



**Legislative Bulletin.....July 19, 2005**

**Contents:**

**H.R. 2601**—Foreign Relations Authorization Act, Fiscal Years 2006 and 2007

**Summary of the Bill Under Consideration Today:**

**Total Number of New Government Programs:** Various new offices and authorities

**Total Cost of Discretionary Authorizations:** \$23.158 billion over five years

**Effect on Revenue:** “Insignificant”

**Total Change in Mandatory Spending:** A \$48 million increase over five years (though much of this will reportedly be struck on the House floor)

**Total New State & Local Government Mandates:** 0

**Total New Private Sector Mandates:** 0

**Number of Bills Without Committee Reports:** 0

**Number of Reported Bills that Don’t Cite Specific Clauses of Constitutional Authority:** 1

**H.R. 2601—Foreign Relations Authorization Act, Fiscal Years 2006 and 2007 (Smith of New Jersey)**

**Order of Business:** The bill is scheduled to be considered on Tuesday, July 19<sup>th</sup>, subject to a structured rule. A summary of amendments made in order under this rule will be provided in a separate RSC document.

**Summary of Key Provisions:**

**Authorizations –**

(Authorizations indented in italics are key earmarks of the previous regular-font authorization.)

	<u>FY2006</u>	<u>FY2007</u>
Diplomatic and Consular Programs	\$4.46 billion	\$4.61 billion
<i>Anti-Semitism</i>	\$225,000	\$225,000
<i>Charles Rangel International Program</i>	\$1.5 million	\$1.5 million
<i>Minority Recruitment</i>	\$3.0 million	\$3.0 million
Capital Investment Fund	\$131.0 million	\$131.0 million
Embassy Security, Construction, and Maintenance	\$1.53 billion	\$1.55 billion
Education and Cultural Exchange Programs	\$428.9 million	\$438.5 million
<i>HIV/AIDS research and mitigation</i>	\$1.0 million	\$1.0 million
<i>George Mitchell Scholarships (Ireland)</i>	\$500,000	\$500,000
<i>Tibetan scholarships</i>	\$750,000	\$800,000
<i>Ngawang Choepel exchange programs</i>	\$500,000	\$500,000
<i>Sudanese Scholarships</i>	\$500,000	\$500,000
<i>Scholarships for Latin Americans</i>	\$250,000	\$250,000
Representation Allowances	\$8.3 million	\$8.3 million
Protection of Foreign Missions and Officials	\$9.4 million	\$9.4 million
Diplomatic and Consular Service Emergencies	\$12.1 million	\$12.1 million
Repatriation Loans	\$1.3 million	\$1.3 million
American Institute in Taiwan	\$19.8 million	\$20.1 million
Office of the Inspector General	\$30.0 million	\$30.0 million
Assessed Contributions to Int'l Organizations	\$1.30 billion	\$1.32 billion
Contributions for Int'l Peacekeeping	\$1.04 billion	"Such Sums"
Foreign Currency Adverse Fluctuations	"Such Sums"	"Such Sums"
Int'l Boundary and Water Commission, Mexico	\$34.3 million	\$34.3 million
Int'l Boundary Commission, Canada	\$1.4 million	\$1.4 million
Int'l Joint Commission	\$6.3 million	\$6.3 million
Int'l Fisheries Commission	\$25.1 million	\$25.1 million
Migration and Refugee Assistance	\$955.0 million	\$983.7 million
<i>Refugee resettlement in Israel</i>	\$40.0 million	\$40.0 million
<i>Pilot program for long-term refugee pops.</i>	\$2.5 million	\$2.5 million
Asia Foundation	\$18.0 million	\$18.0 million
National Endowment for Democracy	\$80.0 million	\$80.0 million
Ctr. for East-West Cultural Interchanges	\$13.0 million	\$13.0 million
Int'l Broadcasting Operations	\$603.4 million	\$621.5 million
Broadcasting Capital Improvements	\$10.9 million	\$10.9 million
Broadcasting to Cuba	\$37.7 million	\$29.9 million
Radio Free Asia	\$9.1 million total for two years	

**Language of Note –**

*New Criminal Offense.* Creates a new criminal offense for knowing and willful interference with the protective functions of State Department special agents.

