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THE WHITE HOUSE

WASHINGTON

November 26, 1986

MEMORANDUM FOR PETER J. WALLISON

FROM:

VICKI MASTERMAN 

SUBJECT:

Nicaragua--Laws on Contra Aid

This is a preliminary response to your request for a summary of the laws dealing with aid to the Anti-Sandinista Rebels or Contras, and in particular, the Boland Amendment. While I am continuing to conduct a comprehensive survey and synthesis, I thought it may be useful for you to have the attached copies of the significant statutory provisions.

The following materials are attached:

- Tab A: The Boland Amendment, section 793, Pub. L. No. 97-377 (Fiscal Year 1983 Continuing Appropriations Resolution); prohibited the DOD or CIA use of funds appropriated in the 1983 Continuing Appropriations Act to furnish military equipment or conduct military activities for the purpose of overthrowing the Nicaraguan government.
- Tab B: Section 108 of the Intelligence Authorization Act of 1984, Pub. L. No. 98-215 (same language as the 1984 Defense Authorization Act, Pub. L. No. 99-212); provides that no more than \$24 million may be obligated during fiscal year 1984 for the purpose (or which would have the effect) of supporting military operations in Nicaragua by any party.
- Tab C: A Congressional Quarterly Almanac summary of the Boland Amendment and subsequent congressional action.
- Tab D: The portion of the 1987 Continuing Resolution on Central America, Cong. Rec. Oct. 15, 1986; supports and provides assistance to the Nicaraguan Democratic Resistance.

Although I have not completed the research, it appears the Boland Amendment expired on September 30, 1983. Thereafter in FY 1984, the Defense and Intelligence authorization acts set a limit of \$24 million for U.S. aid to the Contras during FY 1984. Therefore, it does not appear that the Boland Amendment prohibited expenditures to aid the Contras after September 30, 1983. Additional research will also reveal the laws governing aid for fiscal years 1985 and 1986. I will supply the remaining information as soon as possible.

FY 1983 Continuing Appropriations

Dec. 21, 1982 CONTINUING APPROPRIATIONS

P.L. 97-377

development and bid and proposal costs allocated to procurement contracts as items of indirect expense.

SEC. 791. No later than the end of the second fiscal year following the fiscal year for which appropriations for Operation and Maintenance have been made available to the Department of Defense, unobligated balances of such appropriations provided for fiscal year 1982 and thereafter may be transferred into the appropriation "Foreign Currency Fluctuations, Defense" to be merged with and available for the same time period and the same purposes as the appropriation to which transferred: *Provided*, That any transfer made pursuant to any use of the authority provided by this provision shall be limited so that the amount in the appropriation "Foreign Currency Fluctuations, Defense" does not exceed \$970,000,000 at the time such a transfer is made.

Transfer of funds.

SEC. 792. During the current fiscal year, for the purposes of the appropriation "Foreign Currency Fluctuations, Defense" the foreign currency exchange rates used in preparing budget submissions shall be the foreign currency exchange rates as adjusted or modified, as reflected in applicable Committee reports on this Act.

SEC. 793. None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras.

Nicaragua and Honduras.

SEC. 794. None of the funds made available by this Act shall be used in any way for the leasing to non-Federal agencies in the United States aircraft or vehicles owned or operated by the Department of Defense when suitable aircraft or vehicles are commercially available in the private sector: *Provided*, That nothing in this section shall affect authorized and established procedures for the sale of surplus aircraft or vehicles: *Provided further*, That nothing in this section shall prohibit such leasing when specifically authorized in a subsequent Act of Congress.

SEC. 795. None of the funds made available by this Act shall be available for any competition between the currently approved LAN-TIRN system and any other system under provisions of section 203 of Public Law 97-252.

Ante, p. 723.

SEC. 796. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 797. None of the funds made available in the Act or any subsequent Act shall be available for the purchase of the alternate or new model fighter aircraft engine that does not have a written warranty or guarantee attesting that it will perform not less than 3,000 tactical cycles. The warranty will provide that the manufacturer must perform the necessary improvements or replace any parts to achieve the required performance at no cost to the Government.

SEC. 798. Section 308(g) and 308a(c) of title 37, United States Code, are amended by striking "December 17, 1982" and inserting in lieu thereof "March 31, 1983".

Ante, p. 1197.

SEC. 799. Funds available under this Act may be used by the Department of Defense to enter into purchases of or commitments to purchase metals, minerals or other materials under section 303 of

Boland Amendment

FY 1984

LIMITATION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN
NICARAGUA

SEC. 108. During fiscal year 1984, not more than \$24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

CONGRESSIONAL FINDINGS

SEC. 109. (a) The Congress finds that—

Nicaragua.

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

2 UST 2394.

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and most effective means of dealing with threats to the peace of Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President should seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President should vigorously seek actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President should use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution

Congress Sought to Place Limits Early . . .

Almost from the beginning of U.S. aid to anti-government guerrillas in Nicaragua, Congress sought to set limits on both the tactics and goals of that aid.

Administration officials first told the House and Senate Intelligence committees in December 1981 about President Reagan's secret decision to channel money and arms through the CIA to Nicaraguan exiles.

Members of both committees said they expressed concern at the time about the covert program. In a letter to CIA Director William J. Casey from Chairman Edward P. Boland, D-Mass., the House committee said it was worried about such things as the number of guerrillas to be supported and whether the United States would have any control over their actions.

Casey early in 1982 assured the committees that the CIA would support no more than a few thousand guerrillas and would monitor their actions closely. However, the number of the Honduran-based guerrillas, formally called the Nicaraguan Democratic Force and informally called "contras" or counterrevolutionaries, expanded rapidly to more than 10,000 by 1983.

1982: Boland's Curbs

In April 1982, the House committee secretly rejected a move by some Democratic members to kill the covert aid. Instead, the committee voted to impose two restrictions. One required that the aid be used solely to interdict arms shipments from Nicaragua to leftist guerrillas in El Salvador. The second stipulated that it was not to be used to overthrow the Nicaraguan government or to provoke a military exchange between Nicaragua and Honduras, where most of the Nicaraguan guerrillas were based.

Language establishing those two restrictions was included in the classified portion of the fiscal 1983 authorization bill (PL 97-269) for the CIA and other intelligence agencies that was cleared by Congress in September 1982. (1982 *Almanac* p. 134)

On Dec. 8, several Democrats attempted to amend the fiscal 1983 defense appropriations bill to bar U.S. aid to the Nicaraguan contras. Boland headed off that move by offering the language that had been incorporated into the intelligence authorization bill. The House approved the so-called "Boland amendment" 411-0, and the full Congress eventually included it in the defense portion of the fiscal 1983 continuing appropriations resolution (PL 97-377). (1982 *Almanac* p. 286)

The Boland amendment said: "None of the funds provided in this act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other

support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras."

The Boland amendment expired on Sept. 30, the end of fiscal 1983.

During fiscal years 1982 and 1983, the CIA provided \$45 million-\$55 million to the contras, according to intelligence sources.

1983: The Boland Cap

Early in 1983, publicity about the supposedly covert operation mushroomed, with the media carrying detailed reports on the war in Nicaragua. The contras and some officials in the Reagan administration sought the publicity, which, ironically, helped undermine public and congressional support for the war. (1983 *Almanac* p. 123)

Boland declared in April that the publicity showed that the amendment carrying his name was being violated because the Reagan administration appeared to be seeking to overthrow the government of Nicaragua. He later told the House that "one with any sense, any legal sense, would have to come to the conclusion that the operation is illegal, that the purpose and mission of the operation was to overthrow the government in Nicaragua."

On May 3, 1983, the House Intelligence Committee approved a bill (HR 2760) that barred further U.S. aid to the contras, after a secret date. It also substituted for the covert aid an open \$80 million program to help friendly Central American countries interdict cross-border arms shipments to guerrilla movements. The House Foreign Affairs Committee endorsed the latter provision June 7.

After heated partisan debate, the House approved HR 2760 on July 28, by a 228-195 vote. The Senate Intelligence Committee refused to consider HR 2760, and that bill died. (Vote 270, 1983 *Almanac* p. 82-H)

The House ratified its July vote on Oct. 20, when it voted 227-194 to include a similar Nicaraguan provision in the fiscal 1984 intelligence authorization bill (HR 2968). But the Senate took a contrary position Nov. 3 by passing by voice vote a version of the intelligence authorization that approved at least \$28 million for the contras. (Vote 377, 1983 *Almanac* p. 112-H)

Before final action on the intelligence authorization was completed, the contra issue was decided by House-Senate conferees on the fiscal 1984 defense appropriations bill (PL 98-212). At Boland's insistence, the conferees set a \$24 million cap on funding for the contras in fiscal 1984.

The language said: "During fiscal year 1984, not more

Later Aid Request. Both bills made provision for expedited congressional consideration of a later request by the president for Central America funds.

The House provided for such a request if the president reported to Congress that a regional peace accord had been reached or was near, or if "other trade and economic measures will assist in a resolution of the conflict" in the region. Adopting a more pessimistic approach, the Senate bill provided for a presidential request if regional peace

talks failed or if economic or trade measures "failed to resolve the conflict in Central America."

CONFERENCE ACTION

The two chambers' contra aid differences contributed to a delay in appointment of House-Senate conferees on the supplemental appropriations bill. The question of who would handle the funding was the most serious sticking

... On U.S. Covert Assistance to 'Contras'

than \$24 million of the funds available to the Central Intelligence Agency, the Department of Defense or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose, or which would have the effect, of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual." (1983 *Almanac* p. 123)

There were reports in 1984 that the CIA had used accounting devices to exceed the \$24 million limit. The Senate Intelligence Committee said its investigation found no evidence to support the charge, but the House committee said it found "several possible departures from the CIA's own guidelines" for complying with the limit.

