

An hourglass-shaped graphic with a globe inside. The top bulb is dark blue, and the bottom bulb is light blue. The globe is centered in the narrow neck of the hourglass. The text is overlaid on the graphic.

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Foreign Assistance Authorization Act, FY2004

Larry Nowels, Foreign Affairs, Defense, and Trade Division

Updated March 16, 2004

Abstract. On March 4, 2004, the Senate Foreign Relations Committee ordered reported S. 2144, the Foreign Affairs Authorization Act, FY2005. Division B of the measure is designated as the Foreign Assistance Authorization Act, FY2005, text that is largely patterned after foreign aid authorizing legislation (S. 1161) debated, but not passed, in the Senate last year. Division B of S. 2144 authorizes about \$16.9 billion for most, but not all, foreign assistance programs, funding many economic and military aid activities at levels requested by the Administration for FY2005. Division B also incorporates two policy initiatives: the Radiological Terrorism Security Act and the Global Pathogen Surveillance Act.

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Foreign Assistance Authorization Act, FY2005

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Larry Nowels
Specialist in Foreign Affairs
Foreign Affairs, Defense, and Trade Division

<http://wikileaks.org/wiki/CRS-RL31959>

Foreign Assistance Authorization Act, FY2005

Summary

Congress last enacted a broad foreign assistance authorization act in 1985. In the absence of omnibus foreign aid measures, the majority of foreign assistance legislation has been enacted as part of annual Foreign Operations appropriation measures. Division B of S. 2144 — Foreign Assistance Authorization for FY2005 — is an effort to “reinforce” the Senate Foreign Relations Committee’s role in foreign aid policy making. It is not an attempt to comprehensively review and re-write existing foreign aid legislation, but rather it is a first step in providing necessary authorization for program appropriations in FY2005 and updating selected legislative provisions to reflect current policy. Committee Chairman Lugar said that it was his intent to launch a more ambitious effort later that would revamp the Foreign Assistance Act of 1961 and other long-standing foreign aid laws. The Committee reported and the Senate debated similar legislation last year — S. 1161, later merged into S. 925 — authorizing foreign aid programs for FY2004. The bill remains pending in the Senate, but is unlikely to receive further consideration.

Division B of S. 2144 is divided into five titles. Title XXI includes FY2005 authorizations of appropriations. Title XXII updates and amends several existing foreign aid authorities, some of which have been annually extended in appropriation acts. Title XXIII is the Radiological Terrorism Security Act of 2004. Title XXIV is the Global Pathogen Surveillance Act of 2004. Title XXV consists of several provisions, some of which address Africa and Latin America issues, including additional aid for Haiti.

The legislation authorizes the appropriation of about \$16.9 billion for 22 foreign assistance programs, closely matching the account structure of the annual Foreign Operations appropriations for bilateral economic and military aid. The amounts authorized are nearly identical to levels requested by the Administration for FY2005, although the bill would increase spending for HIV/AIDS, development aid, assistance to the former Soviet Union and Eastern Europe, and nonproliferation programs, while reducing amounts for the Millennium Challenge Account.

S. 2144 addresses the threat posed by terrorist use of radiological dispersal devices, or RDDs. The bill requires the Secretary of State to prepare and submit to Congress reports assessing the threat of a radiological attack on U.S. missions. The bill further authorizes the Secretary to aid foreign countries, or propose that the International Atomic Energy Agency (IAEA) develop programs, helping foreign first responders identify and address threats posed by radioactive materials.

The legislation also includes the Global Pathogen Surveillance Act, authorizing \$35 million for FY2005 to enhance the capability of developing nations to detect, identify, and contain infectious disease outbreaks, whether naturally occurring or the result of a bioterrorist attack. The measure includes several provisions that are intended to support and strengthen the disease surveillance capabilities of developing nations. Additionally, it would permit the expansion of Centers for Disease Control and Prevention facilities overseas to further the goals of global disease monitoring. This report will be updated as Congress considers the legislation.