Libya Contracting. Repeals the ineligibility of persons doing business with Libya from receiving a federal contract.

Israel on U.S. Passports. Requires that the Secretary of State, upon request from an affected U.S. citizen born in Jerusalem, record the birthplace as Israel on the U.S. passport. [Currently, such birth origins are recorded on U.S. passports as “Jerusalem, Israel,” even though no other recorded birthplace includes a city.]

Jerusalem. Prohibits funds authorized in this legislation from being used for the operation of a U.S. consulate or other diplomatic facility in Jerusalem, unless such facility is under the supervision of the U.S. Ambassador to Israel. Also prohibits funds authorized in this legislation from being used to publish any U.S. Government document that lists capital cities unless it identifies Jerusalem as the capital of Israel.

Danger Pay. Increases the cap for hardship and danger pay for Foreign Service personnel from 25% of salary to 35%.

Home Leave. Reduces the time period for eligibility for home leave from 18 months to 12 months.

Fellowship of Hope. Codifies the existing Fellowship of Hope Program, which provides for detailing of Foreign Service Members to certain foreign countries that permit employees of such countries to be detailed to the State Department.

Death Gratuity. Increases the maximum death gratuity to \$100,000 or one year’s salary, whichever is greater (currently just one year’s salary).

Office of the Culture of Lawfulness. Establishes an Office of the Culture of Lawfulness within the Bureau for International Narcotics and Law Enforcement Affairs to promote, coordinate, manage, and report on the State Department’s international culture of lawfulness efforts.

Diversity Emphasis in Human Resources. Requires the State Department to conduct a “bottom-up” review of its human resources policies, with an emphasis on improving the “ethnic, racial, cultural, and gender diversity” of Department personnel.

International Atomic Energy Agency (IAEA). Directs the President to take the needed steps to encourage the universal ratification and implementation of the Additional Protocol to the Safeguards Agreements between the IAEA and Member states. Authorizes the President to suspend U.S. non-humanitarian assistance to any country that has not signed and ratified the Additional Protocol and has not fully complied with UN Security Council Resolution 1540 (regarding prohibiting non-state actors from acquiring and using weapons of mass destruction).

Cuba. Authorizes the improved signal delivery of any U.S. Government radio broadcast to Cuba.

Middle East Broadcasting Networks. Authorizes annual grants to the Middle East Broadcasting Networks (under an existing grant program).

Radio Free Asia. Establishes permanent broadcasting authority for Radio Free Asia.

Under Secretary of State for Global Affairs. Codifies the Under Secretary of State for Global Affairs, who focuses on democracy promotion worldwide.

Democratic Movements Office. Requires that there be an office, led by a new deputy assistant secretary, responsible for working with democratic movements worldwide and facilitating the transition of countries to democracy.

Regional Democracy Hubs. Requires the establishment of at least one Regional Democracy Hub at one U.S. mission in each of two global regions to encourage and support transitions to democracy.

Deputy Assistant Secretary of State for Democracy, Human Rights, and Labor. Creates a new Deputy Assistant Secretary of State for Democracy, Human Rights, and Labor.

Human Rights Advisory Board. Establishes a Democracy Promotion and Human Rights Advisory Board to advise leaders in the State Department on promoting democracy worldwide.

Website for Global Democracy and Human Rights. Directs the Secretary of State to establish and maintain a website for global democracy and human rights.

Democracy Caucus. Encourages the creation of a Democracy Caucus within the UN generally, the UN Human Rights Commission, the UN Conference on Disarmament, and other international organizations.

Human Rights and Democracy Fund. Adds as an additional purpose for the Human Rights and Democracy Fund the active promotion of democracy in nondemocratic countries (via books, translations, training programs, etc.). Earmarks \$110 million over two years for such activities of the Fund.

Crimes Against Humanity. Directs the President to collect information regarding crimes against humanity (such as genocide, slavery, etc.) and hold leading violators accountable.

Direct Presidential Communications. Recommends that the President directly broadcast messages periodically to the citizens in nondemocratic countries.

