</sup>Subsec. (e), which had required a report from the President on his action taken pursuant to this section, was repealed by sec. 734(a)(9) of the International Security and Development Cooperation Act of 1981 (Public Law 97-113; 95 Stat. 1560). The President submitted this report on January 3, 1974.

**4. Replace section 222A(d) and related notes, page 79  
(Foreign Assistance Act of 1961) with the following:**

(d)<sup>150</sup> The Inter-American Foundation shall be consulted in developing criteria for making loans eligible for guaranty coverage in Latin America under this section.

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<sup>150</sup>Sec. 586(h)(3) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (H.R. 3422, enacted by reference in sec. 1000(a)(2) of Public Law 106-113; 113 Stat. 1535), will repeal subsec. (d) upon execution of that sections requirements.