Key Policy Staff

Area of Expertise	Name	Telephone	E-Mail
Africa	Raymond Copson Nicholas Cook Theodros Dagne	7-7661 7-0429 7-7646	rcopson@crs.loc.gov ncook@crs.loc.gov tdagne@crs.loc.gov
Development Assistance	Larry Nowels Curt Tarnoff	7-7645 7-7656	lnowels@crs.loc.gov ctarnoff@crs.loc.gov
Foreign Aid	Larry Nowels Curt Tarnoff	7-7645 7-7656	lnowels@crs.loc.gov ctarnoff@crs.loc.gov
HIV/AIDS	Raymond Copson Tiaji Salaam	7-7661 7-7677	rcopson@crs.loc.gov tsalaam@crs.loc.gov
Indonesia	Larry Niksch	7-7680	lniksch@crs.loc.gov
Middle East Partnership Initiative	Jeremy Sharp	7-8687	jsharp@crs.loc.gov
Military aid/Arms sales	Richard Grimmett	7-7675	rgrimmett@crs.loc.gov
Haiti	Maureen Taft-Morales	7-7659	mtmorales@crs.loc.gov
Pathogens	C. Stephen Redhead	7-2261	creadhead@crs.loc.gov
Radiological terrorism	Jonathan Medalia	7-7632	jmedalia@crs.loc.gov
Russia/East Europe Aid	Curt Tarnoff	7-7656	ctarnoff@crs.loc.gov

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Foreign Assistance Authorization Act, FY2004

Most Recent Developments

On March 4, 2004, the Senate Foreign Relations Committee ordered reported S. 2144, the Foreign Affairs Authorization Act, FY2005. Division B of the measure is designated as the Foreign Assistance Authorization Act, FY2005, text that is largely patterned after foreign aid authorizing legislation (S. 1161) debated, but not passed, in the Senate last year. Division B of S. 2144 authorizes about \$16.9 billion for most, but not all, foreign assistance programs, funding many economic and military aid activities at levels requested by the Administration for FY2005. Division B also incorporates two policy initiatives: the Radiological Terrorism Security Act and the Global Pathogen Surveillance Act.

Background

Congress last enacted a broad foreign assistance authorization act in 1985. Prior to 1985 beginning in the mid-1950s, it had been the congressional practice to debate and approve general foreign aid legislation either annually or biennially. These debates frequently evolved into a wide-ranging consideration of U.S. foreign policy that went well beyond discussions of economic and military assistance programs. As such, the legislation was frequently marked by controversy, internal congressional disagreements concerning international issues, and disputes between the executive and legislative branches regarding Presidential management of foreign policy. In several years since 1985, Congress considered foreign aid authorizing measures, but the bills failed to reach final passage.¹ In the interim, lawmakers have approved more narrowly focused, "single-issue" foreign aid authorization bills, such as the Support for East European Democracy (SEED) Act (1989), the FREEDOM Support Act (1992), the International Malaria Control Act (2000), and the more recently enacted United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003.

Lack of Administration support for foreign aid bills has been a continuing obstacle to enactment over the past 18 years. The Clinton Administration submitted draft legislation in 1994 seeking to re-write the Foreign Assistance Act of 1961, but in most cases, the executive has opposed or not encouraged consideration of broad foreign assistance measures which were perceived as intrusions into Presidential flexibility in managing foreign policy or excessive congressional earmarking.

¹ The closest Congress came to approving a foreign aid bill came in 1991 when the House and Senate passed H.R. 2508 (102nd Congress), the International Cooperation Act of 1991. After passing the Senate, however, the conference agreement failed in the House.