Strategic Export Controls. Makes the Under Secretary for Arms Control and International Security responsible for coordinating U.S. strategic export control policy, as assisted by the newly created Deputy Under Secretary for Strategic Export Control. Creates a Strategic Export Control Board, featuring representatives from various federal departments, who will

make recommendations for strengthening export controls. Earmarks \$26 million for additional full-time license and compliance officers in the State Department's Directorate of Defense Trade Controls. Tightens the licensing and certification requirements for the export of certain dual-use products, munitions, and weapons.

*Small Business Liaison*. Requires the designation of a small business liaison within the Office of Defense Trade Controls.

*Sensitive Technology Transfers*. Requires licenses for the transfer of a wider array of defense technologies and munitions to a foreign person in the U.S. and authorizes the President to expand licensing requirements for a similar transfer of dual-use goods technologies. In both types of licensing instances, firearms for personal use would be exempted.

*Probation for Missile Proliferation*. Requires that any foreign person, entity, or government that has been sanctioned under U.S. law for missile transfer violations, after the period of formal sanctions expire, be subject to a three-year-minimum probationary period of special monitoring for granting dual-use licenses, until the President informs Congress that the person, entity, or government has verifiably ceased all such activity and instituted a program of transparency to verify such cessation.

*Missile Sanctions*. Increases the period of U.S. missile sanctions from two to four years. Expands the applicability of U.S. missile sanctions to all responsible foreign persons, including governmental entities that exercises effective control over, benefits from, or directly or indirectly facilitates the activities of such persons.

*Pakistan*. Extends for one year (through fiscal year 2007) the President's authority to exercise waivers of foreign assistance restrictions regarding Pakistan.

*Nuclear Black Market Elimination*. Authorizes the President to impose listed sanctions for at least two years on any foreign person or entity that provides nuclear material enrichment or reprocessing equipment, materials, or technology to a non-nuclear weapon state that does not already possess functioning enrichment or reprocessing facilities, that does not have in force an additional protocol with the IAEA regarding additional safeguards, or that is developing, manufacturing, or seeking to acquire a nuclear explosive device.

*Cooperative Countries*. Authorizes the President to provide up to three years of certain listed assistance to any country that cooperates with our efforts to prevent the shipment or transshipment of "items of proliferation concern" in its territory, airspace, or vessels on the seas. Provides that only cooperative countries and non-proliferating countries should be eligible for U.S. aid.

*Uncooperative Countries*. Prohibits the transfer of any excess vessel or aircraft to countries that are uncooperative in preventing the proliferation of items of proliferation concern. Requires the suspension of arms sales licenses and deliveries to uncooperative countries, until the President certifies that such countries have become helpful in halting the nuclear black market.

Obstetric Fistula. Earmarks \$10 million for the establishment of at least twelve centers for the treatment and prevention of obstetric fistula in developing countries.

Zimbabwe. Earmarks \$24 million for pro-democracy efforts in Zimbabwe.

Burma. Withholds a portion of the U.S. contribution to the UN Development program equivalent to what the UN Development Program spends each year on Burma unless the Secretary of State certifies to Congress that this Program's efforts in Burma are conducted through non-government entities and in no way benefit the government or related affiliates.

Northern Ireland. Earmarks \$200,000 for the Office of the Police Ombudsman for Northern Ireland.

Disaster Mitigation. Allows U.S. disaster assistance abroad to be used for disaster mitigation.

Belarus. Earmarks \$24 million for pro-democracy activities in Belarus.

Egypt. States that the threats to Egypt's stability come much more from domestic failings (such as slow economic growth, poor education, inadequate health care, and a lack of political freedoms) than from external dangers. Declares the intention to restructure Egypt's aid package over time so that the military portion decreases and the economic portion increases. Conditions aid to Egypt on Egypt's providing of a proposal to prioritize U.S. aid for domestic social improvements. Such a proposal would have to be evaluated by the President and could only be approved after Egypt has adopted reforms needed to implement the proposal. The President could terminate aid to Egypt at any time if the proposal is not being implemented. Caps military assistance to Egypt at \$1.26 billion for FY2006, \$1.22 billion for FY2007, and \$1.18 billion for FY2008.

Inter-Arab Democratic Charter. Directs the Secretary of State to establish an Inter-Arab Democratic Charter to promote human rights and democracy in the Middle East.