1984: The Boland Cutoff

In March 1984, Reagan asked Congress to approve \$21 million for the contras, in addition to the \$24 million limit then in the law.

As Congress was considering that request in early April, Reagan's Nicaraguan policy was shaken by the revelation that the CIA had provided the logistics and supervision for the mining of several Nicaraguan harbors.

The mines had little explosive power, but they damaged several ships and caused a furor in Congress. Barry Goldwater, R-Ariz., chairman of the Senate Intelligence Committee, was particularly infuriated by the CIA's failure to give his committee advance notice of the mining. Both chambers overwhelmingly condemned the mining.

Nevertheless, the Senate approved the \$21 million request in a fiscal 1984 supplemental appropriations bill (H J Res 492). To help gain approval of the money, Reagan on April 4 sent the Senate a letter saying that the United States "does not seek to destabilize or overthrow the government of Nicaragua; nor to impose or compel any particular form of government there."

But House leaders refused to include the \$21 million request in the supplemental, and on May 24 the House decisively voted against it, 241-177. (Vote 162, 1984 *Almanac* p. 54-H)

The Senate supported the contra aid again on June 18 by a 58-38 vote on a defense authorization bill (S 2723). But on that vote, several key Democrats on the Intelligence Committee publicly dropped their support for the contras. (Vote 141, 1984 *Almanac* p. 26-S)

The dispute held up congressional approval of several items in the 1984 supplemental appropriations bill that were wanted both by Congress and the administration, including money for summer jobs for youths. On

June 25 the Senate backed down and deleted the \$21 million from the supplemental bill. In the meantime, the \$24 million that Congress had voted in 1983 ran out in the spring.

Reagan made no further effort to get the \$21 million for fiscal 1984, but he did press Congress to approve \$28 million in renewed aid to the contras for fiscal year 1985.

The House rejected Reagan's request on Aug. 2, when it approved, by a 294-118 vote, a 1985 intelligence authorization bill (HR 5399) that barred any further aid to the contras. (Vote 306, 1984 *Almanac* p. 94-H)

As it had the previous year, Congress resolved the issue in an omnibus continuing resolution (PL 98-473) that included funding for the Defense Department and the CIA. The House had rejected Reagan's \$28 million request when it passed its version of the funding bill. The Senate had approved the request by turning aside, 42-57, an effort by Democrats to provide only \$6 million to end the contras' war. (Vote 252, 1984 *Almanac* p. 44-S)

Under enormous administration pressure, conferees on the continuing resolution Oct. 10 adopted a complicated provision that rejected Reagan's request but gave him the opportunity to return to Congress in 1985. Its major elements:

- Barred any U.S. agency from spending money "for the purpose of or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization or individual."

- Stated that the ban would cease to apply if, after Feb. 28, 1985, the president submitted a report to Congress asking for aid for military or paramilitary operations in Nicaragua, and Congress approved it by passing a joint resolution. The president's report was to state that the Nicaraguan government was supporting guerrillas in El Salvador or other Central American countries and analyze the military significance of that support; justify the amount and type of aid sought for operations in Nicaragua; and explain the goals of U.S. policy for Central America and how the aid would further those goals.

- Expedited procedures for consideration of the joint resolution approving the president's request. In each house the resolution was to be referred to the Appropriations Committee, which could report it no sooner than eight days after receiving it but no later than 15 days. Debate was limited to 10 hours in each chamber, and motions to delay or amend the resolution were barred.

- Set a \$14 million limit in fiscal 1985 on funds for military or paramilitary operations in Nicaragua, if approved by joint resolution.

point, with the House strongly opposed to a CIA role.

Agreement on HR 2577 eventually was reached after several hours of sporadic negotiations July 26, and Congress cleared the measure Aug. 1.

Senate conferees accepted both the House amount — \$27 million — for the contras and its method of distributing the funds.

Sen. Stevens, chairman of the Appropriations Subcommittee on Defense, argued that certain regulations, from

which the CIA and Defense Department were exempt, would prevent aid from being distributed promptly to the contras by other agencies. He cited, for example, restrictions on the employment of foreign nationals and regulations requiring competitive bidding.

Stevens proposed allowing the president to exempt other government agencies, such as the State Department, from those regulations for purposes of distributing aid.

But House leaders said such a proposal was too vague.

D

net gains in such appropriations: Provided further, That authorizations or limitations now or hereafter contained within appropriations or other provisions of law limiting the amounts that may be obligated or expended for military construction and family housing expenses are hereby increased to the extent necessary to reflect downward fluctuations in foreign currency exchange rates from those used in preparing the applicable budget submission: Provided further, That for the purposes of the appropriation "Foreign Currency Fluctuations, Construction, Defense" the foreign currency rates used in preparing budget submissions shall be the foreign currency exchange rates as adjusted or modified, as reflected in applicable Committee reports on the Acts making appropriations for military construction for the Department of Defense: Provided further, That the Secretary of Defense shall provide an annual report to the Congress on all transfers made to or made from this appropriation: Provided further, That contracts or other obligations entered into payable in foreign currencies may be recorded as obligations based on the currency exchange rates used in preparing budget submissions and adjustments to reflect fluctuations in such rates may be recorded as disbursements are made: Provided further, That no later than the end of the second fiscal year following the fiscal year for which appropriations for Family Housing Operation and Maintenance have been made available to the Department of Defense, and no later than the end of the sixth fiscal year following the fiscal year for which the appropriations for Military Construction and Family Housing Construction have been made available to the Department of Defense, unobligated balances of such appropriations may be transferred into the appropriation "Foreign Currency Fluctuations, Construction, Defense": Provided further, That, at the discretion of the Secretary of Defense, any savings generated in the military construction and family housing programs may be transferred to this appropriation.

Sec. 122. The Secretary of the Navy shall enter into negotiations with shipyards located on Sampson Street, San Diego, California, and on Fort George Island, Jacksonville, Florida, to determine what liability (if any) the United States has for damages suffered by such a shipyard resulting from facility improvements made by such shipyard during 1982 in good faith reliance on representations and assurances provided to officials of such shipyard by representatives of the Department of the Navy in 1981 and 1982 with respect to future work of the Department of the Navy at such shipyard.

Sec. 123. For Military Construction for the strategic homeporting initiative, no more than \$799,000,000 shall be appropriated or obligated through fiscal year 1991.

Sec. 124. Of the total amount of budget authority provided for fiscal year 1987 by this Act that would otherwise be available for consulting services, management and professional services, and special studies and analyses, 10 percentum of the amount intended for such purposes in the President's budget for 1987, as amended, for any agency, department or entity subject to apportionment by the Executive shall be placed in reserve and not made available for obligation or expenditure: Provided, That this section shall not apply to any agency, department or entity whose budget request for 1987 for the purposes stated above did not amount to \$5,000,000.

Sec. 125. (a) None of the funds appropriated in this Act may be available for any country if the President determines that the government of such country is failing to take adequate measures to prevent narcotic

drugs or other controlled substances cultivated or produced or processed illicitly, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country of United States personnel or their dependents, or from being smuggled into the United States. Such prohibition shall continue in force until the President determines and reports to the Congress in writing that—

(1) the government of such country has prepared and committed itself to a plan presented to the Secretary of State that would eliminate the cause or basis for the application of such country of the prohibition contained in the first sentence; and

(2) the government of such country has taken appropriate law enforcement measures to implement the plan presented to the Secretary of State.

(b) The provisions of subsection (a) shall not apply in the case of any country with respect to which the President determines that the application of the provisions of such subsection would be inconsistent with the national security interests of the United States.

Sec. 126. Section 4, chapter III of Public Law 99-349, dated July 2, 1986, is amended to read as follows: Of the amounts available to the Department of Defense, not to exceed \$5,000,000 shall be available for such claims arising from property losses caused by the explosion of Army munitions near Checotah, Oklahoma on August 4, 1985, and claims determined by the Department to be bona fide shall be paid from the funds made available by this section without a determination of legal liability based on an act or omission of an agent or employee of the Federal Government.

Sec. 127. The Secretary of Defense is to provide the Committees on Appropriations of the Senate and the House of Representatives with a report by February 15, 1987, containing details of the specific actions proposed to be taken by the Department of Defense during fiscal year 1987 to encourage other member nations of the North Atlantic Treaty Organization and Japan to assume a greater share of the common defense burden of such nations and the United States.

This title may be cited as the "Military Construction Appropriations Act, 1987".

TITLE II—CENTRAL AMERICA

PURPOSES

SEC. 201. The purposes of this title are to promote economic and political development, peace, stability and democracy in Central America, to encourage a negotiated resolution of the conflict in the region, and toward these ends, to enable the President to provide additional economic assistance for the Central American democracies as well as assistance for the Nicaraguan democratic resistance, subject to the terms and conditions of title.

POLICY TOWARD CENTRAL AMERICA

SEC. 202. (a) It is the policy of the United States that—

(1) the building of democracy, the restoration of peace, economic development, the improvement of living conditions, and the application of equal justice under law in Central America are important to the interests of the United States and the community of American States;

(2) the interrelated issues of social and human progress, economic growth, political reform, and regional security must be effectively dealt with to assure a democratic and economically and politically secure Central America; and

(3) the September 1983 Contadora Document of Objectives, which sets forth a framework for negotiating a peaceful settlement

to the conflict and turmoil in the region, is to be encouraged and supported.

(b) The United States strongly supports as essential to the objectives set forth in subsection (a)—

(1) a long-term commitment of economic assistance to the Central American democracies in amounts recommended by the National Bipartisan Commission on Central America;

(2) national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful, democratic settlement to the Nicaraguan conflict; and

(3) efforts to reach a comprehensive and verifiable final agreement based on the Contadora Document of Objectives, including efforts to encourage the Government of Nicaragua to pursue a dialogue with the representatives of all elements of the Nicaraguan democratic opposition for the purpose of achieving a democratic political settlement of the conflict, including free and fair elections.

