

LEGISLATIVE COUNSEL  
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Calendar No. 1232

93<sup>d</sup> CONGRESS  
2<sup>d</sup> SESSION

**S. 3394**

[Report No. 93-1299]

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IN THE SENATE OF THE UNITED STATES

APRIL 29, 1974

Mr. SPARKMAN (by request) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

SEPTEMBER 3, 1974

Reported, under authority of the order of the Senate of August 22, 1974, by Mr. SPARKMAN, with an amendment

OCTOBER 2, 1974

Recommitted to the Committee on Foreign Relations

NOVEMBER 27, 1974

Reported, under authority of the order of the Senate of November 26, 1974, by Mr. HUMPHREY, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

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**A BILL**

To amend the Foreign Assistance Act of 1961, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 ~~That this Act may be cited as the "Foreign Assistance Act~~
- 4 ~~of 1974".~~

II

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## TITLE I

## MIDDLE EAST PEACE

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SEC. 2. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

## "PART VI

"SEC. 901. "STATEMENT OF POLICY.—The Congress recognizes that a peaceful and lasting resolution of the divisive issues that have contributed to tension and conflict between nations in the Middle East is essential to the security of the United States and the cause of world peace. The Congress declares and finds that the United States can and should play a constructive role in securing a just and durable peace in the Middle East by facilitating increased understanding between the Arab nations and Israel, and by assisting the nations in the area in their efforts to achieve economic progress and political stability, which are the essential foundations for a just and durable peace. It is the sense of Congress that United States assistance programs in the Middle East should be designed to promote mutual respect and security among the nations in the area and to foster a climate conducive to increased economic development, thereby contributing to a community of free, secure, and prospering nations in the Middle East.

"SEC. 902. GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions as he

1 may determine, assistance authorized by this Act and credits  
2 and guaranties authorized by the Foreign Military Sales Act  
3 in order to carry out the purposes of this part.

4       “SEC. 903. ALLOCATIONS.—(a) Of the funds appropri-  
5 ated to carry out chapter 2 of part II of this Act, during the  
6 fiscal year 1975 up to \$100,000,000 may be made available  
7 for military assistance in the Middle East.

8       “(b) Of the funds appropriated to carry out chapter 4  
9 of part II of this Act, during the fiscal year 1975 up to  
10 \$377,500,000 may be made available for security support-  
11 ing assistance in the Middle East.

12       “(c) Of the aggregate ceiling on credits and guaranties  
13 established by section 31(b) of the Foreign Military Sales  
14 Act, during the fiscal year 1975 up to \$330,000,000 shall  
15 be available for countries in the Middle East.

16       “SEC. 904. (a) SPECIAL REQUIREMENTS FUND.—  
17 There are authorized to be appropriated to the President for  
18 the fiscal year 1975 not to exceed \$100,000,000 to meet  
19 special requirements arising from time to time in carrying out  
20 the purposes of this part, in addition to funds otherwise avail-  
21 able for such purposes. The funds authorized to be appropri-  
22 ated by this section shall be available for use by the Presi-  
23 dent for assistance authorized by this Act in accordance with  
24 the provisions applicable to the furnishing of such assistance.  
25 Such funds are authorized to remain available until expended.



1 lieu thereof "\$291,000,000 for the fiscal year 1974, and  
2 \$546,300,000 for the fiscal year 1975".

3 HOUSING GUARANTIES

4 SEC. 6. Section 223(i) of the Foreign Assistance Act  
5 of 1961 is amended by striking out "June 30, 1975" and  
6 inserting in lieu thereof "June 30, 1976".

7 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

8 SEC. 7. Section 302(a) of the Foreign Assistance Act of  
9 1961 is amended by striking out the words "for the fiscal  
10 year 1975, \$150,000,000" and inserting in lieu thereof "for  
11 the fiscal year 1975, \$153,900,000".

12 MILITARY ASSISTANCE

13 SEC. 8. (a) Chapter 2 of part II of the Foreign As-  
14 sistance Act of 1961 is amended as follows:

15 (1) In section 504(a), strike out "\$512,000,000  
16 for the fiscal year 1974" and insert in lieu thereof  
17 "\$985,000,000 for the fiscal year 1975."

18 (2) In section 506(a)—

19 (A) Strike out "the fiscal year 1974" in each  
20 place it appears and insert in lieu thereof "the fiscal  
21 year 1975"; and

22 (B) At the end of subsection (a) add the  
23 following sentence: "Orders not exceeding \$250,-  
24 000,000 in value may be issued under this sub-  
25 section, upon such determination, during the period

1 of any succeeding fiscal year that precedes the  
2 enactment of legislation authorizing appropriations  
3 for military assistance for that fiscal year.”

4 ~~(3)~~ After section 506, add the following new  
5 section:

6 SEC. 507. LIMITATION ON THE GRANT OF EXCESS  
7 DEFENSE ARTICLES.—

8 “(a) Except as provided in section 506, the aggregate  
9 value of excess defense articles ordered during the fiscal  
10 year 1975 under this chapter for foreign countries and inter-  
11 national organizations shall not exceed \$150,000,000.

12 “(b) The Secretary of State shall promptly and fully  
13 inform the Speaker of the House of Representatives and the  
14 Committee on Foreign Relations and the Committee on  
15 Appropriations of the Senate of each decision to furnish on a  
16 grant basis to any country excess defense articles which are  
17 major weapons systems to the extent such major weapons  
18 system was not included in the presentation material pre-  
19 viously submitted to the Congress. Additionally, the Secre-  
20 tary of State shall also submit a quarterly report to the Con-  
21 gress listing by country the total value of all deliveries of  
22 excess defense articles, disclosing both the aggregate original  
23 acquisition cost and the aggregate value at the time of de-  
24 livery.”

25 ~~(b)~~ Section 655 (c) of the Foreign Assistance Act of

1 1961 shall not apply to assistance authorized under any pro-  
2 vision of law for the fiscal year 1975.

3 ~~(e)~~ Section 8 of the Act entitled "An Act to amend the  
4 Foreign Military Sales Act, and for other purposes", ap-  
5 proved January 12, 1971 (84 Stat. 2053), as amended, is  
6 repealed, effective July 1, 1974.

7 SECURITY SUPPORTING ASSISTANCE

8 SEC. 9. Section 532 of the Foreign Assistance Act of  
9 1961 is amended by striking out "for the fiscal year 1974  
10 not to exceed \$125,000,000, of which not less than \$50,-  
11 000,000 shall be available solely for Israel" and inserting  
12 in lieu thereof "for the fiscal year 1975 not to exceed \$385,-  
13 500,000".

14 TITLE IV

15 FOREIGN MILITARY SALES ACT AMENDMENTS

16 SEC. 10. (a) The Foreign Military Sales Act is amended  
17 as follows:

18 ~~(1)~~ Section 2(d) is amended to read as follows:

19 ~~"(d)~~ A country shall remain ineligible in accordance  
20 with subsection ~~(c)~~ of this section until such time as the  
21 President determines that such violation has ceased, that the  
22 country concerned has given assurances satisfactory to the  
23 President that such violation will not recur, and that, if such  
24 violation involved the transfer of sophisticated weapons with-



1 out the consent of the President, such weapons have been  
2 returned to the country concerned."

3       ~~(2)~~ In section 24(a) and section 24(b) the paren-  
4 thetical phrase in each is amended to read: "~~(excluding~~  
5 United States Government agencies other than the  
6 Federal Financing Bank)".

7       ~~(3)~~ Section 24(c) is amended to read as follows:  
8       "~~(c)~~ Funds made available to carry out this Act shall  
9 be obligated in an amount equal to 25 per centum of the  
10 principal amount of contractual liability related to any guar-  
11 anty issued prior to July 1, 1974, under this section. Funds  
12 made available to carry out this Act shall be obligated in an  
13 amount equal to 10 per centum of the principal amount of  
14 contractual liability related to any guaranty issued after  
15 June 30, 1974, under this section. All the funds so obligated  
16 shall constitute a single reserve for the payment of claims  
17 under such guaranties, and only such of the funds in the  
18 reserve as may be in excess from time to time of the total  
19 principal amount of contractual liability related to all out-  
20 standing guaranties under this section shall be deobligated  
21 and transferred to the general fund of the Treasury. Any  
22 guaranties issued hereunder shall be backed by the full faith  
23 and credit of the United States."

24       ~~(4)~~ In section 31—

25       ~~(A)~~ Subsection ~~(a)~~ is amended by striking

1 out "\$225,000,000 for fiscal year 1974" and in-  
2 serting in lieu thereof "\$555,000,000 for the fiscal  
3 year 1975"; and

4 (B) Subsection (b) is amended by striking out  
5 "\$73,000,000 for the fiscal year 1974, of which  
6 amount not less than \$300,000,000 shall be avail-  
7 able to Israel only" and inserting in lieu thereof  
8 "\$872,500,000 for the fiscal year 1975."

9 (5) In section 33—

10 (A) subsection (a) is repealed;

11 (B) subsection (b) is redesignated as subsec-  
12 tion (a); and

13 (C) a new subsection (b) is added as follows:

14 "(b) The President may waive the limitations of this  
15 section when he determines it to be important to the security  
16 of the United States and promptly so reports to the Speaker  
17 of the House of Representatives and the Committee on For-  
18 eign Relations of the Senate."

19 (b) Obligations initially charged against appropriations  
20 made available for purposes authorized by section 31(a) of  
21 the Foreign Military Sales Act after June 30, 1974, and  
22 prior to the enactment of the amendment of that Act by  
23 paragraph (3) of subsection (a) of this section in an amount  
24 equal to 25 per centum of the principal amount of contrac-

1 tual liability related to guaranties issued pursuant to section  
2 24(a) of that Act shall be adjusted to reflect such amend-  
3 ment with proper credit to the appropriations made available  
4 in the fiscal year 1975 to carry out that Act.

5 That this Act may be cited as the "Foreign Assistance Act  
6 of 1974".

7 *FOOD AND NUTRITION*

8 *SEC. 2. Section 103 of the Foreign Assistance Act of*  
9 *1961 is amended—*

10 *(1) by inserting the subsection designation "(a)"*  
11 *immediately before "In";*

12 *(2) by striking out "\$291,000,000 for each of the*  
13 *fiscal years 1974 and 1975" and inserting in lieu there-*  
14 *of "\$291,000,000 for the fiscal year 1974, and \$530,-*  
15 *000,000 for the fiscal year 1975"; and*

16 *(3) by adding at the end thereof the following:*

17 *"(b) The Congress finds that, due to rising world food,*  
18 *fertilizer, and petroleum costs, human suffering and depriva-*  
19 *tion are growing in the poorest and most slowly develop-*  
20 *ing countries. The greatest potential for significantly expand-*  
21 *ing world food production at relatively low cost lies in*  
22 *increasing the productivity of small farmers who constitute*  
23 *a majority of the nearly one billion people living in those*  
24 *countries. Increasing the emphasis on rural development and*  
25 *expanded food production in the poorest nations of the devel-*

1 *oping world is a matter of social justice as well as an impor-*  
2 *tant factor in slowing the rate of inflation in the industrial-*  
3 *ized countries. In the allocation of funds under this section,*  
4 *special attention should be given to increasing agricultural*  
5 *production in the countries with per capita incomes under*  
6 *\$300 a year and which are the most severely affected by*  
7 *sharp increases in worldwide commodity prices.*

8 *“(c) Of the total amount obligated under this Act during*  
9 *any fiscal year after fiscal year 1975 to procure fertilizers*  
10 *for, and to provide such fertilizers to, foreign countries, not*  
11 *more than one-third of such amount may be obligated with*  
12 *respect to South Vietnam.”*

13 *POPULATION PLANNING*

14 *SEC. 3. The Foreign Assistance Act of 1961 is amended*  
15 *as follows:*

16 *(1) In section 104, strike out “\$145,000,000 for*  
17 *each of the fiscal years 1974 and 1975” and insert in*  
18 *lieu thereof “\$145,000,000 for the fiscal year 1974, and*  
19 *\$165,000,000 for the fiscal year 1975”.*

20 *(2) In section 292, strike out “\$130,000,000” and*  
21 *insert in lieu thereof “\$150,000,000”.*

22 *EDUCATION AND HUMAN RESOURCES DEVELOPMENT*

23 *SEC. 4. Section 105 of the Foreign Assistance Act of*  
24 *1961 is amended by striking out “\$90,000,000 for each of*  
25 *the fiscal years 1974 and 1975” and inserting in lieu thereof*

1 "\$90,000,000 for the fiscal year 1974, and \$92,000,000  
2 for the fiscal year 1975".