West Bank and Gaza Program. Requires that the U.S. Comptroller General have access to the appropriate financial information on the Program, so he could review the use of U.S. assistance under this Program. Requires the Secretary to ensure that no funds in this Program are provided to or through any terror-related actors or are used to honor anyone who has committed acts of terrorism. Provides for U.S. Agency for International Development (USAID) and "independent" audits of all contractors, subcontractors, grantees, and subgrantees under this Program.

Palestinian Authority (PA). Provides that direct aid to the PA could only occur after the President certifies that doing so is "important to the national security interests of the United States" and that the PA has taken certain steps, including making demonstrable progress toward dismantling the terrorist infrastructure, fully cooperating with Israel's security services, halting anti-Israel incitement, promoting democracy (including free elections), and ensuring financial transparency and accountability for its agencies. Requires recertifications

every six months. Requires a GAO report on the extent to which U.S. aid to the Palestinian Authority is audited by the State Department, USAID, and other relevant agencies.

Venezuela. Authorizes \$18 million for civil society and democracy expenditures in Venezuela.

Afghanistan. Earmarks \$50 million for each of fiscal years 2006 and 2007 in order to support the United Nations Assistance Mission in Afghanistan (UNAMA) and other programs related to holding “free, fair, and transparent” parliamentary elections that are scheduled for this September.

Tibet. Authorizes \$14 million for grants to nongovernmental organizations supporting economic and social projects in Tibet.

International Fund for Ireland. Earmarks \$20 million a year for the International Fund for Ireland and stipulates that not less than 35% be used for the implementation of the cross-community, reconciliation programs, rather than economic-only programs.

Colombia. Authorizes U.S. assistance to Colombia for the demobilization and disarmament of former irregular combatants, if the Secretary of State certifies that such assistance will not go to terrorist organizations or individuals and that the Government of Colombia is dismantling terror networks and extraditing (as appropriate) terrorists to the U.S.

Ethiopia. Authorizes \$4 million for a demonstration insurance project in Ethiopia to transfer the risk of catastrophic drought from subsistence farmers to international capital markets.

Vietnam. Authorizes \$2 million for democracy-promotion in Vietnam, so long as the assistance goes to nongovernmental organizations.

Miscellaneous Reports. Requires various new reports (and expresses senses of Congress) on the political situations in such countries as Haiti, Ireland, Indonesia, Pakistan, and Lebanon. Modifies existing reporting requirements on various countries and regions. Requires the Secretary of State to direct the U.S. representative to the UN Children’s Fund (UNICEF) to use the “voice and vote” of the United States to urge UNICEF to conduct a study on autism worldwide. Provides for reports on other matters, including Internet jamming, incitement to discrimination by countries receiving U.S. assistance, child marriage, efforts to encourage countries to establish full diplomatic relations with Israel, tax enforcement in Colombia, international terrorist organizations in Latin America and the Caribbean, the use of former Soviet scientists for Project BioShield, the extradition of violent criminals from Mexico to the U.S., and UN actions on the Oil-for-Food scandal.

Magen David Adom Society. Includes language to encourage the inclusion of Israel’s Magen David Adom Society as a full member of the International Red Cross and Red Crescent Movement.

Americans Killed by Palestinian Terrorism. Includes language to encourage (and require a report on) the continuing efforts to bring to justice the terrorists who killed four U.S. citizens (including three diplomatic contractors) on October 15, 2003 in an attack on a diplomatic convoy in Gaza.

Minority-Only Recruitment and Employment. The bill includes several provisions designed to increase the number of minorities employed at the State Department, including setting aside specific funds for minority-only recruitment and extending the reporting requirement on minority recruitment and promotion.

Asset Sales. Includes a variety of asset sales, which CBO estimates would yield the federal government about \$26.0 million in FY2006 and another \$6.0 million in FY2007.

Iran. Expresses dozens of congressional statements of policy and findings about the lack of freedoms in Iran, the right of its people to choose their own leaders, and the continued threat that the Government of Iran's support of terrorism and seeking of nuclear capabilities is to the world. Calls upon the leaders of the G-8 to insist that Russia terminate all nuclear assistance to Iran and to condition Russia's membership in the G-8 upon such termination. Directs the Secretary of State to work to prevent Iran from getting any assistance from the World Bank.

Saudi Arabia. Encourages the President to "take such action as the President considers appropriate, including a downgrading of diplomatic relations," to encourage Saudi Arabia to grant women the rights to vote and hold office.