POLICY TOWARD THE GOVERNMENT OF NICARAGUA

SEC. 203. (a) United States policy toward the Government of Nicaragua shall be based upon that government's responsiveness to continuing concerns affecting the national security of the United States and Nicaragua's neighbors about—

(1) Nicaragua's close military and security ties to Cuba and the Soviet Union and its Warsaw Pact allies including the presence in Nicaragua of military and security personnel from those countries and allies;

(2) Nicaragua's buildup of military forces in numbers disproportionate to those of its neighbors and equipped with sophisticated weapons systems and facilities designed to accommodate even more advanced equipment;

(3) Nicaragua's unilateral support for armed subversion and terrorism directed against the democratically elected governments of other countries;

(4) Nicaragua's internal repression and lack of opportunity for the exercise of civil and political rights which would allow the people of Nicaragua to have a meaningful voice in determining the policies of their government through participation in regularly scheduled free and fair elections and the establishment of democratic institutions; and

(5) Nicaragua's refusal to negotiate in good faith for a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1983 Contadora Document of Objectives and, in particular, its refusal to engage in a serious national dialogue with all elements of the Nicaraguan democratic opposition.

(b) The United States will address the concerns described in subsection (a) through economic, political, and diplomatic measures (including efforts to secure the cooperation of other democratic nations in such measures), as well as through support for the Nicaraguan democratic resistance. In order to assure every opportunity for a peaceful resolution of the conflict in Central America, the United States will—

(1) engage in bilateral discussions with the Government of Nicaragua with a view toward facilitating progress in achieving a peaceful resolution of the conflict; and the Government of Nicaragua simultaneously engages in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition; and

(2) limit the types and amounts of assistance provided to the Nicaraguan democratic resistance and take other positive action in response to steps taken by the Govern-

ment of Nicaragua toward meeting the concerns described in subsection (a).

(c) The duration of bilateral discussions with the Government of Nicaragua and the implementation of additional measures under subsection (b) shall be determined, after consultation with the Congress, by reference to Nicaragua's actions in response to the concerns described in subsection (a). Particular regard will be paid to whether—

(1) freedom of speech, assembly, religion, and political activity are being respected in Nicaragua and progress is being made toward the holding of regularly scheduled free and fair elections;

(2) there has been a halt to the flow of arms and the introduction of foreign military personnel into Nicaragua, and a withdrawal of all foreign military personnel has begun;

(3) a cease-fire with the Nicaraguan democratic resistance is being respected; and

(4) Nicaragua is refraining from acts of aggression, including support for insurgency and terrorism in other countries.

(d) The actions by the United States under this title in response to the concerns described in subsection (a) are consistent with the right of the United States to defend itself and to assist its allies in accordance with international law and treaties in force. Such actions are directed, not to determine the form or composition of any government of Nicaragua, but to achieve a comprehensive and verifiable agreement among Central American countries, based upon the 1983 Contadora Document of Objectives, including internal reconciliation within Nicaragua based upon democratic principles, without the use of force by the United States.

(e) Notwithstanding any other provision of this title, no member of the United States Armed Forces or employee of any department, agency, or other component of the United States Government may enter Nicaragua to provide military advice, training, or logistical support to paramilitary groups operating inside that country. Nothing in this title shall be construed as authorizing any member or unit of the Armed Forces of the United States to engage in combat against the Government of Nicaragua.

POLICY TOWARD THE NICARAGUAN DEMOCRATIC RESISTANCE

Sec. 204. (a) It is the policy of the United States to assist all groups within the Nicaraguan democratic resistance which—

(1) are committed to work together for democratic national reconciliation in Nicaragua based on the document issued by the six Nicaraguan opposition parties on February 7, 1986, entitled "Proposal to the Nicaraguan Government for a Solution to the Crisis in Our Country"; and

(2) respect international standards of conduct and refrain from violations of human rights or from other criminal acts.

(b) No assistance under this title may be provided to any group that retains in its ranks any individual who has been found to engage in—

(1) gross violations of internationally recognized human rights (as defined in section 401B(d)(1) of the Foreign Assistance Act of 1961); or

(2) drug smuggling or significant misuse of public or private funds.

(c) It is the policy of the United States that the Nicaraguan democratic resistance has been conducting its representative work through the bringing of cooperative relationships between the United Nicaraguan Opposition (UNO) and other democratic resistance elements, and has been increasing the responsiveness of military forces to civilian leadership.

(d) The President shall use the authority provided by this title to further the develop-

ments described in paragraph (1) and to encourage the Nicaraguan democratic resistance to take additional steps to strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people.

(d) In furtherance of the policy set out in this section, not less than \$10,000,000 of the funds transferred by section 6(a) shall be available only for assistance to resistance forces otherwise eligible and not currently included within UNO, of which amount \$5,000,000 shall be available only for the Southern Opposition Bloc (BOS) and \$5,000,000 shall be available only for the Indian resistance force known as Misurata.

SEC. 205. (a) There are hereby transferred to the President for assistance to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) in accordance with the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961: \$300,000,000 of unobligated funds from the accounts specified in subsection (b). Amounts transferred under this section shall be administered in accordance with the terms and conditions of chapter 6 of part I of the Foreign Assistance Act of 1961. Notwithstanding any other provision of law, funds made available by this section—

(1) shall be in addition to amounts previously appropriated for the fiscal year 1986 and allocated for assistance to Central American countries; and

(2) shall remain available for obligation until September 30, 1987, except that not less than \$100,000,000 shall be obligated on or before September 30, 1986.

(b) Amounts made available by this section shall be transferred from such accounts as the President may designate for which appropriations were made by title II of the Foreign Assistance and Related Programs Appropriations Act, 1986, title II of the Agriculture, Rural Development and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, and title II of the Urgent Supplemental Appropriations Act, 1985 (Public Law 99-10).

(c)(1) The Secretary of State, the Administrator of the Agency for International Development, and the Director of the Office of Management and Budget, shall—

(A) develop a plan for fully funding the assistance to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) proposed in the January 1984 report of the National Bipartisan Commission on Central America; and

(B) provide a report describing this plan to the President and the Congress no later than March 1, 1987.

(2) The report required by paragraph (1) shall include an analysis and recommendations, prepared in consultation with the Secretary of Agriculture, on how more effective use can be made of agricultural commodities from the United States in alleviating hunger in Central America and contributing to the economic development of the Central American democracies.

(d)(1) There are hereby transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-18), under the heading "Assistance For Implementation of a Contadora Agreement" such sums as the President may require, not more than \$2,000,000, to facilitate the participation of Costa Rica, El Salvador, Guatemala, and Honduras in regional meetings and negotiations to promote peace, stability, and security in Central America.

(2) Funds transferred under paragraph (1) shall remain available for the same period of time as such funds would have been avail-

able under the Supplemental Appropriations Act, 1985 (Public Law 99-18), but for the enactment of this title.

(e) The Congress reaffirms its support for the establishment of a Central American Development Organization, authorized by section 464 of the Foreign Assistance Act of 1961, as an effective forum for dialogue on, and the continuous review and advancement of, Central America's political, economic, and social development, including the strengthening of democratic pluralism and respect for internationally recognized human rights. Toward this end, not less than \$750,000 of the funds transferred by this section should be used to establish the Central American Development Organization and its administrative apparatus so as to ensure that Central American development objectives are encouraged.

ASSISTANCE FOR THE NICARAGUAN DEMOCRATIC RESISTANCE

SEC. 206. (a)(1) The Congress hereby approves the provision of assistance for the Nicaraguan democratic resistance in accordance with the provisions of this title.

(2) There are hereby transferred to the President for the purposes of this section \$100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate.

(b) Notwithstanding the Impoundment Control Act of 1974, not more than 40 percent of the funds transferred under subsection (a) may be available for obligation or expenditure in accordance with this title upon the date of its enactment; not more than an additional 20 percent of such funds may be so available no earlier than October 15, 1986, and 15 days after the transmittal to the Congress of the determination required by section 116(a) and not more than the remaining 40 percent may be so available no earlier than February 15, 1987, and 15 days after the transmittal to the Congress of the determination required by section 116(a).

(c) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), but for the enactment of this title.

COORDINATION OF AND ACCOUNTABILITY FOR ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

SEC. 207. (a) The Secretary of State (or his designee) shall be responsible for policy guidance, coordination, and supervision of United States Government activities under this title.

(b) Any agency to which funds transferred under section 6(a) are allocated shall establish standards, procedures and controls necessary to assure that such funds are fully accounted for and are used exclusively for the purposes authorized by this title. Such standards, procedures and controls shall be developed in consultation with the Comptroller General and the appropriate committees of the Congress, and shall include: (1) adequate accounting of accounts, monitoring of expenditures, and requirements for keeping a complete record of funds transferred; and (2) by the representatives of the United States Government.

FUNDS FOR HUMANITARIAN ASSISTANCE

SEC. 208. (a) Of the amounts transferred under section 6(a), \$30,000,000 shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance.

(b) Of the \$30,000,000 made available only for purposes of subsection (a), \$3,000,000 shall be available only for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.

APPLICATION OF EXISTING LAWS

SEC. 209. (a) Except as otherwise provided in this title, funds transferred under section 6(a) shall be available for the purposes described in section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986, and all the requirements, terms, and conditions of such section and sections 101 and 102 of such Act, section 502 of the National Security Act of 1947, and section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88), shall be deemed to have been met for such use of such funds.

(b) The use of funds made available under this title is subject to all applicable provisions of law and established procedures relating to the oversight by the Congress of operations of departments and agencies.

(c) Nothing in this title shall be construed as permitting the President to furnish additional assistance to the Nicaraguan democratic resistance from funds other than the funds transferred under section 6(a) or otherwise specifically authorized by the Congress for assistance to the Nicaraguan democratic resistance.