3 HOUSING GUARANTIES

4 SEC. 5. The Foreign Assistance Act of 1961 is amended  
5 as follows:

6 (1) In section 221, strike out "\$305,000,000" and  
7 insert in lieu thereof "\$405,000,000".

8 (2) In section 223(i), strike out "June 30, 1975"  
9 and insert in lieu thereof "June 30, 1976".

10 AGRICULTURAL CREDIT PROGRAMS

11 SEC. 6. (a) Title III of chapter 2 of part I of the  
12 Foreign Assistance Act of 1961 is amended—

13 (1) by striking out the title heading and inserting  
14 in lieu thereof the following:

15 "TITLE III—HOUSING AND OTHER CREDIT  
16 GUARANTY PROGRAMS";

17 (2) by inserting immediately after section 222 the  
18 following new section:

19 "SEC. 222A. AGRICULTURAL AND PRODUCTIVE  
20 CREDIT AND SELF-HELP COMMUNITY DEVELOPMENT  
21 PROGRAMS.—(a) It is the sense of the Congress that in order  
22 to stimulate the participation of the private sector in the  
23 economic development of less-developed countries in Latin  
24 America, the authority conferred by this section should be  
25 used to establish pilot programs in not more than five Latin

1 "\$90,000,000 for the fiscal year 1974, and \$92,000,000  
2 for the fiscal year 1975".

3 HOUSING GUARANTIES

4 SEC. 5. The Foreign Assistance Act of 1961 is amended  
5 as follows:

6 (1) In section 221, strike out "\$305,000,000" and  
7 insert in lieu thereof "\$405,000,000".

8 (2) In section 223(i), strike out "June 30, 1975"  
9 and insert in lieu thereof "June 30, 1976".

10 AGRICULTURAL CREDIT PROGRAMS

11 SEC. 6. (a) Title III of chapter 2 of part I of the  
12 Foreign Assistance Act of 1961 is amended—

13 (1) by striking out the title heading and inserting  
14 in lieu thereof the following:

15 "TITLE III—HOUSING AND OTHER CREDIT  
16 GUARANTY PROGRAMS";

17 (2) by inserting immediately after section 222 the  
18 following new section:

19 "SEC. 222A. AGRICULTURAL AND PRODUCTIVE  
20 CREDIT AND SELF-HELP COMMUNITY DEVELOPMENT  
21 PROGRAMS.—(a) It is the sense of the Congress that in order  
22 to stimulate the participation of the private sector in the  
23 economic development of less-developed countries in Latin  
24 America, the authority conferred by this section should be  
25 used to establish pilot programs in not more than five Latin

1 *American countries to encourage private banks, credit in-*  
2 *stitutions, similar private lending organizations, cooperatives,*  
3 *and private nonprofit development organizations to make*  
4 *loans on reasonable terms to organized groups and individ-*  
5 *uals residing in a community for the purpose of enabling such*  
6 *groups and individuals to carry out agricultural credit and*  
7 *self-help community development projects for which they*  
8 *are unable to obtain financial assistance on reasonable terms.*  
9 *Agricultural credit and assistance for self-help community*  
10 *development projects should include, but not be limited to,*  
11 *material and such projects as wells, pumps, farm machinery,*  
12 *improved seed, fertilizer, pesticides, vocational training, food*  
13 *industry development, nutrition projects, improved breeding*  
14 *stock for farm animals, sanitation facilities, and looms and*  
15 *other handicraft aids.*

16       “(b) To carry out the purposes of subsection (a), the  
17 agency primarily responsible for administering part I is  
18 authorized to issue guaranties, on such terms and conditions  
19 as it shall determine, to private lending institutions, coopera-  
20 tives, and private nonprofit development organizations in not  
21 more than five Latin American countries assuring against  
22 loss of not to exceed 50 per centum of the portfolio of such  
23 loans made by any lender to organized groups or individuals  
24 residing in a community to enable such groups or individuals  
25 to carry out agricultural credit and self-help community

1 *development projects for which they are unable to obtain*  
2 *financial assistance on reasonable terms. In no event shall*  
3 *the liability of the United States exceed 75 per centum of*  
4 *any one loan.*

5       “(c) *The total face amount of guaranties issued under*  
6 *this section outstanding at any one time shall not exceed*  
7 *\$15,000,000. Not more than 10 per centum of such sum*  
8 *shall be provided for any one institution, cooperative, or*  
9 *organization.*

10       “(d) *The Inter-American Foundation shall be con-*  
11 *sulted in developing criteria for making loans eligible for*  
12 *guaranty coverage in Latin America under this section.*

13       “(e) *Not to exceed \$3,000,000 of the guaranty re-*  
14 *serve established under section 223(b) shall be available to*  
15 *make such payments as may be necessary to discharge lia-*  
16 *bilities under guaranties issued under this section or any*  
17 *guaranties previously issued under section 240 of this Act.*

18       “(f) *Funds held by the Overseas Private Investment*  
19 *Corporation pursuant to section 236 may be available for*  
20 *meeting necessary administrative and operating expenses for*  
21 *carrying out the provisions of this section through June 30,*  
22 *1976.*

23       “(g) *The Overseas Private Investment Corporation*  
24 *shall, upon enactment of this subsection, transfer to the*  
25 *agency primarily responsible for administering part I all*



1 obligations, assets, and related rights and responsibilities  
2 arising out of, or related to the predecessor program pro-  
3 vided for in section 240 of this Act.

4 “(h) The authority of this section shall continue until  
5 December 31, 1977.

6 “(i) Notwithstanding the limitation in subsection (c) of  
7 this section, foreign currencies owned by the United States  
8 and determined by the Secretary of the Treasury to be excess  
9 to the needs of the United States may be utilized to carry out  
10 the purposes of this section, including the discharge of liabili-  
11 ties under this subsection. The authority conferred by this  
12 subsection shall be in addition to authority conferred by any  
13 other provision of law to implement guaranty programs  
14 utilizing excess local currency.

15 “(j) The President shall, on or before January 15,  
16 1976, make a detailed report to the Congress on the results  
17 of the program established under this section, together with  
18 such recommendations as he may deem appropriate.”;

19 (3) by striking out “section 221 or section 222” in  
20 section 223(a) and inserting “section 221, 222, or  
21 222A” in lieu thereof;

22 (4) by striking out “this title” in section 223(b) and  
23 inserting “section 221 and section 222” in lieu thereof;  
24 and

25 (5) by striking out “section 221 or section 222” in

1     *section 223(d) and inserting "section 221, 222, 222A,*  
2     *or previously under section 240 of this Act" in lieu*  
3     *thereof.*

4     *(b) Title IV of chapter 2 of part I of the Foreign Assist-*  
5     *ance Act of 1961 is amended by striking out section 240.*

6             *INTERNATIONAL ORGANIZATIONS AND PROGRAMS*

7     *SEC. 7. Section 302(a) of the Foreign Assistance Act of*  
8     *1961 is amended by striking out "for the fiscal year 1975,*  
9     *\$150,000,000" and inserting in lieu thereof "for the fiscal*  
10    *year 1975, \$186,900,000".*

11            *MILITARY ASSISTANCE AUTHORIZATIONS*

12    *SEC. 8. Section 504(a) of the Foreign Assistance Act*  
13    *of 1961 is amended by striking out "\$512,500,000 for the*  
14    *fiscal year 1974" and inserting in lieu thereof "\$550,000,-*  
15    *000 for the fiscal year 1975".*

16            *SPECIAL AUTHORITY*

17    *SEC. 9. Section 506 of the Foreign Assistance Act of*  
18    *1961 is repealed.*

19            *MILITARY ASSISTANCE AUTHORIZATIONS FOR SOUTH*

20                    *VIETNAM*

21    *SEC. 10. Section 513 of the Foreign Assistance Act of*  
22    *1961 is amended as follows:*

23            *(1) Strike out "Thailand and Laos" in the caption*  
24    *and insert in lieu thereof "Thailand, Laos, and South*  
25    *Vietnam".*



1 *article whose stock status is excess at the time ordered, a sum*  
2 *equal to the value thereof (less amounts to be transferred*  
3 *under section 632(d) of this Act) shall (1) be reserved and*  
4 *transferred to a suspense account, (2) remain in the suspense*  
5 *account until the excess defense article is either delivered to*  
6 *a foreign country or international organization or the order*  
7 *therefor is canceled, and (3) be transferred from the suspense*  
8 *account to (A) the general fund of the Treasury upon*  
9 *delivery of such article, or (B) the appropriation made*  
10 *under section 504 of this Act for the current fiscal year upon*  
11 *cancellation of the order. Such sum shall be transferred to*  
12 *the appropriation made under section 504 of this Act for*  
13 *the current fiscal year, upon delivery of such article, if at*  
14 *the time of delivery the stock status of the article is deter-*  
15 *mined in accordance with section 644 (g) or (m) of this Act*  
16 *to be nonexcess.*

17 *“(c) The President shall promptly and fully inform the*  
18 *Speaker of the House of Representatives and the Committee*  
19 *on Foreign Relations and the Committee on Appropriations*  
20 *of the Senate of each decision to furnish on a grant basis to*  
21 *any country excess defense articles which are major weapons*  
22 *systems to the extent such major weapons system was not in-*  
23 *cluded in the presentation material previously submitted to*  
24 *the Congress. Additionally, the President shall also submit*  
25 *a quarterly report to the Congress listing by country the*

1 total value of all deliveries of excess defense articles, disclos-  
2 ing both the aggregate original acquisition cost and the aggre-  
3 gate value at the time of delivery.”

4 (b) Sections 8 and 11 of the Act entitled “An Act to  
5 amend the Foreign Military Sales Act, and for other pur-  
6 poses”, approved January 12, 1971 (84 Stat. 2053), as  
7 amended, are repealed.

8 STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN  
9 COUNTRIES

10 SEC. 12. Chapter 2 of part II of the Foreign Assistance  
11 Act of 1961, as amended by section 11 of this Act, is  
12 further amended by adding at the end thereof the following  
13 new section:

14 “SEC. 515. STOCKPILING OF DEFENSE ARTICLES FOR  
15 FOREIGN COUNTRIES.—(a) Notwithstanding any other pro-  
16 vision of law, no funds, other than funds made available  
17 under this chapter or section 401(a) of Public Law 89-367  
18 (80 Stat. 37), or any subsequent corresponding legislation,  
19 may be obligated for the purpose of stockpiling any defense  
20 article or war reserve material, including the acquisition,  
21 storage, or maintenance of any war reserve equipment,  
22 secondary items, or munitions, if such article or material  
23 is set aside, reserved, or in any way earmarked or intended  
24 for future use by any foreign country under this Act or  
25 such section.