In the absence of omnibus foreign aid authorizations, the majority of the foreign assistance legislation has been enacted as part of annual Foreign Operations appropriation measures. Over the past 19 years, these appropriation bills increasingly have expanded their scope beyond spending issues and played a major role in shaping, authorizing, and guiding both executive and congressional foreign aid and broader foreign policy initiatives. It has been largely through Foreign Operations appropriations that the United States has modified aid policy and resource allocation priorities since the end of the Cold War. Legislation authorizing U.S. participation in most multilateral development bank replenishments since the early 1980s has been incorporated into Foreign Operation measures. The legislation and companion supplemental appropriation bills have also been the channel through which the President has utilized foreign aid as a tool in the global war on terrorism since the attacks of September 11, 2001. Earlier this year, the President's new foreign aid initiative — the Millennium Challenge Corporation — was authorized with the FY2004 Foreign Operations Appropriations Act. Appropriation measures have also been a key instrument used by Congress to apply restrictions and conditions on Administration management of foreign assistance, actions that have frequently resulted in executive-legislative clashes similar to those that occurred previously in authorization debates.

Last year, the Foreign Relations Committee reported a similar bill — S. 1161 — characterizing the action as effort to “reinforce” the Committee’s role in foreign assistance policy making.² Chairman Lugar noted during the Committee’s markup of that bill that it was not an attempt to comprehensively review and re-write existing foreign aid legislation. Rather, S. 1161 represented a first step in providing necessary authorization for program appropriations in FY2004 and updating selected legislative provisions to reflect current policy. Senator Lugar said that it was his intent to launch a more ambitious effort in the future to revamp the Foreign Assistance Act of 1961 and other long-standing foreign aid laws.

After being folded into S. 925 (the Foreign Relations Authorization Act, Fiscal Year 2004), the Senate debated on July 9 and 10, 2003, the foreign aid authorizing legislation, adopting several amendments but without coming to a final vote. S. 2144 is a continuation of the 2003 Committee’s effort to steer an omnibus foreign policy authorizing bill for FY2005 through the Senate for consideration by the House-Senate conference committee. The House approved on July 16, 2003, companion legislation (H.R. 1950) that includes many of the same provisions on State Department operations and security assistance issues as the new Senate measure, but does not address economic aid programs.

² *Foreign Assistance Authorization Act, Fiscal Year 2004*; report to accompany S. 1161. S.Rept. 108-56, May 29, 2003.

Contents of the Foreign Aid Legislation

Division B of S. 1161 is divided into five titles:

- Title XXI includes a series of FY2005 authorizations of appropriations.
- Title XXII updates and amends several existing foreign aid authorities, some of which have been annually extended in appropriation acts in recent years.
- Title XXIII is the Radiological Terrorism Security Act.
- Title XXIV is the Global Pathogen Surveillance Act.
- Title XV consists of a number of miscellaneous provisions, several of which address Africa and Latin America issues, including authorization for additional aid to Haiti.

Authorization of Appropriations

Division B of S. 2144 authorizes the appropriation of about \$16.9 billion for 22 foreign assistance programs, closely matching the account structure of the annual Foreign Operations appropriations for bilateral economic and military aid. As shown in Table 1, the authorizations in many cases are identical to amounts requested by the Administration. The total for foreign aid programs, however, is \$182 million less than proposed by the Administration. These “savings” in foreign assistance are added to authorizations for the State Department and other international affairs programs covered in S. 2144 or for funding another Committee initiative, the Stabilization and Reconstruction Civilian Management Act of 2004 (S. 2127). In total, authorizations recommended in S. 2144 and S. 2127 equal the President’s FY2005 budget for the equivalent accounts.

While several foreign aid programs are authorized at the requested level, the Committee bill adds funding for others:

- \$200 million increase for child survival and health programs, largely to increase resources for international HIV/AIDS activities.
- \$17 million increase for development assistance.
- \$25 million more for aid to the former Soviet Union.
- \$5 million increase for East European assistance.
- \$70 million increase for the Nonproliferation, Anti-Terrorism, Demining, and Related Assistance (NADR) programs.