(d) No limitation or restriction contained in section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law shall apply to the transfer or use of funds transferred to the President under this title.

USE OF FUNDS AFTER A PEACEFUL SETTLEMENT

SEC. 210. If the President determines and so reports to the Congress that a peaceful settlement of the conflict in Central America has been reached, then—

(1) the unobligated balance, if any, of funds transferred under section 6(a) shall be available for the purposes of relief, rehabilitation, and reconstruction in Central American countries in accordance with the authorities contained in Chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to economic support fund assistance);

(2) the President shall terminate any economic embargo of Nicaragua then in effect; and

(3) the President shall take such further actions as appropriate to carry out the policy described in section 2(a)(1) of this title with respect to all Central American countries, including Nicaragua.

INCENTIVES FOR A NEGOTIATED SETTLEMENT

SEC. 211. (a) Assistance to the Nicaraguan democratic resistance under this title shall be provided in a manner designed to encourage the Government of Nicaragua to respond favorably to the many opportunities available for achieving a negotiated settlement of the conflict in Central America. These opportunities include the following proposals:

(1) Six opposition Nicaraguan political parties on February 7, 1986, called for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on a new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation of these actions and commitments by appropriate international groups and organizations;

(2) President Reagan on February 10, 1986, offered simultaneous talks between the Government of Nicaragua and the United States Government;

(3) President Jose Napoleon Duarte of El Salvador on March 5, 1986, offered an addi-

tional dialogue between the Government of El Salvador and the insurgents in El Salvador if the Government of Nicaragua would simultaneously engage in a dialogue with all elements of the Nicaragua democratic opposition; and

(4) The United Nicaraguan Opposition on May 29, 1986, reiterated its support for the six-party proposal described in paragraph (1) as a means to achieve national reconciliation and democratization.

(b)(1) In furtherance of the objectives set forth in subsection (a), and except as provided in subsection (e), assistance to the Nicaraguan democratic resistance under this title shall be limited to the following:

(A) humanitarian assistance (as defined in section 722(g)(5) of the International Security and Development Cooperation Act of 1985);

(B) logistics advice and assistance;

(C) support for democratic political and diplomatic activities;

(D) training, services, equipment and supplies for radio communications, collection, and utilization of intelligence, logistics, and small-unit skills, tactics and operations; and

(E) equipment and supplies necessary for defense against air attacks.

(2) The assistance described in paragraph (1) shall be limited, by type and value, to the matters specified in the classified annex to the communication from the President to the Speaker of the House of Representatives and the President of the Senate dated June 24, 1986.

(3) No weapons or ammunition shall be delivered under this title to the Nicaraguan democratic resistance prior to September 1, 1986.

(c) On and after October 15, 1986, an additional \$20,000,000 of the funds transferred under section 6(a) may be made available for obligation and expenditure for assistance to the Nicaraguan democratic resistance 15 days after the President determines and reports to the Congress that—

(1) the Central American countries have not concluded a comprehensive and effective agreement based on the Contradora Document of Objectives;

(2) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity, leading to regularly scheduled free and fair elections and the establishment of democratic institutions; and

(3) there is no reasonable prospect of achieving such agreement, dialogue, cease-fire, and end to constraints described in paragraphs (1) and (2) through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance.

(d)(1) Notwithstanding any other provision of this title, on or after October 15, 1986, funds transferred under section 6(a) may be obligated or expended only if the President determines and reports to the Congress that the Nicaraguan democratic resistance groups receiving assistance under this title have agreed to and are beginning to implement—

(A) confederation and reform measures to broaden their leadership base;

(B) the coordination of their efforts;

(C) the elimination of human rights abuses;

(D) the pursuit of a defined and coordinative program for achieving representative democracy in Nicaragua; and

(E) the subordination of military forces to civilian leadership; and

(F) the application of rigorous standards, procedures and controls to assure that funds transferred under section 6(a) are fully accounted for and are used exclusively for the purposes authorized by this title.

(2) In making his determination under paragraph (1), the President shall take into account the effectiveness and legitimacy of the political leadership of those Nicaraguan democratic resistance groups receiving assistance under this title, including the ability of that political leadership—

(A) to reflect the views and objectives of the internal and external Nicaraguan democratic opposition;

(B) to function as the spokesman for the Nicaraguan democratic opposition with Central Americans, international organizations, and the United States Government;

(C) to represent the Nicaraguan democratic opposition in dealing with the Government of Nicaragua;

(D) to provide command and control for the military forces of all resistance groups receiving assistance under this title and to establish the goals for their military operations;

(E) to determine the distribution of and maintain accountability for assistance provided under this title; and

(F) to provide the legal mechanisms necessary for the enforcement of standards of conduct applicable to all members of the resistance groups receiving assistance under the title.

(e) On and after February 15, 1987, the restrictions in subsection (b) shall cease to apply and the remaining funds transferred under section 6(a) may be made available for obligation and expenditure for assistance to the Nicaraguan democratic resistance 15 days after the President determines and reports to the Congress that—

(1) the Central American countries have not concluded a comprehensive and effective agreement based on the Contradora Document of Objectives;

(2) the Government of Nicaragua is not engaged in a serious dialog with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions; and

(3) there is no reasonable prospect of achieving such agreement, dialog, cease-fire, and end to constraints described in paragraphs (1) and (2) through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance, unless the Congress has enacted a joint resolution under section 12 disapproving the provision of additional assistance (other than assistance described in subsection (b)(1) within the limits of funds previously made available).

(f)(1) Notwithstanding subsection (e), no assistance (other than the assistance described in subparagraphs (A) through (C) of subsection (b)(1)) shall be provided at any time to the Nicaraguan democratic resistance under this title if—

(A) the President determines that—

(i) the Central American countries have concluded a comprehensive and effective agreement based on the Contradora Document of Objectives; or

(ii) the Government of Nicaragua is engaging in a serious dialog with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly,

bly, religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions; or

(B) the Congress enacts a joint resolution under section 12 disapproving the provision of additional assistance (other than assistance described in subparagraphs (A) through (C) of subsection (b)(1)).

(2) The prohibition contained in paragraph (1) shall not apply—

(A) with respect to assistance described in subparagraph (D) of subsection (b)(1) if the Government of Nicaragua fails to observe an applicable cease-fire; or

(B) with respect to assistance described in subparagraph (E) of subsection (b)(1) if the Government of Nicaragua acquires additional equipment or materiel to carry out air attacks.

CONGRESSIONAL PRIORITY PROCEDURES

SEC. 212. (a)(1) A joint resolution described in subsection (e) of section 11 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to title of the Military Construction Appropriations Act, 1987, except as provided in section 11(b) thereof within the limits of funds previously made available."

(2) A joint resolution described in subsection (f)(1)(B) of section 11 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to title of the Military Construction Appropriations Act, 1987, except as provided in subparagraph (A) through (C) of section 11(b)(1) and paragraph (2) of section 11(f) thereof."

(3) A joint resolution described in subsection (a)(1) or (a)(2) shall be considered in the House of Representatives and in the Senate in accordance with the provisions of paragraphs (3) through (7) of section 3066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to a joint resolution shall be deemed to be references to the respective joint resolution set forth in subsection (a)(1) or subsection (a)(2);

(2) references in such paragraphs to Committee on Appropriations shall be deemed to be references to the appropriate committee or committees of the respective House of Congress; and

(3) references in such paragraphs to the eighth day and to fifteen calendar days shall be deemed to be references to the fifth day and to five calendar days, respectively.

(c) The provisions of this section are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under section 11, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to enact their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

COMMISSION ON CENTRAL AMERICAN NEGOTIATIONS

SEC. 213. (a)(1) There is established the Commission on Central American Negotiations (hereafter in this section referred to as the "Commission"), which shall be composed of five members appointed as follows:

(A) One individual appointed by the Speaker of the House of Representatives;

(B) One individual appointed by the Minority Leader of the House of Representatives;

(C) One individual appointed by the Majority Leader of the Senate;

(D) One individual appointed by the Minority Leader of the Senate; and

(E) One individual who shall serve as Chairman of the Commission, selected by majority vote of the other members of the Commission.

(2) No officer or employee of the United States may be appointed as a member of the Commission.

(3) The appointments referred to in subparagraphs (A), (B), (C), and (D) of paragraph (1) shall be made within 5 calendar days following enactment of this title, and the selection of a chairman referred to in subparagraph (E) of paragraph (1) shall be made within 10 days following enactment of this title.

(b) The purpose of the Commission is to monitor and report on the efforts of the Nicaraguan democratic resistance to coordinate and reform and on the status of any negotiations on the peace, stability, and security of Central America, including negotiations conducted between or among—

(1) the Government of Nicaragua and all elements of the Nicaraguan democratic opposition, including the Nicaraguan democratic resistance;

(2) the governments of Central American countries;

(3) the Government of the United States and the Government of Nicaragua;

(4) the governments of the Contadora and Support Group countries and the governments of the Central American countries; and

(5) the Government of El Salvador and the insurgents in El Salvador.

(c)(1) The Commission may appoint and fix the pay of not more than seven staff personnel, but at such rates not in excess of the rate for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(2)(A) Each member of the Commission shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which such member is engaged in the performance of duties as a member of the Commission.

(B) While away from his home or regular place of business in the performance of duties for the Commission, a member or staff personnel of the Commission shall be allowed travel expenses, including a per diem in lieu of subsistence, not to exceed the expenses allowed persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(3) For purposes of pay and other employment benefits, rights, and privileges and for all other purposes, any employee of the Commission shall be considered to be a congressional employee as defined in section 2107 of title 5, United States Code.

(d)(1) A majority of the members of the Commission shall constitute a quorum.