1       “(b) The cost of any such article or material set aside,  
2 reserved, or in any way earmarked or intended by the Depart-  
3 ment of Defense for future use by, for, or on behalf of the  
4 country referred to in section 401(a)(1) of Public Law 89-  
5 367 (80 Stat. 37) shall be charged against the limitation  
6 specified in such section or any subsequent corresponding leg-  
7 islation, for the fiscal year in which such article or material  
8 is set aside, reserved, or otherwise earmarked or intended;  
9 and the cost of any such article or material set aside, reserved,  
10 or in any way earmarked or intended for future use by, for,  
11 or on behalf of any other foreign country shall be charged  
12 against funds authorized under this chapter for the fiscal year  
13 in which such article or material is set aside, reserved, or  
14 otherwise earmarked. No such article or material may be  
15 made available to or for use by any foreign country unless  
16 such article or material has been charged against the limita-  
17 tion specified in such section, or any subsequent corresponding  
18 legislation, or against funds authorized under this chapter, as  
19 appropriate.”

20 *MILITARY ASSISTANCE ADVISORY GROUPS AND MISSIONS*

21       *SEC. 13. Chapter 2 of part II of the Foreign Assistance*  
22 *Act of 1961, as amended by sections 11(a) and 12 of this*  
23 *Act, is further amended by adding at the end thereof the*  
24 *following new section:*

25       “*SEC. 516. MILITARY ASSISTANCE ADVISORY*

1 *GROUPS AND MISSIONS.—Effective July 1, 1975, an*  
2 *amount equal to each sum expended under any provision*  
3 *of law, other than section 504 of this Act, with respect to*  
4 *any military assistance advisory group, military mission, or*  
5 *other organization of the United States performing activities*  
6 *similar to such group or mission, shall be deducted from the*  
7 *funds made available under such section 504, and (1) if*  
8 *reimbursement of such amount is requested by the agency of*  
9 *the United States Government making the expenditure, reim-*  
10 *bursed to that agency, or (2) if no such reimbursement is*  
11 *requested, deposited in the Treasury as miscellaneous*  
12 *receipts.”*

13 *TERMINATION OF AUTHORITY*

14 *SEC. 14. (a) Chapter 2 of part II of the Foreign Assist-*  
15 *ance Act of 1961, as amended by sections 11, 12, and 13*  
16 *of this Act, is further amended by adding at the end thereof*  
17 *the following new section:*

18 *“SEC. 517. TERMINATION OF AUTHORITY.—(a) (1)*  
19 *The President shall gradually reduce assistance (other than*  
20 *military training) provided under this chapter so that, not*  
21 *later than September 30, 1977, no assistance (other than*  
22 *military training) shall be provided under this chapter.*

23 *“(2) Paragraph (1) of this subsection shall not apply*  
24 *to funds obligated prior to October 1, 1977.*

25 *“(b) For each of the fiscal years 1975, 1976, and 1977,*

1 *the President is authorized to finance procurements of defense*  
2 *articles and defense services (other than military training)*  
3 *by any foreign country receiving defense articles or defense*  
4 *services during fiscal year 1974 under this chapter on terms*  
5 *providing for payment to the United States Government in*  
6 *United States dollars (1) of the value of such articles and*  
7 *services which value shall not exceed during each such fiscal*  
8 *year the value of such articles and services (other than mili-*  
9 *tary training) furnished that country in fiscal year 1974*  
10 *under this chapter, (2) at a rate of interest of not less than*  
11 *four per centum a year, and (3) within ten years after*  
12 *delivery of the defense articles or rendering of the defense*  
13 *services.*

14 *“(c)(1) By not later than September 30, 1977, all the*  
15 *functions of a military assistance advisory group, a military*  
16 *mission, or other organization of the United States Govern-*  
17 *ment in a foreign country performing activities similar to*  
18 *any such group or mission, shall be transferred to the Chief*  
19 *of the United States Diplomatic Mission to that country.*  
20 *Upon the transfer of such functions, that group, mission, or*  
21 *organization, as the case may be, shall cease to exist.*

22 *“(2) On and after October 1, 1977, the total number*  
23 *of military attachés assigned or detailed to the United States*  
24 *Diplomatic Mission of a foreign country shall not exceed by*  
25 *more than twenty-five per centum the total number of military*



1 *attaches authorized to be assigned or detailed to that mission*  
2 *on June 30, 1974.*

3 *“(3) On and after October 1, 1977, no military assist-*  
4 *ance advisory group, military mission, or other organization*  
5 *of the United States Government in a foreign country per-*  
6 *forming activities similar to any such group or mission, shall*  
7 *be established or continued unless such group, mission, or*  
8 *organization is authorized by law specifically for that*  
9 *country.”*

10 *(b) Effective October 1, 1977—*

11 *(1) the heading of chapter 1 of part II of the For-*  
12 *ign Assistance Act of 1961 is amended to read as*  
13 *follows:*

14 *“CHAPTER 1—PROVIDING MILITARY TRAINING”;*

15 *(2) sections 501, 502A, 514, and 516, and sub-*  
16 *section (g) of section 644 of the Foreign Assistance Act*  
17 *of 1961 are repealed;*

18 *(3) section 502 of the Foreign Assistance Act of*  
19 *1961 is amended by striking out the caption “Utilization*  
20 *of Defense Articles and Services” and inserting in lieu*  
21 *thereof “Providing Military Training”, by striking out*  
22 *of the text “Defense articles and defense services” and*  
23 *inserting in lieu thereof “Military training”, and by*  
24 *striking out the last sentence;*

25 *(4) the heading of chapter 2 of part II of the*

1 *Foreign Assistance Act of 1961 is amended to read as*  
2 *follows:*

3 *“CHAPTER 2—MILITARY TRAINING”;*

4 *(5) chapter 2 of part II of the Foreign Assistance*  
5 *Act of 1961 is amended by striking out sections 503*  
6 *through 505 and inserting in lieu thereof the following:*

7 *“SEC. 503. GENERAL AUTHORITY.—The President is*  
8 *authorized to furnish, on such terms and conditions consistent*  
9 *with this Act as the President may determine, military train-*  
10 *ing to any foreign country or international organization.*  
11 *Funds for such training shall be appropriated for each fiscal*  
12 *year pursuant to authorization for that fiscal year. After*  
13 *September 30, 1977, no such training shall be conducted out-*  
14 *side the United States except by specific authorization of*  
15 *law.”;*

16 *(6) section 511 of the Foreign Assistance Act of*  
17 *1961 is amended by striking out of the section caption*  
18 *“Assistance” and inserting in lieu thereof “Training”,*  
19 *and by striking out of the text “military assistance” and*  
20 *“such assistance” and inserting in lieu thereof “military*  
21 *trainin:g” and “such training”, respectively;*

22 *(7) section 636(g)(1) of the Foreign Assistance*  
23 *Act of 1961 is amended by striking out “defense articles*  
24 *and defense services on a grant or sales basis” and*  
25 *inserting in lieu thereof “military training”; and*

1           (8) section 644(m) of the Foreign Assistance Act  
 2           of 1961 is amended by striking out subparagraph (1)  
 3           and by striking out of subparagraphs (2) and (3)  
 4           “nonexcess” wherever it appears.

5   TERMINATION OF MILITARY ASSISTANCE TO SOUTH KOREA

6           SEC. 15. Chapter 2 of part II of the Foreign Assistance  
 7           Act of 1961, as amended by sections 11(a), 12, 13, and  
 8           14(a) of this Act, is further amended by adding at the end  
 9           thereof the following new section:

10          “SEC. 518. TERMINATION OF MILITARY ASSISTANCE  
 11          TO SOUTH KOREA.—(a) The total of (1) the amount of  
 12          funds obligated under this chapter to furnish assistance to  
 13          South Korea, and (2) the value of excess defense articles  
 14          furnished to South Korea under this chapter, shall not  
 15          exceed—

16                 “(A) \$91,500,000 during the fiscal year 1975;

17                 “(B) \$61,000,000 during the fiscal year 1976;

18                 and

19                 “(C) \$30,500,000 during the fiscal year 1977.

20          “(b) The aggregate total of credits extended, including  
 21          participations in credits, and the principal amount of loans  
 22          guaranteed, under the Foreign Military Sales Act with re-  
 23          spect to South Korea shall not exceed—

24                 “(1) \$42,450,000 during the fiscal year 1975;

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1           “(2) \$28,300,000 during the fiscal year 1976;  
2           and

3           “(3) \$14,150,000 during the fiscal year 1977.

4           “(c) On and after October 1, 1977, no assistance shall  
5           be furnished South Korea under this chapter, and no credits,  
6           including participations in credits, shall be extended, and no  
7           loans shall be guaranteed, under the Foreign Military Sales  
8           Act with respect to South Korea. The preceding sentence shall  
9           not apply with respect to funds obligated prior to such date.”

10           SECURITY SUPPORTING ASSISTANCE

11           SEC. 16. Section 532 of the Foreign Assistance Act of  
12           1961 is amended by striking out “for the fiscal year 1974 not  
13           to exceed \$125,000,000, of which not less than \$50,000,000  
14           shall be available solely for Israel” and inserting in lieu  
15           thereof “for the fiscal year 1975 not to exceed \$675,000,000”.

16           TRANSFER BETWEEN ACCOUNTS

17           SEC. 17. (a) Section 610 of the Foreign Assistance Act  
18           of 1961 is amended as follows:

19           (1) In subsection (a), immediately after “any other  
20           provision of this Act”, insert “(except funds made avail-  
21           able under chapter 2 of part II of this Act)”.

22           (2) Add at the end thereof the following new sub-  
23           section:

24           “(c) Any funds which the President has notified Con-  
25           gress pursuant to section 653 that he intends to provide in

1 military assistance to any country may be transferred to, and  
2 consolidated with, any other funds he has notified Congress  
3 pursuant to such section that he intends to provide to that  
4 country for development assistance purposes.”

5 (b) Section 614 of such Act is amended by adding at the  
6 end of subsection (a) the following: “The authority of this  
7 section shall not be used to waive the limitations on transfers  
8 contained in section 610(a) of this Act.”

#### 9 ASSISTANCE TO GREECE

10 SEC. 18. Section 620(v) of the Foreign Assistance Act  
11 of 1961 is repealed.

#### 12 LIMITATION UPON ASSISTANCE TO OR FOR CHILE

13 SEC. 19. Notwithstanding any other provision of law,  
14 the total amount of assistance that may be made available  
15 for Chile under this or any other law during fiscal year 1975  
16 may not exceed \$55,000,000, none of which may be made  
17 available for the purpose of providing military assistance  
18 (including security supporting assistance, sales, credit sales,  
19 or guaranties or the furnishing by any means of excess de-  
20 fense articles or items from stockpiles of the Department of  
21 Defense).