Table 1. Foreign Assistance Authorizations in Div. B, S. 2144³
(millions of dollars)

Program	FY2004 Regular ^a	FY2004 Supp. ^b	FY2004 Total	FY2005 Request	FY2005 S. 2144
Economic Assistance:					
Child Survival & Health (CS/H)	1,824.2	—	1,824.2	1,420.0	1,620.0
Development Assistance Fund	1,376.8	—	1,376.8	1,329.0	1,346.0
Intl Disaster Aid	254.0	110.0	364.0	385.5	385.5
Transition Initiatives	54.7	—	54.7	62.8	62.8
Development Credit Programs	8.0	—	8.0	8.0	8.0
USAID Operating Expenses	600.5	40.0	640.5	623.4	623.4
USAID Inspector General	34.8	—	34.8	35.0	36.4
USAID Capital Investment Fund	81.7	16.6	98.3	64.8	64.8
Millennium Challenge Account	994.0	—	994.0	2,500.0	2,000.0
Economic Support Fund (ESF)	2,119.9	872.0	2,991.9	2,520.0	2,520.0
Eastern Europe/Baltic States	442.4	—	442.4	410.0	415.0
Former Soviet Union	583.5	—	583.5	550.0	575.0
Inter-American Foundation	16.2	—	16.2	15.2	15.2
African Development Foundation	18.6	—	18.6	17.0	17.0
Intl Narcotics & Andean Initiative	967.0	170.0	1,137.0	1,089.8	1,089.8
Non-Proliferation/anti-terrorism	351.4	35.0	386.4	415.2	485.2
Treasury Dept. Technical Aid	18.9	—	18.9	17.5	17.5
Debt Reduction	94.4	—	94.4	200.0	200.0
Intl Organizations & Programs	319.8	—	319.8	304.5	304.5
Total, Economic Aid	10,160.8	1,243.6	11,404.4	11,967.7	11,786.1
Military Assistance:					
Intl Military Ed. & Training	91.2	—	91.2	89.7	89.7
Foreign Mil Financing (FMF)	4,268.7	287.0	4,555.7	4,957.5	4,957.5
Peacekeeping Operations	74.5	50.0	124.5	104.0	104.0
Total, Military Aid	4,434.4	337.0	4,771.4	5,151.2	5,151.2
TOTAL	14,595.2	1,580.6	16,175.8	17,118.9	16,937.3

a. Each account is adjusted for the 0.59% across-the-board rescission required by Division H of P.L. 108-199, the Consolidated Appropriations Act, FY2004.

b. FY2003 supplemental includes funds appropriated in P.L. 108-106.

³ Two other foreign assistance programs are authorized in S. 2144, but not within Division B, the foreign aid portion of the bill. In Division A, sec. 105, the Migration and Refugee Assistance account is authorized at \$765 million for FY2005, \$35 million above the request. Title IX of Division A broadly modifies Peace Corps authorities and authorizes \$351 million, \$50 million less than the budget proposal.

Offsetting these and additions made in other parts of S. 2144 is a reduction of \$500 million for the President's new foreign aid initiative, the Millennium Challenge Account (MCA). The legislation, however, continues for FY2005 existing authority to use up to 10% of MCA funding to assist countries that fail, by a narrow margin, to qualify for the MCA program in hopes of improving their chances in future years.

Total amounts authorized in S. 2144 conform to the overall level for international affairs spending approved in the Senate on March 11 in the FY2005 Budget Resolution (S.Con.Res. 95). The Senate-passed measure increases the President's \$31.6 billion foreign policy budget request to \$32.33 billion in discretionary spending, largely due to floor amendments by Senators Lugar, Durbin, and Dewine adding \$1.83 billion to the Committee-reported level. Although not binding, amendment sponsors said they intended the additional funds to be used for higher resources for HIV/AIDS, aid to Haiti, and more broadly to fill funding gaps throughout the international affairs budget.

General Foreign Aid Authorities

Title XXII of Division B of S. 2144 includes 35 sections, most of which incorporate into permanent law legislative items that have been included in annual appropriations in recent years or update existing provisions that have not been amended to reflect current circumstances. For example, provisions routinely carried in appropriation acts concerning assistance to non-governmental organizations, authority to undertake reconstruction projects with disaster aid funds, aid to the former Soviet Union, aid prohibitions for countries whose elected head of government has been deposed by a military coup, and Administration of Justice, demining, and debt relief programs would be added to the Foreign Assistance Act of 1961. Presumably, similar measures would be dropped from future Foreign Operations appropriation bills.