(2) All decisions of the Commission shall be by majority vote.

(e) The Commission may make such reports in connection with its duties as it deems necessary to the Speaker of the House

of Representatives and the chairman of the Committee on Foreign Relations of the Senate, except that—

(1) not later than 5 days after receipt by the Congress or a report by the President under section 14 the Commission shall prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report addressing all the matters which are required to be included in reports of the President by paragraphs (1), (3), and (4) of section 14; and

(2) not later than September 30, 1986, the Commission shall prepare and transmit to the Congress a report on whether the Nicaraguan democratic resistance groups receiving assistance under this title have agreed to and are beginning to implement measures described in subparagraphs (A) through (F) of section 11(d)(1) and an evaluation of the factors described in section 11(d)(2).

(f)(1) Salaries and expenses of the Commission, but not more than \$400,000, shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, in accordance with the provisions of this section.

(2) Funds made available to the Commission by paragraph (1) shall be disbursed on vouchers approved by the Chairman, except that no voucher shall be required for the disbursement of the salary of an individual appointed under subsection (c).

(3) For purposes of section 502(b) of the Mutual Security Act of 1954, the Commission shall be deemed to be a standing committee of the Congress and shall be entitled to use of funds in accordance with such section.

(g) The Commission shall terminate not later than 90 days after transmittal of the reports required by subsection (e).

PRESIDENTIAL REPORTING REQUIREMENT

SEC. 214. The President shall prepare and transmit to the Congress with each determination required by section 11 a report on actions taken to achieve a resolution of the conflict in Central America in a manner that meets the concerns described in section 3(a). Each such report shall include—

(1) a detailed statement of the status of negotiations toward a negotiated settlement of the conflict in Central America, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(2) a detailed accounting of the disbursements made to provide assistance with the funds transferred under section 6(a) and a detailed statement of how the accountability standards, procedures and controls established under section 7(b) and 11(d)(1)(F) are being implemented so as to assure that all such funds are fully accounted for and are being used exclusively for the purposes authorized by this title;

(3) a discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

(4) an evaluation of the progress made by the Nicaraguan democratic resistance in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua.

REQUESTS FOR ADDITIONAL ASSISTANCE

SEC. 215. The provisions of subsections (5) and (6) of section 722 of the International Security and Development Cooperation Act of 1955 shall apply—

(1) with respect to any request described in section 722(p) of such Act submitted by the President to the Congress on or after the date of enactment of this title, and

(2) with respect to any request by the President for additional economic assistance for the Central American democracies to carry out recommendations contained in the report required by section 5(c)(1)(B) (in which case references to a joint resolution in subsections (s) and (t) of section 722 of such Act shall be deemed to be references to a joint resolution without a preamble, the matter after the resolving clause of which is as follows: "That the Congress approves the additional economic assistance for the Central American democracies that the President requested pursuant to title of the Military Construction Appropriation Act, 1987."), except that, for purposes of consideration in a House of Congress of a joint resolution under subsection (s) or (t) of such section, amendments to such a joint resolution may be in order but only if such amendments are germane.

LIMITATION ON PARTICIPATION OF UNITED STATES GOVERNMENT PERSONNEL IN DELIVERY OF ASSISTANCE

Sec. 216. (a) United States Government personnel may not provide any training or other service, or otherwise participate directly or indirectly in the provision of any assistance, to the Nicaraguan democratic resistance pursuant to this title within those land areas of Honduras and Costa Rica which are within 20 miles of the border with Nicaragua.

(b) As used in this section, the term "United States Government personnel" means—

(1) any member of the United States Armed Forces who is on active duty or is performing inactive duty training; and

(2) any employee of any department, agency, or other component of the executive branch of the United States Government; but does not include any officer or employee of the United States General Accounting Office or any employee of the Inspector General of the Department of State and the Foreign Service who is carrying out inspections, investigations, or audits with respect to assistance for the Nicaraguan democratic resistance pursuant to this title.

TITLE III—EMERGENCY RESERVE FOR AFRICAN FAMINE RELIEF

Sec. 301. Title II of Public Law 99-10 is amended, under the heading "Emergency Reserve for African Famine Relief", by striking out "\$225,000,000" and inserting in lieu thereof "\$525,000,000".

Sec. 302. Of the funds appropriated under title II of Public Law 99-10, as amended by this Act, \$300,000,000 shall remain available for obligation until September 30, 1987, notwithstanding any other provision of law or this Act.

And the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

If such amounts as may be necessary are hereby appropriated for programs, projects, or activities provided for in H.R. 5205, the Department of Transportation and Related Agencies Appropriations Act, 1987, to the extent and in the manner provided for in the conference report and joint explanatory statement of the committee of conference (House Report 99-976) as filed in the House of Representatives on October 7, 1986, as if enacted into law, except that such confer-

ence agreement shall be considered as including the following language in lieu of section 331 of H.R. 5205 as passed by the House of Representatives on July 30, 1986:

"SEC. 331. AIR TRAFFIC CONTROLLER WORK FORCE REQUIREMENTS.—The Federal Aviation Administration shall satisfy the following criteria by September 30, 1987:

(a) total air traffic controller work force level of 15,000;

(b) with respect to the air traffic controller work force, of those individuals eligible to be Full Performance Level controllers, 70 percent shall have achieved Full Performance Level status;

(c) with respect to staffing at particular air traffic control facilities, of those individuals eligible to be Full Performance Level controllers, at least 60 percent at all centers and level 3 and above terminals shall have achieved Full Performance Level status."

And the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

(m) Such amounts as may be necessary for programs, projects or activities provided for in the Treasury, Postal Service and General Government Appropriations Act, 1987, at a rate of operations and to the extent and in the manner provided as follows, to be effective as if it had been enacted into law as the regular appropriations Act:

An Act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1987, and for other purposes

TITLE I—TREASURY DEPARTMENT OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; not to exceed \$22,000 for official reception and representation expenses; not to exceed \$200,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not to exceed \$650,000, to remain available until expended, for repairs and improvements to the Main Treasury Building and Annex, \$52,642,000.

INTERNATIONAL AFFAIRS

For necessary expenses of the international affairs function of the Office of the Secretary, hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed \$2,000,000 for official travel expenses; and not to exceed \$73,000 for official reception and representation expenses; \$22,442,000.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including purchase (not to exceed eight for police-type use) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and pres-

entation of awards; not to exceed \$3,000,000 for repair, alteration, minor construction, and related equipment for the Federal Law Enforcement Training Center facility to remain available until expended; not to exceed \$2,000 for official reception and representation expenses; and services as authorized by 5 U.S.C. 3109: Provided, That funds appropriated in this account shall be available for State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; acceptance of gifts; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center; \$29,499,000.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, \$240,117,000, of which not to exceed \$2,137,000 shall remain available until expended for systems modernization initiatives.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of three hundred vehicles for police-type use for replacement only; and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; not to exceed \$5,000 for official reception and representation expenses; \$193,463,000, of which \$15,000,000 shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year 1987, and of which \$1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2): Provided, That no funds appropriated herein shall be available for administrative expenses in connection with consolidating or centralizing within the Department of the Treasury the records of receipts and disposition of firearms maintained by Federal firearms licensees or for issuing or carrying out any provisions of the proposed rules of the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, on Firearms Regulations, as published in the Federal Register, volume 43, number 55, of March 21, 1978: Provided further, That none of the funds appropriated herein shall be available for explosive identification or detection tagging research, development, or implementation: Provided further, That not to exceed \$300,000 shall be available for research and development of an explosive identification and detection device.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of up to five hundred motor vehicles for replacement only, including four hundred and ninety for police-type use; hire of passenger motor vehicles; not to exceed \$10,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; \$756,000,000, of which not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations, and not to exceed \$1,000,000, to remain available until expended, for research: Provided, That uniforms may be purchased without regard to the general purchase price

Vuki -

Do the legislative
reports shed any light
on the scope of the
prohibition in effect during
1985-1986? Peter

THE WHITE HOUSE

WASHINGTON

December 1, 1986

MEMORANDUM FOR PETER J. WALLISON

FROM: VICKI MASTERMAN *VM*

SUBJECT: Laws Governing U.S. Support for Nicaraguan Rebels

This is in further response to your request for an explanation of the laws regarding U.S. support for the Anti-Sandinista Rebels (or Contras) fighting the government of Nicaragua. This memorandum provides a chronological synopsis and brief explanation of the laws relating specifically to Contra aid.

Fiscal Year 1983 -- The first law specifically addressing U.S. aid to the Contras was section 793 of the Fiscal Year 1983 Continuing Appropriations Resolution which stated:

None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras.

Pub. L. No. 97-377, 2d Sess., 1982. Representative Edward P. Boland, Chairman of the House Intelligence Committee, sponsored this provision; this section was called the "Boland Amendment." (As is noted below, the FY 1985 prohibition on Contra aid has also been generally referred to as the "Boland Amendment"; however, it was not introduced by Representative Boland, but rather was the result of a conference compromise.) Prior to passage of the Boland amendment in 1982, covert operations in Honduras were funded by CIA contingency appropriations as well as by intelligence and defense appropriations. 1983 Congressional Quarterly Almanac, p. 132.

The United States continued to support the Contras through fiscal year 1983. When Representative Boland alleged the Administration was violating the Boland Amendment by providing such support, the CIA responded that the aid was not "for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras." 1983 Congressional Quarterly Almanac, p. 126.