#### 22 RECONSTRUCTION, RELIEF, AND REHABILITATION

23 SEC. 20. (a) Section 203 of the Foreign Assistance  
24 Act of 1961 is amended by inserting immediately after  
25 “of this part.” the following: “The balance of such receipts

1 *for fiscal year 1973 is authorized to be made available solely*  
2 *for the purposes of sections 639B, 639C, and 639D of this*  
3 *Act."*

4 *(b) Section 639B of the Foreign Assistance Act of*  
5 *1961 is amended by adding at the end thereof the following:*  
6 *"Notwithstanding any prohibitions or restrictions contained*  
7 *in this or any other Act, the President is authorized to*  
8 *furnish assistance on such terms and conditions as he may*  
9 *determine, for reconstruction and economic development*  
10 *programs in the drought-stricken nations of Africa."*

11 *(c) The Foreign Assistance Act of 1961 is amended*  
12 *by adding after section 639B a new section 639C as follows:*

13 *"SEC. 639C. RELIEF AND REHABILITATION IN BAN-*  
14 *GLADESH AND CYPRUS.—(a) The Congress finds that the*  
15 *recent flooding in the People's Republic of Bangladesh, and*  
16 *the civil and international strife in the Republic of Cyprus,*  
17 *have caused great suffering and hardship for the peoples of*  
18 *the two Republics which cannot be alleviated with their inter-*  
19 *nal resources. The President shall make every effort to de-*  
20 *velop and implement programs of relief and rehabilitation,*  
21 *in conjunction with other nations providing assistance, the*  
22 *United Nations, and other concerned international and*  
23 *regional organizations and voluntary agencies, to alleviate*  
24 *the hardships caused in these two nations.*

25 *"(b) Notwithstanding any prohibitions or restrictions*

1 contained in this or any other Act, the President is authorized  
2 to furnish assistance on such terms and conditions as he may  
3 determine, for disaster relief, rehabilitation, and related pro-  
4 grams in the People's Republic of Bangladesh and the Repub-  
5 lic of Cyprus."

6 (d) The Foreign Assistance Act of 1961 is amended by  
7 adding after section 639C, as added by subsection (c) of this  
8 section, the following new section:

9 "SEC. 639D. DISASTER RELIEF AND REHABILITA-  
10 TION.—Notwithstanding any prohibitions or restrictions con-  
11 tained in this or any other Act, the President is authorized  
12 to furnish assistance, on such terms and conditions as he may  
13 determine for disaster relief, rehabilitation, and related pro-  
14 grams in the case of disasters that require large-scale relief  
15 and rehabilitation efforts which cannot be met adequately with  
16 the funds available for obligation under section 451 of this  
17 Act."

18 (e) The Foreign Assistance Act of 1961 is amended by  
19 adding after section 639D, as added by subsection (d) of  
20 this section, the following new section:

21 "SEC. 639E. INTERNATIONALIZATION OF ASSIST-  
22 ANCE.—Assistance for the purposes set forth in sections 639A,  
23 639B, 639C, and 639D shall be distributed wherever prac-  
24 ticable under the auspices of and by the United Nations and  
25 its specialized agencies, other international organizations or

1 *arrangements, multilateral institutions, and private voluntary*  
2 *agencies.”*

3 *ACCESS TO CERTAIN MILITARY BASES ABROAD*

4 *SEC. 21. (a) Chapter 3 of part III of the Foreign As-*  
5 *sistance Act of 1961 is amended by adding at the end thereof*  
6 *the following new section:*

7 *“SEC. 659. ACCESS TO CERTAIN MILITARY BASES*  
8 *ABROAD.—None of the funds authorized to be appropriated*  
9 *for foreign assistance (including foreign military sales, credit*  
10 *sales, and guaranties) under any law may be used to pro-*  
11 *vide any kind of assistance to any foreign country in which*  
12 *a military base is located if—*

13 *“(1) such base was constructed or is being main-*  
14 *tained or operated with funds furnished by the United*  
15 *States; and*

16 *“(2) personnel of the United States carry out mili-*  
17 *tary operations from such base;*

18 *unless and until the President has determined that the gov-*  
19 *ernment of such country has, consistent with security au-*  
20 *thorized access, on a regular basis, to bona fide news media*  
21 *correspondents of the United States to such military base.”*

22 *(b) Section 29 of the Foreign Assistance Act of 1973*  
23 *is repealed.*

24 *PROHIBITING POLICE TRAINING*

25 *SEC. 22. (a) Chapter 3 of part III of the Foreign*



1 Assistance Act of 1961, as amended by section 21(a) of this  
2 Act, is further amended by adding at the end thereof the  
3 following new section:

4 "SEC. 660. PROHIBITING POLICE TRAINING.—(a)  
5 None of the funds made available to carry out this Act, and  
6 none of the local currencies generated under this Act, shall  
7 be used to provide training or advice, or provide any financial  
8 support, for police, prisons, or other law enforcement forces  
9 for any foreign government or any program of internal in-  
10 telligence or surveillance on behalf of any foreign government  
11 within the United States or abroad.

12 "(b) Subsection (a) of this section shall not apply—

13 "(1) with respect to assistance rendered under sec-  
14 tion 515(c) of the Omnibus Crime Control and Safe  
15 Streets Act of 1968, or with respect to any authority of  
16 the Drug Enforcement Administration or the Federal  
17 Bureau of Investigation which related to crimes of the  
18 nature which are unlawful under the laws of the United  
19 States; or

20 "(2) to any contract entered into prior to the date  
21 of enactment of this section with any person, organiza-  
22 tion, or agency of the United States Government to pro-  
23 vide personnel to conduct, or assist in conducting, any  
24 such program.

1 *Notwithstanding clause (2), subsection (a) shall apply to*  
2 *any renewal or extension of any contract referred to in such*  
3 *paragraph entered into on or after such date of enactment.”*

4 *(b) Section 112 of such Act is repealed.*

5 *LIMITING INTELLIGENCE ACTIVITIES*

6 *SEC. 23. Chapter 3 of part III of the Foreign Assist-*  
7 *ance Act of 1961, as amended by sections 21(a) and 22*  
8 *of this Act, is further amended by adding at the end thereof*  
9 *the following new section:*

10 *“SEC. 661. LIMITATIONS UPON INTELLIGENCE ACTIV-*  
11 *ITIES.—(a) No funds appropriated under the authority of*  
12 *this or any other Act may be expended by or on behalf of the*  
13 *Central Intelligence Agency or any other agency of the*  
14 *United States Government for the conduct of operations in*  
15 *foreign countries pursuant to section 102(d)(5) of the*  
16 *National Security Act of 1947 (50 U.S.C. 403), other than*  
17 *operations intended solely for obtaining necessary intelligence.*  
18 *Notwithstanding the foregoing limitation, the President may*  
19 *authorize and direct that any operation in a foreign country*  
20 *be resumed, or that any other operation in a foreign country*  
21 *be initiated, and funds may be expended therefor, if, but not*  
22 *before, he (1) finds that such operation is important to the*  
23 *national security, and (2) transmits an appropriate report*  
24 *of his finding, together with an appropriate description of*  
25 *the nature and scope of such operation, to the committees of*

1 *the Congress having jurisdiction to monitor and review the*  
2 *intelligence activities of the United States Government.*

3     “(b) *The provisions of subsection (a) of this section*  
4 *shall not apply during military operations by the United*  
5 *States under a declaration of war approved by the Congress*  
6 *or an exercise of powers by the President under the War*  
7 *Powers Resolution.*”

8     *WAIVER OF PROHIBITION AGAINST ASSISTANCE TO*  
9     *COUNTRIES ENGAGING IN CERTAIN TRADE*

10     *SEC. 24. Chapter 3 of part III of the Foreign Assistance*  
11 *Act of 1961, as amended by sections 22 and 23 of this Act,*  
12 *is further amended by adding at the end thereof the follow-*  
13 *ing new section:*

14     “*SEC. 662. WAIVER OF PROHIBITION AGAINST AS-*  
15 *SISTANCE TO COUNTRIES ENGAGING IN CERTAIN*  
16 *TRADE.—Any provision of this Act or the Agricultural*  
17 *Trade Development and Assistance Act of 1954 which pro-*  
18 *hibits assistance to a country because that country is engaging*  
19 *in trade with a designated country may be waived by the*  
20 *President if he determines that such waiver is in the na-*  
21 *tional interest and reports such determination to the Con-*  
22 *gress.*”

23     *POLICY WITH RESPECT TO INDOCHINA*

24     *SEC. 25. (a) The Congress finds that the cease-fire pro-*

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1 *vided for in the Paris Agreement on Ending the War and*  
2 *Restoring Peace in Vietnam has not been observed by any of*  
3 *the Vietnamese parties to the conflict. Military operations of*  
4 *an offensive and defensive nature continue throughout South*  
5 *Vietnam. In Cambodia, the civil war between insurgent forces*  
6 *and the Lon Nol government has intensified, resulting in wide-*  
7 *spread human suffering and the virtual destruction of the*  
8 *Cambodian economy.*

9 *(b) The Congress further finds that continuation of the*  
10 *military struggles in South Vietnam and Cambodia are not*  
11 *in the interest of the parties directly engaged in the conflicts,*  
12 *the people of Indochina, or world peace. In order to lessen the*  
13 *human suffering in Indochina and to bring about a genuine*  
14 *peace there, the Congress urges and requests the President and*  
15 *the Secretary of State to undertake immediately the following*  
16 *measures:*

17 *(1) to initiate negotiations with representatives of*  
18 *the Soviet Union and the People's Republic of China to*  
19 *arrange a mutually agreed-upon and rapid de-escalation*  
20 *of military assistance on the part of the three principal*  
21 *suppliers of arms and material to all Vietnamese and*  
22 *Cambodian parties engaged in conflict;*

23 *(2) to urge by all available means that the Govern-*  
24 *ment of the Khmer Republic enter into negotiations with*  
25 *representatives of the Khmer Government of National*

1     *Union for the purpose of arranging an immediate cease-*  
2     *fire and political settlement of the conflict; and to use all*  
3     *available means to establish contact with the Khmer Gov-*  
4     *ernment of National Union and to urge them to partici-*  
5     *rate in such negotiations. The United States should urge*  
6     *all Cambodian parties to use the good offices of the United*  
7     *Nations or a respected third country for the purpose of*  
8     *bringing an end to hostilities and reaching a political*  
9     *settlement;*

10         *(3) to utilize any public or private forum to nego-*  
11         *tiate directly with representatives of the Democratic Re-*  
12         *public of Vietnam, the Provisional Revolutionary Gov-*  
13         *ernment, and the Republic of Vietnam to seek a new*  
14         *cease-fire in Vietnam and full compliance with the provi-*  
15         *sions of the Paris Agreement on Ending the War and*  
16         *Restoring Peace in Vietnam, including a full accounting*  
17         *for Americans missing in Indochina;*

18         *(4) to reconvene the Paris Conference to seek full*  
19         *implementation of the provisions of the Agreement of*  
20         *January 27, 1973, on the part of all Vietnamese parties*  
21         *to the conflict; and*

22         *(5) to maintain regular and full consultation with*  
23         *the appropriate committees of the Congress and report to*  
24         *the Congress and the Nation at regular intervals on the*  
25         *progress toward obtaining a total cessation of hostilities*

1       *in Indochina and a mutual reduction of military assist-*  
2       *ance to that area.*