The legislation also updates long-standing authorities, such as those related to the President's special waiver authority [section 614(a) of the Foreign Assistance Act], prohibition on aid to countries in default on debt owed to the United States, additions to war reserve stockpiles in Israel, restrictions on aid to Lebanon, dollar thresholds of arms sales that must be notified to Congress, and several other administrative authorities. S. 2144 further extends an existing waiver for Pakistan aid restrictions through FY2005.

Radiological Terrorism Security Act⁴

Title XXIII of S. 2144 addresses the threat posed by terrorist use of radiological dispersal devices, or RDDs. These devices spread radioactive material, whether by a chemical explosive ("dirty bombs") or by spraying, scattering, or dumping it without an explosive.

The United States has devoted far more resources to studying the effects of RDDs and to planning responses to an RDD attack than have many other countries.

⁴ This section was prepared by Jonathan Medalia, Specialist in National Defense.

Accordingly, Section 2304 authorizes the Secretary of State to help other countries — directly or through the IAEA — develop national response plans and train first responders for dealing with an RDD attack.

In addition, section 2303 would require the Secretary of State to submit to the appropriate congressional committees a report on preparations to detect and mitigate a radiological attack on U.S. diplomatic missions abroad; a rank-ordered list of the Secretary's priorities for improving radiological security and consequence management at these facilities, and a budget for such improvements; and a rank-ordered list of facilities where improvement is most important. This report would be submitted within 180 days of the enactment of this Act, and annually thereafter beginning with the budget submission for FY2006. The legislation authorizes \$2 million to undertake both provisions under this title.

Global Pathogen Surveillance Act of 2003⁵

Title XXIV of S. 2144 — The Global Pathogen Surveillance Act — would authorize \$35 million for FY2005 to enhance the capability of developing nations to detect, identify, and contain infectious disease outbreaks, whether naturally occurring or the result of a bioterrorist attack. Similar legislation was first introduced on May 9, 2002, by Senators Biden, Helms, Kennedy, and Frist (S. 2487). It passed the Senate, amended, on August 1, 2002. No further action was taken on the measure during the 107th Congress.

The SARS outbreak underscores the importance of developing a global surveillance system to detect and track the spread of infectious disease around the world. Public health experts view SARS as just the latest manifestation of the growing threat of infectious disease. That threat, driven by a complex set of biological, social, political, and economic factors, encompasses not only new and reemerging infectious diseases of natural origin but also bioterrorist attacks. International trade, travel, and migration patterns facilitate the rapid spread of pathogens from one continent to another. Infectious disease outbreaks need not originate in the United States to pose a threat to the nation.

Global surveillance, especially for newly recognized infectious diseases, is crucial to responding to and containing microbial threats before isolated outbreaks develop into regional or worldwide pandemics. Key components of an effective surveillance system include trained epidemiologists, a network of modern fully equipped laboratories able to isolate and identify emerging pathogens, and a public health communications infrastructure to transmit and share information on disease outbreaks. In 2000, the World Health Organization (WHO) established the Global Alert and Response Network to monitor and track infectious disease outbreaks in every region of the world. But the WHO network is only as strong as its individual components. Many developing nations lack the trained personnel, laboratory facilities, and public health infrastructure to detect emerging pathogens and track evolving disease patterns. The 2003 Institute of Medicine report *Microbial Threats to Health: Emergence, Detection, and Response* recommended that the United States

⁵ This section was prepared by C. Stephen Redhead, Specialist in Life Sciences.

take a leading role in promoting the development of a global infectious disease surveillance capability based on existing systems.⁶