Fiscal Year 1984 -- Following considerable congressional debate (with strong opposition to further Contra aid in the House) the

Intelligence Authorization Act of 1984 and the Defense Authorization Act each contained the following provision:

During fiscal year 1984, not more than \$24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

Pub. L. No. 98-215, sec. 108, 1st Sess., 1983; Pub. L. No. 98-212, 1st Sess., 1983 (also included congressional finding that Nicaraguan government failed to keep 1979 promises, and directed President to work with the Organization of American States to resolve issues). The Administration had sought between \$30 and \$50 million for aid to the Contras, and, had informed Congress that the \$24 million would be expended by the end of May, 1984. Despite considerable Administration pressure, Congress refused to appropriate any additional funds for Contra support in fiscal year 1984. Reports suggest this was due in large part to congressional concern over the CIA mining of Nicaraguan harbors, and the CIA participation in a Contra manual advocating the kidnapping and assassination of Nicaraguan officials. 1984 Congressional Quarterly Almanac, p. 88.

This law governing Contra aid in FY 1984 was precedential in requiring the Administration to go through Congress to get additional funds for Contra support. Previously, the Administration had independently supported the Contras with CIA contingency funds and with available portions of defense and intelligence appropriations.

Fiscal Year 1985 -- Again after substantial congressional debate, Congress included the following section in the Fiscal Year 1985 Continuing Appropriations Act:

Sec. 8066. (a) During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose of which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

(b) The prohibition concerning Nicaragua contained in subsection (a) shall cease to apply if, after February 28, 1985 --

(1) The President submits to Congress a report --

(A) stating that the Government of Nicaragua is providing materiel (sic) or monetary support to

anti-government forces engaged in military or paramilitary operations in El Salvador or other Central American countries;

(B) analyzing the military significance of such support;

(C) stating that the President has determined that assistance for military or paramilitary operations prohibited by subsection (a) is necessary;

(D) justifying the amount and type of such assistance and describing its objectives; and

(E) explaining the goals of United States policy for the Central American region and how the proposed assistance would further such goals, including the achievement of peace and security in Central America through a comprehensive, verifiable and enforceable agreement based upon the Contadora Document of Objectives; and

(2) a joint resolution approving assistance for military or paramilitary operations in Nicaragua is enacted.

[(c) For the purpose of subsection (b) (2), this subsection establishes a lengthy procedure for passage of the "joint resolution."]

(d) During fiscal year 1985 funds approved by the resolution described in subsection (b) (2) for the purpose of supporting, directly or indirectly, military or paramilitary operations in Nicaragua, shall not exceed \$14,000,000.

Pub. L. No. 98-473, 2d Sess., 1984. Although a technically imprecise label, this prohibition of military support for the Contras has been generally referred to as "the Boland Amendment." This is probably because Representative Boland sponsored the similar 1983 ban on Contra aid, was Chairman of the House Intelligence Committee during the 1984 conference compromise process, and was a long-time vocal opponent of Contra aid.

Since funds for Contra aid had run out in May, 1984, the Administration was disappointed by this law prohibiting support for military operations in Nicaragua until after February 28, 1985 -- and even then, only providing \$14 million upon passage of a congressional resolution following the required Presidential report. The Administration was even more disappointed, however, when Congress refused to pass the joint resolution which would have released the \$14 million in April, 1985, after the President's April 3, 1985 report and proposal.

August, 1985 through March, 1986 -- In the Fiscal Year 1985 Supplemental Appropriations Act, Congress made available for

obligation until March 31, 1986, \$27 million for humanitarian assistance to the Contras to be administered by any agency other than the CIA or the Department of Defense. This Act also continued, with respect to the funds appropriated therein, the "Boland Amendment" prohibitions of FY 1985 against any U.S. agency involved in intelligence activities from supporting, directly or indirectly, military operations in Nicaragua:

Sec. 102. (a) The prohibitions contained in section 8066(a) of the [Continuing Appropriations Act for Fiscal Year 1985 prohibiting expenditures for military support] shall, without limitation as to fiscal year, apply with respect to funds appropriated by this chapter under the headings "Humanitarian Assistance For Nicaraguan Democratic Resistance" and "Assistance for Implementation of a Contadora Agreement"

(b) Nothing in this Act, section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473), or section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall be construed to prohibit the United States Government from exchanging information with the Nicaraguan democratic resistance, or the obligation and expenditure, but only for the purposes for which they are expressly made available, of the funds appropriated by this chapter under the headings "Humanitarian Assistance for Nicaraguan Democratic Resistance" and "Assistance for Implementation of a Contadora Agreement."

Pub. L. No. 99-88, 1st Sess., 1985. This law also required the President to submit Nicaraguan progress reports to Congress, and established procedures for the President to request additional Contra aid.

Congress included the following prohibition on Contra aid in the statute authorizing the \$27 million in humanitarian aid:

(d) Prohibition Relating to Military or Paramilitary Operations in Nicaragua.--Notwithstanding any other provision of law, no funds authorized to be appropriated or otherwise made available by this Act (except the funds authorized to be appropriated in this section), by the Foreign Assistance Act of 1961, or by the Arms Export Control Act shall be used to provide assistance of any kind, either directly or indirectly, to any person or group engaging in an insurgency or other act of rebellion against the Government of Nicaragua. The United States shall not enter into any arrangement conditioning, expressly or impliedly, the provision of assistance under this Act or the purchase of defense articles and services under the Arms Export Control Act upon the provision of assistance by a recipient to persons or groups engaging in an insurgency or other act of rebellion against the Government of Nicaragua.

(e) Limitation on Use of Funds Against Nicaragua.-- None of the funds authorized to be appropriated in this or any other Act can be used to fund directly, or indirectly, activities against the Government of Nicaragua which have not been authorized by, or pursuant to, law and which would place the United States in violation of our obligations under the Charter of the Organization of American States, to which the United States is a signatory, or under international law as defined by treaty commitments agreed to, and ratified by, the Government of the United States.

International Security and Development Cooperation Act of 1985; Pub. L. No. 99-83, 1st Sess., 1985. The 1985 International Security and Development Cooperation Act prohibits, without respect to fiscal year, the expenditure of any federal funds for direct and indirect activities against the Government of Nicaragua which have not been authorized by law and which would violate relevant international charters, agreements or treaties. The Act also prohibits the United States from entering into express or implied agreements with other countries conditioning the provision of aid authorized by the Act or the sale of munitions authorized by the Arms Export Control Act on the provision of Contra support by the recipient country.

Fiscal Year 1987 -- The Continuing Appropriations Resolution for Fiscal Year 1987 included the following provisions for Contra aid:

There are hereby transferred to the President for the purposes of [assistance for the Nicaraguan democratic resistance] \$100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 . . . as the President shall designate.

. . .

Of the amounts transferred . . . , \$30,000,000 shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance.

Cong. Rec., Oct. 15, 1986, H 10688.

In sum, funds for Contra aid expired in May, 1984; additional funds were not authorized until August 1985, when Congress provided \$27 million for humanitarian assistance. The funds for humanitarian assistance were not available after March 31, 1986. Additional funds for military and humanitarian support were provided in October, 1986, in the Fiscal Year 1987 Continuing Appropriations Resolution.

There was an absolute \$24 million limit on Contra support in fiscal year 1984. A congressional ban on any U.S. agency involved in intelligence activities from directly or indirectly supporting military or paramilitary operations in Nicaragua was in effect during fiscal year 1985, and applied to the \$27 million in humanitarian assistance funds appropriated in the 1985 Supplemental Appropriations Act (available for obligation until March 31, 1986). And in 1985, Congress prohibited expenditures in support of Contra activities which are not authorized by law and which would violate specified international agreements.

THE WHITE HOUSE

WASHINGTON

November 26, 1986

MEMORANDUM FOR PETER J. WALLISON

FROM:

VICKI MASTERMAN 

SUBJECT:

Nicaragua--Laws on Contra Aid

This is a preliminary response to your request for a summary of the laws dealing with aid to the Anti-Sandinista Rebels or Contras, and in particular, the Boland Amendment. While I am continuing to conduct a comprehensive survey and synthesis, I thought it may be useful for you to have the attached copies of the significant statutory provisions.

The following materials are attached:

- Tab A: The Boland Amendment, section 793, Pub. L. No. 97-377 (Fiscal Year 1983 Continuing Appropriations Resolution); prohibited the DOD or CIA use of funds appropriated in the 1983 Continuing Appropriations Act to furnish military equipment or conduct military activities for the purpose of overthrowing the Nicaraguan government.
- Tab B: Section 108 of the Intelligence Authorization Act of 1984, Pub. L. No. 98-215 (same language as the 1984 Defense Authorization Act, Pub. L. No. 99-212); provides that no more than \$24 million may be obligated during fiscal year 1984 for the purpose (or which would have the effect) of supporting military operations in Nicaragua by any party.
- Tab C: A Congressional Quarterly Almanac summary of the Boland Amendment and subsequent congressional action.
- Tab D: The portion of the 1987 Continuing Resolution on Central America, Cong. Rec. Oct. 15, 1986; supports and provides assistance to the Nicaraguan Democratic Resistance.

Although I have not completed the research, it appears the Boland Amendment expired on September 30, 1983. Thereafter in FY 1984, the Defense and Intelligence authorization acts set a limit of \$24 million for U.S. aid to the Contras during FY 1984. Therefore, it does not appear that the Boland Amendment prohibited expenditures to aid the Contras after September 30, 1983. Additional research will also reveal the laws governing aid for fiscal years 1985 and 1986. I will supply the remaining information as soon as possible.

FY 1983 Continuing Appropriations

Dec. 21, 1982 CONTINUING APPROPRIATIONS

P.L. 97-377

development and bid and proposal costs allocated to procurement contracts as items of indirect expense.

SEC. 791. No later than the end of the second fiscal year following the fiscal year for which appropriations for Operation and Maintenance have been made available to the Department of Defense, unobligated balances of such appropriations provided for fiscal year 1982 and thereafter may be transferred into the appropriation "Foreign Currency Fluctuations, Defense" to be merged with and available for the same time period and the same purposes as the appropriation to which transferred: *Provided*, That any transfer made pursuant to any use of the authority provided by this provision shall be limited so that the amount in the appropriation "Foreign Currency Fluctuations, Defense" does not exceed \$970,000,000 at the time such a transfer is made.