3       *PRINCIPLES GOVERNING ECONOMIC AID TO INDOCHINA*

4       *SEC. 26. (a) Congress finds that, after expending over*  
5       *a billion dollars in funds for economic purposes in Indo-*  
6       *china last year, and vast amounts in previous years, little*  
7       *in lasting economic benefit remains. A large proportion of*  
8       *the funds expended have been used for consumable items*  
9       *related to the war effort. Very little of our money has found*  
10      *its way into capital investments of a lasting productive bene-*  
11      *fit to the people. Congress calls upon the President and Sec-*  
12      *retary of State to take immediately the following actions*  
13      *designed to maximize the benefit of United States economic*  
14      *assistance:*

15           *(1) to organize a consortium to include multilateral*  
16      *financial institutions to help plan for Indochina recon-*  
17      *struction and development; to coordinate multilateral*  
18      *and bilateral contributions to the area's economic recov-*  
19      *ery; and to provide continuing advice to the recipient*  
20      *nations on the use of their own and outside resources;*

21           *(2) to develop, in coordination with the recipient*  
22      *governments, other donors, and the multilateral financial*  
23      *institutions, a comprehensive plan for Indochina recon-*  
24      *struction and economic development;*

25           *(3) to develop country-by-country reconstruction*

1       *and development plans, including detailed plans for the*  
2       *development of individual economic sectors, that can be*  
3       *used to identify and coordinate specific economic develop-*  
4       *ment projects and programs and to direct United States*  
5       *resources into areas of maximum benefits;*

6           *(4) to shift the emphasis of United States aid pro-*  
7       *grams from consumption-oriented expenditures to eco-*  
8       *nomie development;*

9           *(5) to identify possible structural economic reforms*  
10       *in areas such as taxation, exchange rates, savings mech-*  
11       *anisms, internal pricing, income distribution, land ten-*  
12       *ure, budgetary allocations and corruption, which should*  
13       *be undertaken if Indochinese economic development is to*  
14       *progress; and*

15           *(6) to include in Indochina economic planning and*  
16       *programing specific performance criteria and stand-*  
17       *ards which will enable the Congress and the executive*  
18       *branch to judge the adequacy of the recipients' efforts*  
19       *and to determine whether, and what amounts of, con-*  
20       *tinued United States funding is justified.*

21       *(b) This section shall not be construed to imply continua-*  
22       *tion of a United States financial commitment beyond the*  
23       *authorization provided for in this Act or amendments made*  
24       *by this Act.*

1            *INDOCHINA POSTWAR RECONSTRUCTION*

2            *SEC. 27. Section 802 of the Foreign Assistance Act of*  
3 *1961 is amended to read as follows:*

4            *"SEC. 802. AUTHORIZATION.—There are authorized to*  
5 *be appropriated to the President to furnish assistance for the*  
6 *relief and reconstruction of South Vietnam, Cambodia, and*  
7 *Laos as authorized by this part, in addition to funds other-*  
8 *wise available for such purposes, for the fiscal year 1974 not*  
9 *to exceed \$504,000,000, and for the fiscal year 1975 not*  
10 *to exceed \$617,000,000. Of the amount appropriated for*  
11 *fiscal year 1975—*

12            *"(1) \$449,900,000 shall be available only for the*  
13 *relief and reconstruction of South Vietnam in accordance*  
14 *with section 806 of this Act;*

15            *"(2) \$100,000,000 shall be available only for the*  
16 *relief and reconstruction of Cambodia in accordance*  
17 *with section 807 of this Act;*

18            *"(3) \$40,000,000 shall be available only for the*  
19 *relief and reconstruction of Laos in accordance with*  
20 *section 808 of this Act;*

21            *"(4) \$4,100,000 shall be available only for the*  
22 *regional development program;*

23            *"(5) \$16,000,000 shall be available only for sup-*  
24 *port costs for the agency primarily responsible for carry-*  
25 *ing out this part; and*



1           “(6) \$7,000,000 shall be available only for human-  
2           itarian assistance through international organizations.  
3           Such amounts are authorized to remain available until  
4           expended.”

5           *ASSISTANCE TO SOUTH VIETNAMESE CHILDREN*

6           *SEC. 28. Section 803 of the Foreign Assistance Act of*  
7           *1961 is amended as follows:*

8           (1) *In subsection (a), strike out “rights, particu-*  
9           *larly children fathered by United States citizens” and*  
10           *insert in lieu thereof “rights”.*

11           (2) *In subsection (b), immediately after the second*  
12           *sentence, insert the following: “Of the sums made avail-*  
13           *able for South Vietnam under section 802(1) of this Act*  
14           *for fiscal year 1975, \$10,000,000, or its equivalent in*  
15           *local currency, shall be available until expended solely to*  
16           *carry out this section.”*

17           *LIMITATIONS WITH RESPECT TO SOUTH VIETNAM*

18           *SEC. 29. Part V of the Foreign Assistance Act of 1961*  
19           *is amended by adding at the end thereof the following new*  
20           *section:*

21           “*SEC. 806. LIMITATIONS WITH RESPECT TO SOUTH*  
22           *VIETNAM.—(a) Notwithstanding any other provision of law,*  
23           *no funds authorized to be appropriated by this or any other*  
24           *law may be obligated in any amount in excess of \$1,274,-*  
25           *900,000 during the fiscal year ending June 30, 1975, for the*

1 *purpose of carrying out directly or indirectly any economic*  
2 *or military assistance, or any operation, project, or program*  
3 *of any kind, or for providing any goods, supplies, materials,*  
4 *equipment, services, personnel, or advisers in, to, for, or on*  
5 *behalf of South Vietnam. Of that amount, there shall be avail-*  
6 *able during such fiscal year—*

7           “(1) \$700,000,000 for military assistance;

8           “(2) \$125,000,000 only to carry out the *Agricultural Trade Development and Assistance Act of 1954:*  
9  
10 *and*

11           “(3) \$449,900,000 only for economic assistance,  
12 *of which there shall be available—*

13                   “(A) \$90,000,000 for humanitarian assist-  
14 *ance, of which there shall be available—*

15                           “(i) \$70,000,000 for refugee relief;

16                           “(ii) \$10,000,000 for child care; and

17                           “(iii) \$10,000,000 for health care;

18                   “(B) \$154,500,000 for agricultural assistance.  
19 *of which there shall be available—*

20                           “(i) \$85,000,000 for fertilizer;

21                           “(ii) \$12,000,000 for POL (for agri-  
22 *culture);*

23                           “(iii) \$6,000,000 for insecticides and  
24 *pesticides;*

- 1                   “(iv) \$10,000,000 for agricultural ma-  
2                   chinery and equipment (including spare parts);  
3                   “(v) \$3,500,000 for agricultural advisory  
4                   services;  
5                   “(vi) \$20,000,000 for rural credit;  
6                   “(vii) \$10,000,000 for canal dredging;  
7                   “(viii) \$4,000,000 for low-lift pumps;  
8                   and  
9                   “(ix) \$4,000,000 for fish farm development;  
10                  “(C) \$139,800,000 for industrial development  
11                  assistance, of which there shall be available—  
12                  “(i) \$124,000,000 for commodities;  
13                  “(ii) \$10,000,000 for industrial credit;  
14                  and  
15                  “(iii) \$5,800,000 for industrial advisory  
16                  services (including feasibility studies);  
17                  “(D) \$65,600,000 for miscellaneous assist-  
18                  ance, of which there shall be available—  
19                  “(i) \$47,900,000 for the service sector  
20                  (including POL, machinery, equipment and  
21                  spare parts); and  
22                  “(ii) \$17,700,000 for technical services  
23                  and operating expenses.  
24                  “(b) (1) No funds made available under paragraph

1 (2) or (3) of subsection (a) may be transferred to, or con-  
2 solidated with, the funds made available under any other  
3 paragraph of such subsection, nor may more than 20 per  
4 centum of the funds made available under subparagraph  
5 (A), (B), (C), or (D) of paragraph (3) of subsection  
6 (a) of this section be transferred to, or consolidated with,  
7 the funds made available under any other such subparagraph.

8 “(2) Whenever the President determines it to be neces-  
9 sary in carrying out this part, any funds made available  
10 under any clause of subparagraph (A), (B), (C), or (D)  
11 of subsection (a) of this section may be transferred to, and  
12 consolidated with, the funds made available under any other  
13 clause of that same subparagraph.

14 “(3) The President shall fully inform the Speaker of  
15 the House of Representatives and the Committee on Foreign  
16 Relations of the Senate of each transfer he intends to make  
17 under paragraph (1) or (2) of this subsection prior to  
18 making such transfer.

19 “(c) In computing the \$1,274,900,000 limitation on  
20 obligational authority under subsection (a) of this section  
21 with respect to such fiscal year, there shall be included in the  
22 computation the value of any goods, supplies, materials,  
23 equipment, services, personnel, or advisers provided to, for,  
24 or on behalf of South Vietnam in such fiscal year by gift,  
25 donation, loan, lease, or otherwise. For the purpose of this

1 subsection, 'value' means the fair market value of any goods,  
2 supplies, materials, or equipment provided to, for, or on  
3 behalf of South Vietnam but in no case less than  $33\frac{1}{3}$  per  
4 centum of the amount the United States paid at the time such  
5 goods, supplies, materials, or equipment were acquired by  
6 the United States.

7       “(d) No funds may be obligated for any of the purposes  
8 described in subsection (a) of this section in, to, for, or on  
9 behalf of South Vietnam in any fiscal year beginning after  
10 June 30, 1975, unless such funds have been specifically au-  
11 thorized by law enacted after the date of enactment of this  
12 section. In no case shall funds in any amount in excess of the  
13 amount specifically authorized by law for any fiscal year  
14 be obligated for any such purpose during such fiscal year.

15       “(e) After the date of enactment of this section, whenever  
16 any request is made to the Congress for the appropriation  
17 of funds for use in, to, for, or on behalf of South Vietnam for  
18 any fiscal year, the President shall furnish a written report  
19 to the Congress explaining the purpose for which such funds  
20 are to be used in such fiscal year.

21       “(f) The President shall submit to the Congress within  
22 thirty days after the end of each quarter of each fiscal year,  
23 beginning with the fiscal year which begins July 1, 1974, a  
24 written report showing the total amount of funds obligated  
25 in, to, for, or on behalf of South Vietnam during the preced-

1 *ing quarter by the United States Government, and shall*  
2 *include in such report a general breakdown of the total*  
3 *amount obligated, describing the different purposes for which*  
4 *such funds were obligated and the total amount obligated*  
5 *for such purpose.*

6 *“(g)(1) Effective six months after the date of enact-*  
7 *ment of this section, the total number of civilian officers and*  
8 *employees, including contract employees, of executive agencies*  
9 *of the United States Government who are citizens of the*  
10 *United States and of members of the Armed Forces of the*  
11 *United States present in South Vietnam shall not at any one*  
12 *time exceed four thousand, not more than two thousand five*  
13 *hundred of whom shall be members of such armed forces and*  
14 *direct hire and contract employees of the Department of*  
15 *Defense. Effective one year after the date of enactment of*  
16 *this section, such total number shall not exceed at any one*  
17 *time three thousand, not more than one thousand five hundred*  
18 *of whom shall be members of such armed forces and direct*  
19 *hire and contract employees of the Department of Defense.*

20 *“(2) Effective six months after the date of enactment of*  
21 *this section, the United States shall not, at any one time, pay*  
22 *in whole or in part, directly or indirectly, the compensation or*  
23 *allowances of more than eight hundred individuals in South*  
24 *Vietnam who are citizens of countries other than South Viet-*  
25 *nam or the United States. Effective one year after the date*

1 of enactment of this section, the total number of individuals  
2 whose compensation or allowance is so paid shall not exceed  
3 at any one time five hundred.