The Global Pathogen Surveillance Act includes several provisions that are intended to support and strengthen the disease surveillance capabilities of developing nations. First, it seeks to address the lack of adequately trained public health officials who can identify and diagnose infectious disease outbreaks. The legislation, in Sections 2406 and 2407, would provide for in-country training for medical and laboratory personnel and permit eligible nationals of developing countries to come to the United States to pursue a master of public health degree or advanced public health training in epidemiology. Second, Sections 2408 and 2409 would provide assistance to developing nations, subject to the availability of appropriations, to purchase (1) basic laboratory equipment necessary for the collection, analysis, and identification of pathogens and (2) communications equipment and information technology for the dissemination of information on disease patterns throughout regional health networks.

Additionally, Sections 2410 and 2411 would permit the expansion of CDC facilities overseas to further the goals of global disease monitoring. It would also authorize the heads of executive branch agencies to assign public health officials to U.S. diplomatic missions and international health organizations when requested. Finally, Section 2412 of the bill would authorize the President to provide funding and other assistance for the purpose of enhancing WHO's surveillance and reporting capabilities and those of existing regional health networks, and for the development of new regional health networks.

S. 2144 authorizes a total of \$35 million for these activities in FY2005, funds that would be drawn from the Nonproliferation, Antiterrorism, Demining, and Related (NADR) Programs account. The legislation allocates the funds as follows:

- \$25 million for training public health officials and assisting developing nations to procure lab and communication equipment (Sections 2406-2409).
- \$0.5 million for the assignment of public health officials at U.S. missions overseas and international organizations (Section 2410).
- \$2.5 million for the expansion of U.S. government labs overseas (Section 2411).
- \$7 million to assist WHO and existing regional health network surveillance and reporting capabilities, and to develop new regional health networks (Section 2412).

In related legislative activity, Representative Kirk introduced the Global Pathogen Surveillance Act (H.R. 2329) in the House on June 4, 2003. H.R. 2329 is

⁶ For the text of the report, see [<http://www.nap.edu/books/030908864X/html/>].

nearly the same as the Senate language, except that it would authorize \$70 million for FY2004 and \$80 million for FY2005.

Reporting Requirements and Other Regional and Foreign Policy Issues

Division B of S. 2144 also includes several provisions, in Title XXV that address specific country and regional foreign policy issues. .

Africa:

- Expresses the Sense of Congress supporting the Congo Forest Basin Partnership (Section 2223). This multi-year initiative announced by the Administration at the September 2002 Johannesburg World Summit on Sustainable Development, represents the largest conservation effort by the United States in Africa.
- Supports “such sums as are necessary” for programs in Ethiopia that promote an independent media by strengthening the capacity of journalists and increasing access to printing facilities (Section 2513).
- Supports as a matter of U.S. policy efforts to establish accountability for human rights abuses occurring in Central Africa since 1993, back programs to encourage reconciliation, and promote activities that will prevent similar crimes in the future (Section 2514). The Secretary of State would be required to report on U.S. actions taken in this regard within six months of enactment. The provision further authorizes up to \$12 million in FY2005 for the development of justice and reconciliation mechanisms in the Democratic Republic of Congo, Rwanda, Burundi, and Uganda.
- Authorizes the African Contingency Operations Training and Assistance Program (ACOTA), establishes eligibility criteria for country participation, and states a Sense of Congress regarding local consultations and monitoring of ACOTA programs (Section 2516). The provision also authorizes \$15 million for FY2005, the same as requested by the President. ACOTA is a program that replaced in FY2004 the then-existing Africa Crisis Response Initiative aimed at helping train and equip African militaries to perform in a peacekeeping and humanitarian relief role.

East Asia:

- Places conditions on military financing and training funds (FMF and IMET programs) for Indonesia (Section 2517). The provision requires that prior to release of FY2005 FMF and IMET appropriations (excluding expanded-IMET activities), the President must certify to Congress that the Indonesian government and

military are taking steps to investigate the August 31, 2002, attack on U.S. citizens and to prosecute those responsible.