Transfer of funds.

SEC. 792. During the current fiscal year, for the purposes of the appropriation "Foreign Currency Fluctuations, Defense" the foreign currency exchange rates used in preparing budget submissions shall be the foreign currency exchange rates as adjusted or modified, as reflected in applicable Committee reports on this Act.

SEC. 793. None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras.

Nicaragua and Honduras.

SEC. 794. None of the funds made available by this Act shall be used in any way for the leasing to non-Federal agencies in the United States aircraft or vehicles owned or operated by the Department of Defense when suitable aircraft or vehicles are commercially available in the private sector: *Provided*, That nothing in this section shall affect authorized and established procedures for the sale of surplus aircraft or vehicles: *Provided further*, That nothing in this section shall prohibit such leasing when specifically authorized in a subsequent Act of Congress.

SEC. 795. None of the funds made available by this Act shall be available for any competition between the currently approved LAN-TIRN system and any other system under provisions of section 203 of Public Law 97-252.

Ante, p. 723.

SEC. 796. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 797. None of the funds made available in the Act or any subsequent Act shall be available for the purchase of the alternate or new model fighter aircraft engine that does not have a written warranty or guarantee attesting that it will perform not less than 3,000 tactical cycles. The warranty will provide that the manufacturer must perform the necessary improvements or replace any parts to achieve the required performance at no cost to the Government.

SEC. 798. Section 308(g) and 308a(c) of title 37, United States Code, are amended by striking "December 17, 1982" and inserting in lieu thereof "March 31, 1983".

Ante, p. 1197.

SEC. 799. Funds available under this Act may be used by the Department of Defense to enter into purchases of or commitments to purchase metals, minerals or other materials under section 303 of

Boland Amendment

FY 1984

LIMITATION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN
NICARAGUA

SEC. 108. During fiscal year 1984, not more than \$24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

CONGRESSIONAL FINDINGS

SEC. 109. (a) The Congress finds that—

Nicaragua.

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of nonaggression and nonintervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

2 UST 2394.

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and most effective means of dealing with threats to the peace of Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President should seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President should vigorously seek actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President should use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution

of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to nonintervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States should support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America.

Report to Congress.
Recommendations.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve this objective.

TITLE II—INTELLIGENCE COMMUNITY STAFF

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1984 the sum of \$18,500,000.

AUTHORIZATION OF PERSONNEL END-STRENGTH

SEC. 202. (a) The Intelligence Community Staff is authorized two hundred and fifteen full-time personnel as of September 30, 1984. Such personnel of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1984, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

Personnel detail.

(c) During fiscal year 1984, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

SEC. 203. During fiscal year 1984, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a-403n) in the same manner as activities and personnel of the Central Intelligence Agency.

96 Stat. 1154.

Congress Sought to Place Limits Early . . .

Almost from the beginning of U.S. aid to anti-government guerrillas in Nicaragua, Congress sought to set limits on both the tactics and goals of that aid.

Administration officials first told the House and Senate Intelligence committees in December 1981 about President Reagan's secret decision to channel money and arms through the CIA to Nicaraguan exiles.

Members of both committees said they expressed concern at the time about the covert program. In a letter to CIA Director William J. Casey from Chairman Edward P. Boland, D-Mass., the House committee said it was worried about such things as the number of guerrillas to be supported and whether the United States would have any control over their actions.

Casey early in 1982 assured the committees that the CIA would support no more than a few thousand guerrillas and would monitor their actions closely. However, the number of the Honduran-based guerrillas, formally called the Nicaraguan Democratic Force and informally called "contras" or counterrevolutionaries, expanded rapidly to more than 10,000 by 1983.

1982: Boland's Curbs

In April 1982, the House committee secretly rejected a move by some Democratic members to kill the covert aid. Instead, the committee voted to impose two restrictions. One required that the aid be used solely to interdict arms shipments from Nicaragua to leftist guerrillas in El Salvador. The second stipulated that it was not to be used to overthrow the Nicaraguan government or to provoke a military exchange between Nicaragua and Honduras, where most of the Nicaraguan guerrillas were based.

Language establishing those two restrictions was included in the classified portion of the fiscal 1983 authorization bill (PL 97-269) for the CIA and other intelligence agencies that was cleared by Congress in September 1982. (1982 Almanac p. 134)

On Dec. 8, several Democrats attempted to amend the fiscal 1983 defense appropriations bill to bar U.S. aid to the Nicaraguan contras. Boland headed off that move by offering the language that had been incorporated into the intelligence authorization bill. The House approved the so-called "Boland amendment" 411-0, and the full Congress eventually included it in the defense portion of the fiscal 1983 continuing appropriations resolution (PL 97-377). (1982 Almanac p. 286)

The Boland amendment said: "None of the funds provided in this act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other

support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras."

The Boland amendment expired on Sept. 30, the end of fiscal 1983.

During fiscal years 1982 and 1983, the CIA provided \$45 million-\$55 million to the contras, according to intelligence sources.

1983: The Boland Cap

Early in 1983, publicity about the supposedly covert operation mushroomed, with the media carrying detailed reports on the war in Nicaragua. The contras and some officials in the Reagan administration sought the publicity, which, ironically, helped undermine public and congressional support for the war. (1983 Almanac p. 123)

Boland declared in April that the publicity showed that the amendment carrying his name was being violated because the Reagan administration appeared to be seeking to overthrow the government of Nicaragua. He later told the House that "one with any sense, any legal sense, would have to come to the conclusion that the operation is illegal, that the purpose and mission of the operation was to overthrow the government in Nicaragua."

On May 3, 1983, the House Intelligence Committee approved a bill (HR 2760) that barred further U.S. aid to the contras, after a secret date. It also substituted for the covert aid an open \$80 million program to help friendly Central American countries interdict cross-border arms shipments to guerrilla movements. The House Foreign Affairs Committee endorsed the latter provision June 7.

After heated partisan debate, the House approved HR 2760 on July 28, by a 228-195 vote. The Senate Intelligence Committee refused to consider HR 2760, and that bill died. (Vote 270, 1983 Almanac p. 82-H)

The House ratified its July vote on Oct. 20, when it voted 227-194 to include a similar Nicaraguan provision in the fiscal 1984 intelligence authorization bill (HR 2968). But the Senate took a contrary position Nov. 3 by passing by voice vote a version of the intelligence authorization that approved at least \$28 million for the contras. (Vote 377, 1983 Almanac p. 112-H)

Before final action on the intelligence authorization was completed, the contra issue was decided by House-Senate conferees on the fiscal 1984 defense appropriations bill (PL 98-212). At Boland's insistence, the conferees set a \$24 million cap on funding for the contras in fiscal 1984.

The language said: "During fiscal year 1984, not more

Later Aid Request. Both bills made provision for expedited congressional consideration of a later request by the president for Central America funds.

The House provided for such a request if the president reported to Congress that a regional peace accord had been reached or was near, or if "other trade and economic measures will assist in a resolution of the conflict" in the region. Adopting a more pessimistic approach, the Senate bill provided for a presidential request if regional peace

talks failed or if economic or trade measures "failed to resolve the conflict in Central America."

CONFERENCE ACTION

The two chambers' contra aid differences contributed to a delay in appointment of House-Senate conferees on the supplemental appropriations bill. The question of how to handle the funding was the most serious sticking point.

... On U.S. Covert Assistance to 'Contras'

than \$24 million of the funds available to the Central Intelligence Agency, the Department of Defense or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose, or which would have the effect, of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual." (1983 *Almanac* p. 123)

There were reports in 1984 that the CIA had used accounting devices to exceed the \$24 million limit. The Senate Intelligence Committee said its investigation found no evidence to support the charge, but the House committee said it found "several possible departures from the CIA's own guidelines" for complying with the limit.

1984: The Boland Cutoff

In March 1984, Reagan asked Congress to approve \$21 million for the contras, in addition to the \$24 million limit then in the law.

As Congress was considering that request in early April, Reagan's Nicaraguan policy was shaken by the revelation that the CIA had provided the logistics and supervision for the mining of several Nicaraguan harbors.

The mines had little explosive power, but they damaged several ships and caused a furor in Congress. Barry Goldwater, R-Ariz., chairman of the Senate Intelligence Committee, was particularly infuriated by the CIA's failure to give his committee advance notice of the mining. Both chambers overwhelmingly condemned the mining.

Nevertheless, the Senate approved the \$21 million request in a fiscal 1984 supplemental appropriations bill (H J Res 492). To help gain approval of the money, Reagan on April 4 sent the Senate a letter saying that the United States "does not seek to destabilize or overthrow the government of Nicaragua; nor to impose or compel any particular form of government there."

But House leaders refused to include the \$21 million request in the supplemental, and on May 24 the House decisively voted against it, 241-177. (Vote 162, 1984 *Almanac* p. 54-H)

The Senate supported the contra aid again on June 18 by a 58-38 vote on a defense authorization bill (S 2723). But on that vote, several key Democrats on the Intelligence Committee publicly dropped their support for the contras. (Vote 141, 1984 *Almanac* p. 26-S)

The dispute held up congressional approval of several items in the 1984 supplemental appropriations bill that were wanted both by Congress and the administration, including money for summer jobs for youths. On

June 25 the Senate backed down and deleted the \$21 million from the supplemental bill. In the meantime, the \$24 million that Congress had voted in 1983 ran out in the spring.

Reagan made no further effort to get the \$21 million for fiscal 1984, but he did press Congress to approve \$28 million in renewed aid to the contras for fiscal year 1985.