Taiwan. Expresses a sense of Congress that "it is in the national interests of the United States to communicate directly with democratically elected and appointed officials of Taiwan."

Palestinian Textbooks. Encourages the Secretary of State to "express in the strongest possible terms United States opposition to the inclusion in Palestinian textbooks of materials which foster anti-Semitism and rejection of peace with Israel, and to express the unwillingness of the United States to continue to support educational programs of the Palestinian Authority, whether directly or indirectly, should the Palestinian Authority continue to include material which does not foster tolerance and peace."

Disabled Persons. Expresses a sense of Congress that "the United States should play a leading role in the drafting of an international convention that affirms the human rights and dignity of persons with disabilities and which is consistent with the Constitution of the United States, the Americans with Disabilities Act of 1990, and other rights enjoyed by United States citizens with disabilities."

Restitution of Private Property in Poland. Expresses a sense of Congress that, "Poland should develop a final and complete settlement for those individuals who had their private property seized and confiscated by the Nazis during World War II or by the Communist Polish government after the war."



*Iraqi Kurds.* Expresses a sense of Congress that, “Iraqi Kurds should be commended for their many contributions and sacrifices made in the cause of creating a free, stable, and democratic Iraq.”

*International Criminal Court and Darfur.* Expresses a sense of Congress that, “the United States should render assistance to the efforts of the International Criminal Court to bring to justice persons accused of genocide, war crimes, or crimes against humanity in Darfur, Sudan, provided that legally binding assurances have been received from the United Nations Security Council or the International Criminal Court that no current or former United States Government official, employee (including any contractor), member of the United States Armed Forces, or United States national will be subject to prosecution by the International Criminal Court in connection with those efforts.”

*Diminishing the U.S. presence in Iraq.* Expresses a sense of Congress that, “the President should transmit to the appropriate congressional committees as soon as possible after the date of the enactment of this Act the plan to provide for a stable and secure government of Iraq and an Iraqi military and police force that will allow the United States military presence in Iraq to be diminished.”

**Additional Background:** The House last passed a Foreign Relations Authorization Act on July 16, 2003 (H.R. 1950, 108<sup>th</sup> Congress), by a vote of 382-42 (<http://clerk.house.gov/evs/2003/roll369.xml>), but the Senate did not consider it. Many of the provisions about which conservatives had concerns in last Congress’ bill are NOT in this year’s bill.

**Committee Action:** On May 26, 2005, the Subcommittee on Africa, Global Human Rights and International Relations marked up and by unanimous consent forwarded the bill to the full International Relations Committee. On June 8<sup>th</sup> and 9<sup>th</sup>, the full Committee marked up the bill and ordered it reported to the full House.

**Administration Position:** A Statement of Administration Policy (SAP) was not available at press time.

**Cost to Taxpayers:** CBO estimates that H.R. 2601 would authorize \$11.209 billion in FY2006 and a total of \$23.158 billion over the FY2006-2010 period. The bill would also increase mandatory spending (including asset sales) by \$7.0 million in FY2006 and a total of \$48.0 million over the FY2006-2010 period (see note below). Lastly, the bill would increase revenues by “an insignificant amount each year” (because of the new criminal offense related to the protective functions of State Department special agents).

**NOTE:** the Budget Committee reports that a provision in H.R. 2601 (Section 204) allowing for the automatic re-appropriation of funds that would be made available in the State Department’s Buying Power Maintenance Account would violate the Budget Act. This provision is expected to be removed on the House floor. If the provision is removed, the bill would then contain a net DECREASE in mandatory spending of \$25.0 million in FY2006 and a total net decrease of \$27.0 million over the FY2006-2010 period.

**Does the Bill Expand the Size and Scope of the Federal Government?:** The bill would create an Office of the Culture of Lawfulness; a Democratic Movements Office; a new Deputy Assistant Secretary of State for Democracy, Human Rights, and Labor; and a new Deputy Under Secretary for Strategic Export Control.

**Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?:** CBO reports that, “H.R. 2601 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.”

**Constitutional Authority:** The International Relations Committee, in House Report 109-168, cites constitutional authority in Article I, Section 8, but does not cite a specific clause. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

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