South Asia:

- Adds India to the list of 14 “focus” countries under the President’s Global HIV/AIDS Initiative (Section 2519). Substantial amounts of the \$15 billion, five year program will be concentrated in these “focus” nations where the epidemic is the worst. The Foreign Operations Appropriations for FY2004 requires the Administration to name a 15th country that would come from outside sub-Saharan Africa and the Caribbean. The State Department, however, has not yet identified which nation will be selected.
- States a sense of Congress that in order for Afghan elections to occur in a free and fair manner, adequate security must be maintained throughout the entire country (Section 2522). The provision further calls on the U.N. Assistance Mission to Afghanistan to expand efforts to register women for upcoming elections.

Latin America:

- Authorizes at least \$150 million for assistance to Haiti and requires the Secretary of State to report within 60 days about U.S. plans for reconstruction and stabilization assistance to Haiti.
- Adds the names of 14 Caribbean nations to the list of countries eligible for assistance from the Combat HIV/AIDS Global Fund (Section 2519). The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (P.L. 108-25; H.R. 1298) named 14 specific countries, including Guyana, Haiti, and 12 African states, on which U.S. programs directed by the new State Department HIV/AIDS Response Coordinator would focus. Although the President could expand the list to include other nations, some expressed concern that most Caribbean nations were not named among the 14 priority countries, a region where HIV/AIDS prevalence is second only to sub-Saharan Africa. The Senate had rejected (44-51) an amendment by Senator Dodd during debate on H.R. 1298 to add these Caribbean nations. As noted above, Congress directed the Administration to name a 15th country from a region outside of Africa and the Caribbean to the focus list. The Administration has yet to comply.
- Amends current law so that new expropriation claims filed against the Nicaraguan government by U.S. citizens would not influence U.S. decisions on whether to apply foreign aid sanctions against Nicaragua (Section 2511). The Foreign Relations Authorization Act, FY1994/1995 prohibits U.S. aid to any government that has nationalized or expropriated property after 1956 owned by an American citizen and has not returned such property or otherwise

satisfied a submitted claim. Nicaragua falls under this aid prohibition due to numerous unsettled expropriation claims, but the restriction has been waived annually for foreign policy reasons. The intent of Section 2511 is to establish a specific date after which no additional expropriation claims would be considered in the decision of whether or not to restrict U.S. foreign aid to Nicaragua. Supporters of continued assistance note the positive efforts made by President Enrique Bolanos to address Nicaragua's economic and corruption problems, and urge American support. At the same time, they emphasize that Nicaragua would remain responsible for settling claims occurring prior to the Bolanos administration that were properly submitted. The legislation would authorize the Secretary of State to establish a deadline for submission of any new expropriation claims that occurred prior to January 9, 2002, a date corresponding to the inauguration of President Bolanos. Only those claims filed within 120 days of that deadline would be considered as properly submitted.⁷

Middle East:

- Adds a sense of Congress that it is in the U.S. best interests to negotiate a comprehensive debt reduction package for Iraq and encourages American allies and Iraq's creditors in the Middle East to extend aid and debt and reparations relief to Baghdad (Section 2520).
- Includes a sense of Congress that the rights of women in Iraq should be protected after the transfer of authority to Iraq in June 2004 (Section 2521).
- Supports the Middle East Partnership Initiative (MEPI) and authorizes the creation of a Middle East Foundation (Section 2225). MEPI, which was announced by the State Department in December 2002, seeks to promote democratic and economic reforms in the region. This provision would permit the Secretary of State to designate a private, non-profit organization as the Middle East Foundation. The Foundation, operating in a similar way as the existing Asia Foundation and Eurasia Foundation, would receive proposals and issue grants to non-governmental entities located in the Middle East to implement projects supporting the goals of MEPI.

Title XXV also makes technical changes to several executive branch reporting requirements and repeals obsolete sections of the Foreign Assistance Act of 1961 that authorized U.S. assistance for victims of previous natural and manmade disasters.

⁷ The House passed similar legislation — H.R. 868 — on March 18, 2003.