4 “(3) For purposes of this subsection, ‘executive agency  
5 of the United States Government’ means any agency, depart-  
6 ment, board, wholly or partly owned corporation, instru-  
7 mentality, commission, or establishment within the executive  
8 branch of the United States Government.

9 “(4) This subsection shall not be construed to apply with  
10 respect to any individual in South Vietnam who (A) is  
11 an employee or volunteer worker of a voluntary private,  
12 nonprofit relief organization or is an employee or volunteer  
13 worker of the International Committee of the Red Cross, and  
14 (B) engages only in activities providing humanitarian  
15 assistance in South Vietnam.

16 “(h) This section shall not be construed as a commit-  
17 ment by the United States to South Vietnam for its defense.”

18 *LIMITATIONS WITH RESPECT TO CAMBODIA*

19 *SEC. 30. (a) Part V of the Foreign Assistance Act of*  
20 *1961, as amended by section 29 of this Act, is further*  
21 *amended by adding at the end thereof the following new*  
22 *section:*

23 *“SEC. 807. LIMITATIONS WITH RESPECT TO CAM-*  
24 *BODIA.—(a) Notwithstanding any other provision of law, no*  
25 *funds authorized to be appropriated by this or any other law*

1 may be obligated in any amount in excess of \$377,000,000  
2 during the fiscal year ending June 30, 1975, for the pur-  
3 pose of carrying out directly or indirectly any economic or  
4 military assistance, or any operation, project, or program of  
5 any kind, or for providing any goods, supplies, materials,  
6 equipment, services, personnel, or advisers in, to, for, or on  
7 behalf of Cambodia. Of that amount there shall be  
8 available—

9       “(1) \$200,000,000 for military assistance;

10       “(2) \$77,000,000 only to carry out the Agricul-  
11 tural Trade Development and Assistance Act of 1954;  
12       and

13       “(3) \$100,000,000 only for economic assistance, of  
14 which there shall be available—

15               “(A) \$20,000,000 for humanitarian assist-  
16               ance;

17               “(B) \$63,000,000 for commodity import as-  
18               sistance;

19               “(C) \$15,000,000 for multilateral stabiliza-  
20               tion assistance; and

21               “(D) \$2,000,000 for technical support and  
22               participant training.

23       “(b) No funds made available under paragraph (2)  
24 or (3) of subsection (a) of this section may be transferred  
25 to, or consolidated with, the funds made available under any



1 other paragraph of such subsection, nor may more than  
2 20 per centum of the funds made available under any sub-  
3 paragraph of paragraph (3) of subsection (a) of this sec-  
4 tion be transferred to, or consolidated with, the funds made  
5 available under any other such subparagraph.

6       “(c) In computing the \$377,000,000 limitation on obli-  
7 gation authority under subsection (a) of this section with  
8 respect to such fiscal year, there shall be included in the com-  
9 putation the value of any goods, supplies, materials, equip-  
10 ment, services, personnel, or advisers provided to, for, or on  
11 behalf of Cambodia in such fiscal year by gift, donation, loan,  
12 lease or otherwise. For the purpose of this subsection, ‘value’  
13 means the fair market value of any goods, supplies, ma-  
14 terials, or equipment provided to, for, or on behalf of Cam-  
15 bodiā but in no case less than 33 $\frac{1}{3}$  per centum of the amount  
16 the United States paid at the time such goods, supplies, ma-  
17 terials, or equipment were acquired by the United States.

18       “(d) No funds may be obligated for any of the purposes  
19 described in subsection (a) of this section in, to, for, or on  
20 behalf of Cambodia in any fiscal year beginning after June  
21 30, 1975, unless such funds have been specifically authorized  
22 by law enacted after the date of enactment of this section. In  
23 no case shall funds in any amount in excess of the  
24 amount specifically authorized by law for any fiscal year be  
25 obligated for any such purpose during such fiscal year.

1       “(e) After the date of enactment of this section, when-  
2 ever any request is made to the Congress for the appropria-  
3 tion of funds for use in, to, for, or on behalf of Cambodia for  
4 any fiscal year, the President shall furnish a written report  
5 to the Congress explaining the purpose for which such funds  
6 are to be used in such fiscal year.

7       “(f) The President shall submit to the Congress within  
8 thirty days after the end of each quarter of each fiscal year,  
9 beginning with the fiscal year which begins July 1, 1974, a  
10 written report showing the total amount of funds obligated  
11 in, to, for, or on behalf of Cambodia during the preceding  
12 quarter by the United States Government, and shall include  
13 in such report a general breakdown of the total amount obli-  
14 gated, describing the different purposes for which such funds  
15 were obligated and the total amount obligated for such  
16 purpose.

17       “(g)(1) The total number of civilian officers and em-  
18 ployees of executive agencies of the United States Govern-  
19 ment who are citizens of the United States and of members  
20 of the Armed Forces of the United States (excluding such  
21 members while actually engaged in air operations in or over  
22 Cambodia which originate outside Cambodia) present in  
23 Cambodia at any one time shall not exceed two hundred.

24       “(2) The United States shall not, at any one time, pay in  
25 whole or in part, directly or indirectly, the compensation or

1 *allowances of more than eighty-five individuals in Cambodia*  
2 *who are citizens of countries other than Cambodia or the*  
3 *United States.*

4       “(3) *For purposes of this subsection, ‘executive agency*  
5 *of the United States Government’ means any agency, depart-*  
6 *ment, board, wholly or partly owned corporation, instru-*  
7 *mentality, commission, or establishment within the execu-*  
8 *tive branch of the United States Government.*

9       “(4) *This subsection shall not be construed to apply with*  
10 *respect to any individual in Cambodia who (A) is an em-*  
11 *ployee or volunteer worker of a voluntary private, nonprofit*  
12 *relief organization or is an employee or volunteer worker of*  
13 *the International Committee of the Red Cross, and (B)*  
14 *engages only in activities providing humanitarian assistance*  
15 *in Cambodia.*

16       “(h) *This section shall not be construed as a commitment*  
17 *by the United States to Cambodia for its defense.”*

18       “(b) *Sections 655 and 656 of such Act are repealed.*

19                   *LIMITATIONS WITH RESPECT TO LAOS*

20       *SEC. 31. Part V of the Foreign Assistance Act of 1961,*  
21 *as amended by sections 29 and 30(a) of this Act, is further*  
22 *amended by adding at the end thereof the following new*  
23 *section:*

24       “*SEC. 808. LIMITATIONS WITH RESPECT TO LAOS.—*

25       “(a) *Notwithstanding any other provision of law, no funds*

1 authorized to be appropriated by this or any other law may  
2 be obligated in any amount in excess of \$70,000,000 during  
3 the fiscal year ending June 30, 1975, for the purpose of  
4 carrying out directly or indirectly any economic or military  
5 assistance, or any operation, project, or program of any kind,  
6 or for providing any goods, supplies, materials, equipment,  
7 services, personnel, or advisers in, to, for, or on behalf of  
8 Laos. Of that amount, there shall be available—

9           “(1) \$30,000,000 for military assistance; and

10           “(2) \$40,000,000 only for economic assistance, of  
11 which there shall be available—

12           “(A) \$11,000,000 for humanitarian assist-  
13 ance;

14           “(B) \$6,500,000 for reconstruction and de-  
15 velopment assistance;

16           “(C) \$16,100,000 for stabilization assistance;  
17 and

18           “(D) \$6,400,000 for technical support.

19           “(b) No funds made available under paragraph (2)  
20 of subsection (a) of this section may be transferred to, or  
21 consolidated with, the funds made available under paragraph  
22 (1) of such subsection, nor may more than 20 per centum  
23 of the funds made available under any subparagraph of para-  
24 graph (2) be transferred to, or consolidated with, the funds  
25 made available under any other such subparagraph.

1       “(c) In computing the limitations on obligation authority  
2 under subsection (a) of this section with respect to such fiscal  
3 year, there shall be included in the computation the value of  
4 any goods, supplies, materials, equipment, services, personnel,  
5 or advisers provided, to, for, or on behalf of Laos in such  
6 fiscal year by gift, donation, loan, lease or otherwise. For the  
7 purpose of this subsection, ‘value’ means the fair market value  
8 of any goods, supplies, materials, or equipment provided to,  
9 for, or on behalf of Laos but in no case less than  $33\frac{1}{3}$  per  
10 centum of the amount the United States paid at the time such  
11 goods, supplies, materials, or equipment were acquired by  
12 the United States.

13       “(d) No funds may be obligated for any of the purposes  
14 described in subsection (a) of this section in, to, for, or on  
15 behalf of Laos in any fiscal year beginning after June 30,  
16 1975, unless such funds have been specifically authorized by  
17 law enacted after the date of enactment of this section. In no  
18 case shall funds in any amount in excess of the amount  
19 specifically authorized by law for any fiscal year be obligated  
20 for any such purpose during such fiscal year.

21       “(e) After the date of enactment of this section, when-  
22 ever any request is made to the Congress for the appropria-  
23 tion of funds for use in, to, for, or on behalf of Laos, for any  
24 fiscal year, the President shall furnish a written report to the

1 *Congress explaining the purpose for which such funds are to*  
2 *be used in such fiscal year.*

3       “(f) *The President shall submit to the Congress within*  
4 *thirty days after the end of each quarter of each fiscal year*  
5 *beginning with the fiscal year which begins July 1, 1974, a*  
6 *written report showing the total amount of funds obligated in,*  
7 *to, for, or on behalf of Laos during the preceding quarter by*  
8 *the United States Government and shall include in such re-*  
9 *port a general breakdown of the total amount obligated, de-*  
10 *scribing the different purposes for which such funds were*  
11 *obligated and the total amount obligated for such purpose.*

12       “(g) *This section shall not be construed as a commit-*  
13 *ment by the United States to Laos for its defense.”*

14 *POPULATION, NARCOTICS, INTERNATIONAL HUMANI-*  
15 *TARIAN AND REGIONAL PROGRAMS*

16       *SEC. 32. Part V of the Foreign Assistance Act of 1961,*  
17 *as amended by sections 29, 30(a), and 31 of this Act, is*  
18 *further amended by adding at the end thereof the following*  
19 *new section:*

20       “*SEC. 809. POPULATION, NARCOTICS, INTERNA-*  
21 *TIONAL HUMANITARIAN AND REGIONAL PROGRAMS.—The*  
22 *provisions of sections 806, 807, and 808 shall not apply to:*  
23 *(1) funds obligated for purposes of title X of chapter 2 of part*  
24 *I (programs relating to population growth); (2) funds*  
25 *made available under section 482 (programs relating to nar-*

1 *otics control); (3) funds made available under section 802*  
2 *(6) (humanitarian assistance through international organi-*  
3 *zations); or (4) funds obligated for regional programs.”*

4 *TRANSFER OF FUNDS*

5 *SEC. 33. Part V of the Foreign Assistance Act of 1961,*  
6 *as amended by sections 29, 30(a), 31, and 32 of this Act, is*  
7 *further amended by adding at the end thereof the following*  
8 *new section:*

9 *“SEC. 810. TRANSFER OF FUNDS.—(a) The authority*  
10 *of section 610 of this Act shall not apply with respect to any*  
11 *funds made available to South Vietnam, Cambodia, or Laos.*

12 *“(b) Any funds made available under any provision of*  
13 *this or any other law for the purpose of providing military*  
14 *assistance for South Vietnam, Laos, or Cambodia may be*  
15 *transferred to, and consolidated with, any funds made avail-*  
16 *able to that country for war relief, reconstruction, or general*  
17 *economic development.”*

18 *MIDDLE EAST ASSISTANCE*

19 *SEC. 34. (a) The Foreign Assistance Act of 1961 is*  
20 *amended by adding at the end thereof the following new part:*

21 *“PART VI*

22 *“SEC. 901. GENERAL AUTHORITY FOR ASSISTANCE*  
23 *TO THE MIDDLE EAST.—The President is authorized to fur-*  
24 *nish assistance authorized by this Act, and to provide credits*  
25 *and guaranties authorized by the Foreign Military Sales Act.*

1 *Any such assistance, credits, and guaranties shall be provided*  
2 *in accordance with all the provisions applicable to that type of*  
3 *assistance under this Act and applicable to credits and guar-*  
4 *anties under the Foreign Military Sales Act.*

5       “*SEC. 902. ALLOCATIONS.—(a) Of the funds appropri-*  
6 *ated to carry out chapter 2 of part II of this Act during the*  
7 *fiscal year 1975, not to exceed \$100,000,000 may be made*  
8 *available for military assistance in the Middle East.*

9       “*(b) Of the funds appropriated to carry out chapter 4*  
10 *of part II of this Act during the fiscal year 1975, not to ex-*  
11 *ceed \$667,500,000 may be made available for security sup-*  
12 *porting assistance in the Middle East.*

13       “*(c) Of the aggregate ceiling on credits and guaranties*  
14 *established by section 31(b) of the Foreign Military Sales*  
15 *Act during the fiscal year 1975, not to exceed \$330,000,000*  
16 *shall be available for countries in the Middle East.*

17       “*SEC. 903. SPECIAL REQUIREMENTS FUND.—(a)*  
18 *There are authorized to be appropriated to the President for*  
19 *the fiscal year 1975 not to exceed \$100,000,000 to meet*  
20 *special requirements arising from time to time in the Middle*  
21 *East for the purpose of providing any type of assistance*  
22 *authorized by part I of this Act, in addition to funds other-*  
23 *wise available for such purpose. The funds authorized to be*  
24 *appropriated by this section shall be available for use by the*  
25 *President for assistance authorized by this Act in accordance*



1 with the provisions applicable to the furnishing of such  
2 assistance. Such funds are authorized to remain available  
3 until expended.

4 “(b) The President shall keep the Committee on Foreign  
5 Relations and the Committee on Appropriations of the Senate  
6 and the Speaker of the House of Representatives currently  
7 informed on the programing and obligation of funds under  
8 subsection (a).

9 “(c)(1) Prior to obligating any amount for a project  
10 in excess of \$1,000,000 from funds made available under  
11 this section, the President shall transmit a written report  
12 to the Speaker of the House of Representatives and the Com-  
13 mittee on Foreign Relations of the Senate on the same day  
14 giving a complete explanation with respect to such proposed  
15 obligation. Each report shall include an explanation relating  
16 to only one project.

17 “(2) The President may make such obligation thirty  
18 days after the report has been so transmitted unless, before  
19 the end of the first period of thirty calendar days after the  
20 date on which the report is transmitted, a resolution is adopted  
21 disapproving the proposed obligation with respect to which the  
22 report is made.

23 “(3) Paragraphs (4) through (11) of this subsection  
24 are enacted by Congress—

25 “(A) as an exercise of the rulemaking power of the

1     *Senate and the House of Representatives, respectively,*  
2     *and as such they are deemed a part of the rules of each*  
3     *House, respectively, but applicable only with respect to*  
4     *the procedure to be followed in the House in the case of*  
5     *resolutions described by this subsection; and they super-*  
6     *secede other rules only to the extent that they are inconsis-*  
7     *tent therewith; and*

8             *“(B) with full recognition of the constitutional right*  
9     *of either House to change the rules (so far as relating*  
10    *to the procedure of that House) at any time, in the same*  
11    *manner, and to the same extent as in the case of any*  
12    *other rule of that House.*

13            *“(4) For purposes of paragraphs (2) through (12) of*  
14    *this subsection, ‘resolution’ means only a concurrent resolu-*  
15    *tion, the matter after the resolving clause of which is as fol-*  
16    *lows: ‘That the Congress does not approve the obligation for*  
17    *\_\_\_\_\_ and explained in the report transmitted to Con-*  
18    *gress by the President on \_\_\_\_\_, 19\_\_\_\_’, the first blank*  
19    *space therein being filled with the name of the foreign country*  
20    *or organization on whose behalf the obligation is to be in-*  
21    *curred, and the other blank spaces therein being appropriately*  
22    *filled with the date of the transmittal of the report; but does not*  
23    *include a resolution specifying obligations for more than one*  
24    *proposed project.*

25            *“(5) If the committee, to which has been referred a*

1 resolution disapproving a proposed obligation, has not re-  
2 ported the resolution at the end of ten calendar days after its  
3 introduction, it is in order to move either to discharge the  
4 committee from further consideration of the resolution or to  
5 discharge the committee from further consideration of any  
6 other resolution with respect to the same obligation which  
7 has been referred to the committee.

8       “(6) A motion to discharge may be made only by an  
9 individual favoring the resolution, is highly privileged (except  
10 that it may not be made after the committee has reported a  
11 resolution with respect to the same proposed obligation), and  
12 debate thereon is limited to not more than one hour, to be  
13 divided equally between those favoring and those opposing the  
14 resolution. An amendment to the motion is not in order, and  
15 it is not in order to move to reconsider the vote by which the  
16 motion is agreed to or disagreed to.

17       “(7) If the motion to discharge is agreed to, or dis-  
18 agreed to, the motion may not be renewed, nor may another  
19 motion to discharge the committee be made with respect to  
20 any other resolution with respect to the same obligation.

21       “(8) When the committee has reported, or has been dis-  
22 charged from further consideration of, a resolution with  
23 respect to an obligation, it is at any time thereafter in  
24 order (even though a previous motion to the same effect has  
25 been disagreed to) to move to proceed to the consideration

1 *of the resolution. The motion is highly privileged and is not*  
2 *debatable. An amendment to the motion is not in order, and*  
3 *it is not in order to move to reconsider the vote by which the*  
4 *motion is agreed to or disagreed to.*

5       “(9) *Debate on the resolution is limited to not more than*  
6 *two hours, to be divided equally between those favoring and*  
7 *those opposing the resolution. A motion further to limit debate*  
8 *is not debatable. An amendment to, or motion to recommit,*  
9 *the resolution is not in order, and it is not in order to move*  
10 *to reconsider the vote by which the resolution is agreed to or*  
11 *disagreed to.*

12       “(10) *Motions to postpone, made with respect to the*  
13 *discharge from committee, or the consideration of, a resolu-*  
14 *tion with respect to an obligation, and motions to proceed to*  
15 *the consideration of other business, are decided without*  
16 *debate.*

17       “(11) *Appeals from the decisions of the Chair relating*  
18 *to the application of the rules of the Senate or the House of*  
19 *Representatives, as the case may be, to the procedure relating*  
20 *to a resolution with respect to an obligation are decided with-*  
21 *out debate.*

22       “(12) *If, prior to the passage by one House of a con-*  
23 *current resolution of that House, that House receives from the*  
24 *other House a concurrent resolution of such other House,*  
25 *then—*

1           “(A) the procedure with respect to the concurrent  
2 resolution of the first House shall be the same as if no  
3 concurrent resolution from the other House had been  
4 received; but

5           “(B) on any vote on final passage of the concurrent  
6 resolution of the first House the concurrent resolution  
7 from the other House shall be automatically substituted.”

8           (b) Section 620(p) of such Act is repealed.

9           FOREIGN MILITARY SALES ACT AMENDMENTS

10          SEC. 35. (a) The Foreign Military Sales Act is amended  
11 as follows:

12           (1) Section 3(d) is amended to read as follows:

13           “(d) A country shall remain ineligible in accordance  
14 with subsection (c) of this section until such time as the  
15 President determines that such violation has ceased, that the  
16 country concerned has given assurances satisfactory to the  
17 President that such violation will not recur, and that, if such  
18 violation involved the transfer of sophisticated weapons with-  
19 out the consent of the President, such weapons have been  
20 returned to the country concerned.”

21           (2) Section 22 is amended by adding at the end  
22 thereof the following new subsection:

23           “(c) No sales of defense articles shall be made to the  
24 government of any economically developed country under the  
25 provisions of this section if such articles are generally

1 *available for purchase by such country from commercial*  
2 *sources in the United States."*

3 *(3) Section 23 is amended to read as follows:*

4 *"SEC. 23. CREDIT SALES.—The President is authorized*  
5 *to finance procurements of defense articles and defense serv-*  
6 *ices by friendly foreign countries and international organiza-*  
7 *tions on terms requiring the payment to the United States*  
8 *Government in United States dollars of—*

9 *"(1) the value of such articles or services within a*  
10 *period not to exceed ten years after the delivery of such*  
11 *articles or the rendering of such services; and*

12 *"(2) interest on the unpaid balance of that obliga-*  
13 *tion for payment of the value of such articles or services,*  
14 *at a rate equivalent to the current average interest rate,*  
15 *as of the last day of the month preceding the financing*  
16 *of such procurement, that the United States Government*  
17 *pays on outstanding marketable obligations of compara-*  
18 *ble maturity, unless the President certifies to Con-*  
19 *gress that the national interest requires a lesser rate of*  
20 *interest and states in the certification the lesser rate so*  
21 *required and the justification therefor."*

22 *(4) In subsections (a) and (b) of section 24, the*  
23 *parenthetical phrase in each is amended to read as*  
24 *follows: "(excluding United States Government agencies*  
25 *other than the Federal Financing Bank)".*

1           (5) Section 24(c) is amended to read as follows:  
2           “(c) Funds made available to carry out this Act shall  
3 be obligated in an amount equal to 25 per centum of the  
4 principal amount of contractual liability related to any guar-  
5 anty issued prior to July 1, 1974, under this section. Funds  
6 made available to carry out this Act shall be obligated in an  
7 amount equal to 10 per centum of the principal amount of  
8 contractual liability related to any guaranty issued after  
9 June 30, 1974, under this section. All the funds so obligated  
10 shall constitute a single reserve for the payment of claims  
11 under such guaranties, and only such of the funds in the  
12 reserve as may be in excess from time to time of the total  
13 principal amount of contractual liability related to all out-  
14 standing guaranties under this section shall be deobligated  
15 and transferred to the general fund of the Treasury. Any  
16 guaranties issued hereunder shall be backed by the full faith  
17 and credit of the United States.”

18           (6) Section 24 is amended by adding at the end  
19 thereof the following:

20           “(d) The President may guarantee under this section  
21 only those payments for any defense article or defense service  
22 which are due within ten years after that defense article is  
23 delivered or that defense service is rendered, except that such  
24 guaranty may be made for not more than twenty years if the  
25 President certifies to Congress that the national interest re-

1 *quires that the period of guaranty be longer than ten years,*  
2 *and states in the certification the country or international*  
3 *organization on whose behalf the guaranty is to be made,*  
4 *the period of the guaranty, and the justification for the longer*  
5 *period.”*

6 *(7) In section 31—*

7 *(A) in subsection (a), strike out “\$325,000,-*  
8 *000 for the fiscal year 1974” and insert in lieu*  
9 *thereof “\$405,000,000 for the fiscal year 1975”;*  
10 *and*

11 *(B) in subsection (b)—*

12 *(i) strike out “\$730,000,000 for the fiscal*  
13 *year 1974” and insert in lieu thereof “\$872,-*  
14 *500,000 for the fiscal year 1975”;* and

15 *(ii) add at the end thereof the following*  
16 *new sentence: “Of the funds made available*  
17 *under subsection (a) of this section, \$100,-*  
18 *000,000 shall first be obligated with respect to*  
19 *financing the procurement of defense articles*  
20 *and defense services by Israel under section 23*  
21 *of this Act, except that Israel shall be released*  
22 *from contractual liability to repay the United*  
23 *States Government for the defense articles and*  
24 *defense services so financed.”*

25 *(b) Obligations initially charged against appropriations*



1 *made available for purposes authorized by section 31(a) of*  
2 *the Foreign Military Sales Act after June 30, 1974, and*  
3 *prior to the enactment of the amendment of that Act by*  
4 *paragraph (5) of subsection (a) of this section in an amount*  
5 *equal to 25 per centum of the principal amount of contrac-*  
6 *tual liability related to guaranties issued pursuant to section*  
7 *24(a) of that Act shall be adjusted to reflect such amend-*  
8 *ment with proper credit to the appropriations made available*  
9 *in the fiscal year 1975 to carry out that Act.*

10 *POLITICAL PRISONERS*

11 *SEC. 36. Section 32 of the Foreign Assistance Act of*  
12 *1973 is amended by adding at the end thereof the following*  
13 *new sentence: "Commencing with respect to 1974, the Presi-*  
14 *dent shall submit annually to the Speaker of the House of*  
15 *Representatives and the Committee on Foreign Relations of*  
16 *the Senate a written report setting forth fully the steps he has*  
17 *taken to carry out this section."*

18 *GORGAS MEMORIAL INSTITUTE*

19 *SEC. 37. The first section of the Act entitled "An Act to*  
20 *authorize a permanent annual appropriation for the mainte-*  
21 *nance and operation of the Gorgas Memorial", approved*  
22 *May 7, 1928, as amended (22 U.S.C. 278), is amended by*  
23 *striking out "\$500,000" and inserting in lieu thereof*  
24 *"\$1,000,000".*

1           *INTERNATIONAL COMMISSION OF CONTROL AND*  
2                           *SUPERVISION IN VIETNAM*

3           *SEC. 38. (a) There are authorized to be appropriated to*  
4 *the Department of State for fiscal year 1975 not to exceed*  
5 *\$16,526,000 for payments by the United States to help meet*  
6 *expenses of the International Commission of Control and*  
7 *Supervision in Vietnam. Funds appropriated under this*  
8 *subsection are authorized to be made available for reimburse-*  
9 *ment to the Agency for International Development of*  
10 *amounts expended by the Agency during fiscal year 1975 as*  
11 *interim United States payments to help meet expenses of the*  
12 *International Commission of Control and Supervision.*

13           *(b) There are authorized to be appropriated to the*  
14 *Department of State not to exceed \$11,200,000 for reim-*  
15 *bursement to the Agency for International Development of*  
16 *amounts expended by the Agency for International Develop-*  
17 *ment to help meet expenses of the International Commission*  
18 *on Control and Supervision in fiscal year 1974.*

19           *(c) Reimbursements received by the Agency for Interna-*  
20 *tional Development under this section may be credited to*  
21 *applicable appropriations of the Agency and shall be avail-*  
22 *able for the purposes for which such appropriations are*  
23 *authorized to be used during fiscal year 1975.*

24                           *POLICY ON ASSISTANCE TO AFRICA*

25           *SEC. 39. The President is requested to review the regional*

1 *allocation of economic development assistance and to increase*  
2 *Africa's share of the Agency for International Development*  
3 *loans and grants. Per capita official development assistance*  
4 *to the developing countries of Africa, including both United*  
5 *States bilateral assistance and United States contributions to*  
6 *multilateral lending institutions, should be raised to a level at*  
7 *least equal to those for Asia and Latin America. A special*  
8 *effort should be made to provide more assistance to the sixteen*  
9 *of the world's twenty-five least developed countries that are*  
10 *in Africa and to the fourteen African nations that are judged*  
11 *to most seriously affected by rising costs of food and fuel.*  
12 *The President is requested to make a report to Congress*  
13 *on action taken to provide the developing countries of*  
14 *Africa with an equitable share of United States economic*  
15 *assistance at the time that the Agency for International De-*  
16 *velopment's operational year budget for fiscal year 1975 is*  
17 *submitted to Congress and again with the submission to Con-*  
18 *gress of the proposed Agency for International Development*  
19 *budget for fiscal year 1976.*

20 *POLICY ON THE INDEPENDENCE OF ANGOLA, MOZAMBIQUE,*  
21 *AND GUINEA-BISSAU*

22 *SEC. 40. (a) (1) Congress finds that the Government of*  
23 *Portugal's recognition of the right to independence of the Afri-*  
24 *can territories of Angola, Mozambique, and Guinea-Bissau*  
25 *marks a significant advance toward the goal of self-determina-*

1 *tion for all the peoples of Africa, without which peace on the*  
2 *continent is not secure.*

3 *(2) Congress finds that progress toward independence for*  
4 *the Portuguese Government and African leaders on the timing*  
5 *and nature of progress toward independence are being con-*  
6 *ducted with the aim of bringing permanent peace and stability*  
7 *to these countries and of guaranteeing the human rights of all*  
8 *their citizens.*

9 *(3) Congress finds that progress toward independence for*  
10 *the Portuguese African territories will have a significant im-*  
11 *pact on the international organizations and the community of*  
12 *nations.*

13 *(4) Congress commends the Portuguese Government's ini-*  
14 *tiatives on these fronts as evidence of a reaffirmation of that*  
15 *Government's support for her obligations under both the United*  
16 *Nations Charter and the North Atlantic Treaty Organization.*

17 *Therefore, (b) Congress calls upon the President and the*  
18 *Secretary of State to take the following actions designed to*  
19 *make clear United States support for a peaceful and orderly*  
20 *transition to independence in the Portuguese African terri-*  
21 *tories.*

22 *(1) An official statement should be issued of United*  
23 *States support for the independence of Angola, Mozambique,*  
24 *and Guinea-Bissau, and of our desire to have good relations*  
25 *with the future governments of the countries.*

1       (2) It should be made clear to the Government of Portu-  
2 gal that we view the efforts toward a peaceful and just settle-  
3 ment of the conflict in the African territories as consistent with  
4 Portugal's obligations under the North Atlantic Treaty Or-  
5 ganization partnership.

6       (3) The United States should encourage United Nations  
7 support for a peaceful transition to independence, negotiated  
8 settlement of all differences, and the protection of human  
9 rights of all citizens of the three territories.

10       (4) The United States should open a dialog with poten-  
11 tial leaders of Angola, Mozambique, and Guinea-Bissau and  
12 assure them of our commitment to their genuine political and  
13 economic independence.

14       (5) The economic development needs of the three terri-  
15 tories will be immense when independence is achieved. There-  
16 fore, it is urged that the United States Agency for Interna-  
17 tional Development devote immediate attention to assessing  
18 the economic situation in Angola, Mozambique, and Guinea-  
19 Bissau and be ready to cooperate with the future governments  
20 in providing the kind of assistance that will help make their  
21 independence viable. In addition, the United States Govern-  
22 ment should take the initiative among other donors, both  
23 bilateral and multilateral, in seeking significant contribution  
24 of development assistance for the three territories.

25       (6) In light of the need of Angola, Mozambique, and

1 *Guinea-Bissau for skilled and educated manpower, a pri-*  
2 *ority consideration should be given to expanding immediately*  
3 *current United States programs of educational assistance to*  
4 *the territories as a timely and substantive contribution to*  
5 *their independence.*

6 *(c) Reports should be submitted to the Congress on the*  
7 *implementation of the proposals set forth in subsection (b)*  
8 *and Congress should be kept fully informed on developments in*  
9 *United States policy toward the independence of the Portu-*  
10 *guese African territories.*

11 *(d) Since it is in the national interest of the United*  
12 *States to maintain and strengthen close relations with the*  
13 *independent nations of Africa, the Congress believes the posi-*  
14 *tive initiatives should be undertaken without delay.*

15 *CONVENTIONAL ARMS TRADE*

16 *SEC. 41. (a) It is the sense of the Congress that the*  
17 *recent growth in international transfers of conventional arms*  
18 *to developing nations—*

19 *(1) is a cause for grave concern for the United*  
20 *States and other nations in that in particular areas of*  
21 *the world it increases the danger of potential violence*  
22 *among nations, and diverts scarce world resources from*  
23 *more peaceful uses; and*

24 *(2) could be controlled progressively through ne-*

1 *gotiations and agreements among supplier and recipient*  
2 *nations.*

3 *(b) Therefore, the President is urged to propose to the*  
4 *Geneva Conference of the Committee on Disarmament that*  
5 *it consider as a high priority agenda item discussions among*  
6 *participating nations of that Conference for the purposes*  
7 *of—*

8 *(1) agreeing to workable limitations on conventional*  
9 *arms transfers; and*

10 *(2) establishing a mechanism through which such*  
11 *limitations could be effectively monitored.*

12 *(c) The President shall transmit to the Congress not*  
13 *later than six months after the enactment of this Act a report*  
14 *setting forth the steps he has taken to carry out this section.*

15 *CARIBBEAN DEVELOPMENT BANK*

16 *SEC. 42. (a) The President is authorized to transmit*  
17 *to the Caribbean Development Bank an instrument stating*  
18 *that the Commonwealth of Puerto Rico has the authority to*  
19 *conclude an agreement of accession with such bank and to*  
20 *assume rights and obligations pursuant to such agreement.*  
21 *However, such agreement shall be subject to the prior ap-*  
22 *proval of the President.*

23 *(b) The instrument transmitted by the President to the*  
24 *Caribbean Development Bank under subsection (a) shall*

1 *state that the United States shall not assume any financial*  
2 *or other responsibility for the performance of any obligation*  
3 *incurred by the Commonwealth of Puerto Rico pursuant to*  
4 *such agreement of accession or pursuant to any other aspect*  
5 *of its membership or participation in such bank.*

6 *(c) Such agreement of accession shall provide that the*  
7 *Commonwealth of Puerto Rico may not receive from the*  
8 *Caribbean Development Bank any funds provided to the bank*  
9 *by the United States.*

10 *EXPENSES OF UNITED STATES MEMBERSHIP IN UNITED*  
11 *NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL*  
12 *ORGANIZATION*

13 *SEC. 43. No funds authorized to be appropriated under*  
14 *this or any other law may be made available to the United*  
15 *Nations Educational, Scientific, and Cultural Organization*  
16 *until the Secretary of State certifies that each resolution*  
17 *passed by such Organization not of an educational, scientific,*  
18 *or cultural character has been repealed.*



Calendar No. 1232

99<sup>th</sup> CONGRESS  
2<sup>d</sup> Session

**S. 3394**

[Report No. 93-1299]

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## **A BILL**

To amend the Foreign Assistance Act of 1961,  
and for other purposes.

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By Mr. SPARKMAN

April 29, 1974

Read twice and referred to the Committee on  
Foreign Relations

September 3, 1974

Reported with an amendment

October 2, 1974

Recommitted to the Committee on Foreign Relations

November 27, 1974

Reported with an amendment