The House rejected Reagan's request on Aug. 2, when it approved, by a 294-118 vote, a 1985 intelligence authorization bill (HR 5399) that barred any further aid to the contras. (Vote 306, 1984 *Almanac* p. 94-H)

As it had the previous year, Congress resolved the issue in an omnibus continuing resolution (PL 98-473) that included funding for the Defense Department and the CIA. The House had rejected Reagan's \$28 million request when it passed its version of the funding bill. The Senate had approved the request by turning aside, 42-57, an effort by Democrats to provide only \$6 million to end the contras' war. (Vote 252, 1984 *Almanac* p. 44-S)

Under enormous administration pressure, conferees on the continuing resolution Oct. 10 adopted a complicated provision that rejected Reagan's request but gave him the opportunity to return to Congress in 1985. Its major elements:

- Barred any U.S. agency from spending money "for the purpose of or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization or individual."

- Stated that the ban would cease to apply if, after Feb. 28, 1985, the president submitted a report to Congress asking for aid for military or paramilitary operations in Nicaragua, and Congress approved it by passing a joint resolution. The president's report was to state that the Nicaraguan government was supporting guerrillas in El Salvador or other Central American countries and analyze the military significance of that support; justify the amount and type of aid sought for operations in Nicaragua; and explain the goals of U.S. policy for Central America and how the aid would further those goals.

- Expedited procedures for consideration of the joint resolution approving the president's request. In each house the resolution was to be referred to the Appropriations Committee, which could report it no sooner than eight days after receiving it but no later than 15 days. Debate was limited to 10 hours in each chamber, and motions to delay or amend the resolution were barred.

- Set a \$14 million limit in fiscal 1985 on funds for military or paramilitary operations in Nicaragua, if approved by joint resolution.

point, with the House strongly opposed to a CIA role.

Agreement on HR 2577 eventually was reached after several hours of sporadic negotiations July 26, and Congress cleared the measure Aug. 1.

Senate conferees accepted both the House amount — \$27 million — for the contras and its method of distributing the funds.

Sen. Stevens, chairman of the Appropriations Subcommittee on Defense, argued that certain regulations, from

which the CIA and Defense Department were excluded, would prevent aid from being distributed promptly to the contras by other agencies. He cited, for example, regulations on the employment of foreign nationals and regulations requiring competitive bidding.

Stevens proposed allowing the president to exempt other government agencies, such as the State Department, from those regulations for purposes of distributing aid.

But House leaders said such a proposal was too broad.

net gains in such appropriations: Provided further, That authorizations or limitations now or hereafter contained within appropriations or other provisions of law limiting the amounts that may be obligated or expended for military construction and family housing expenses are hereby increased to the extent necessary to reflect downward fluctuations in foreign currency exchange rates from those used in preparing the applicable budget submission: Provided further, That for the purposes of the appropriation "Foreign Currency Fluctuations, Construction, Defense" the foreign currency rates used in preparing budget submissions shall be the foreign currency exchange rates as adjusted or modified, as reflected in applicable Committee reports on the Acts making appropriations for military construction for the Department of Defense: Provided further, That the Secretary of Defense shall provide an annual report to the Congress on all transfers made to or made from this appropriation: Provided further, That contracts or other obligations entered into payable in foreign currencies may be recorded as obligations based on the currency exchange rates used in preparing budget submissions and adjustments to reflect fluctuations in such rates may be recorded as disbursements are made: Provided further, That no later than the end of the second fiscal year following the fiscal year for which appropriations for Family Housing Operation and Maintenance have been made available to the Department of Defense, and no later than the end of the sixth fiscal year following the fiscal year for which the appropriations for Military Construction and Family Housing Construction have been made available to the Department of Defense, unobligated balances of such appropriations may be transferred into the appropriation "Foreign Currency Fluctuations, Construction, Defense": Provided further, That, at the discretion of the Secretary of Defense, any savings generated in the military construction and family housing programs may be transferred to this appropriation.

SEC. 122. The Secretary of the Navy shall enter into negotiations with shipyards located at Sampson Street, San Diego, California, and on Fort George Island, Jacksonville, Florida, to determine what liability of and the United States has for damages suffered by such a shipyard resulting from facility improvements made by such shipyard during 1982 in good faith reliance on representations and assurances provided to officials of such shipyard by representatives of the Department of the Navy in 1981 and 1982 with respect to future work of the Department of the Navy at such shipyard.

SEC. 123. For Military Construction for the strategic homeporting initiative, no more than \$799,000,000 shall be appropriated or obligated through fiscal year 1991.

SEC. 124. Of the total amount of budget authority provided for fiscal year 1987 by this Act that would otherwise be available for consulting services, management and professional services, and special studies and analyses, 10 percentum of the amount intended for such purposes in the President's budget for 1987, is amended, for any agency, department or entity subject to appropriation by the Executive shall be placed in reserve and not made available for obligation or expenditure: Provided, That this reserve shall not apply to any agency, department or entity whose budget was in 1987 for the purposes listed above and who applied to the President.

SEC. 125. (a) None of the funds appropriated in this Act may be available for any country if the President determines that the government of such country is failing to take adequate measures to prevent narcotic

drugs or other controlled substances cultivated or produced or processed illicitly, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country of United States personnel or their dependents, or from being smuggled into the United States. Such prohibition shall continue in force until the President determines and reports to the Congress in writing that—

(1) the government of such country has prepared and committed itself to a plan presented to the Secretary of State that would eliminate the cause or basis for the application of such country of the prohibition contained in the first sentence; and

(2) the government of such country has taken appropriate law enforcement measures to implement the plan presented to the Secretary of State.

(b) The provisions of subsection (a) shall not apply in the case of any country with respect to which the President determines that the application of the provisions of such subsection would be inconsistent with the national security interests of the United States.

SEC. 126. Section 4, chapter III of Public Law 99-349, dated July 2, 1986, is amended to read as follows: Of the amounts available to the Department of Defense, not to exceed \$5,000,000 shall be available for such claims arising from property losses caused by the explosion of Army munitions near Checotah, Oklahoma on August 4, 1985, and claims determined by the Department to be bona fide shall be paid from the funds made available by this section without a determination of legal liability based on an act or omission of an agent or employee of the Federal Government.

SEC. 127. The Secretary of Defense is to provide the Committees on Appropriations of the Senate and the House of Representatives with a report on February 15, 1987, containing details of the specific actions proposed to be taken by the Department of Defense during fiscal year 1987 to encourage other member nations of the North Atlantic Treaty Organization and Japan to assume a greater share of the common defense burden of such nations and the United States.

This title may be cited as the "Military Construction Appropriations Act, 1987".

TITLE II—CENTRAL AMERICA

PURPOSES

SEC. 201. The purposes of this title are to promote economic and political development, peace, stability and democracy in Central America, to encourage a negotiated resolution of the conflict in the region, and toward these ends, to enable the President to provide additional economic assistance for the Central American democracies as well as assistance for the Nicaraguan democratic resistance, subject to the terms and conditions of title.

POLICY TOWARD CENTRAL AMERICA

SEC. 202. (a) It is the policy of the United States that—

(1) the building of democracy, the restoration of peace, economic development, the improvement of living conditions, and the application of equal justice under law in Central America are important to the interests of the United States and the community of American States;

(2) the international issues of social and human progress, economic growth, political reform, and national security must be effectively dealt with to assure a democratic and economically and politically secure Central America; and

(3) the September 1985 Contadora Document of Objectives, which sets forth a framework for negotiating a peaceful settlement

to the conflict and turmoil in the region, is to be encouraged and supported.

(b) The United States strongly supports as essential to the objectives set forth in subsection (a)—

(1) a long-term commitment of economic assistance to the Central American democracies in amounts recommended by the National Bipartisan Commission on Central America;

(2) national reconciliation in Nicaragua and the creation of a framework for negotiating a peaceful, democratic settlement to the Nicaraguan conflict; and

(3) efforts to reach a comprehensive and verifiable final agreement based on the Contadora Document of Objectives, including efforts to encourage the Government of Nicaragua to pursue a dialogue with the representatives of all elements of the Nicaraguan democratic opposition for the purpose of achieving a democratic political settlement of the conflict, including free and fair elections.

POLICY TOWARD THE GOVERNMENT OF NICARAGUA

SEC. 203. (a) United States policy toward the Government of Nicaragua shall be based upon that government's responsiveness to continuing concerns affecting the national security of the United States and Nicaragua's neighbors about—

(1) Nicaragua's close military and security ties to Cuba and the Soviet Union and its Warsaw Pact allies including the presence in Nicaragua of military and security personnel from those countries and allies;

(2) Nicaragua's buildup of military forces in numbers disproportionate to those of its neighbors and equipped with sophisticated weapons systems and facilities designed to accommodate even more advanced equipment;

(3) Nicaragua's unilateral support for armed subversion and terrorism directed against the democratically elected governments of other countries;

(4) Nicaragua's internal repression and lack of opportunity for the exercise of civil and political rights which would allow the people of Nicaragua to have a meaningful voice in determining the policies of their government through participation in regularly scheduled free and fair elections and the establishment of democratic institutions; and

(5) Nicaragua's refusal to negotiate in good faith for a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1985 Contadora Document of Objectives and, in particular, its refusal to engage in a serious national dialogue with all elements of the Nicaraguan democratic opposition.

(b) The United States will address the concerns described in subsection (a) through economic, political, and diplomatic measures (including efforts to secure the cooperation of other democratic nations in measures), as well as through support for Nicaraguan democratic resistance, in order to assure every opportunity for a peaceful resolution of the conflict in Central America. The United States will—

(1) engage in bilateral discussions with the Government of Nicaragua with a view toward facilitating progress toward peaceful resolution of the conflict; and the Government of Nicaragua shall engage in a serious dialogue with the representatives of all elements of the Nicaraguan democratic opposition; and

(2) limit the types and amounts of assistance provided to the Nicaraguan democratic resistance and take other positive steps in response to steps taken by the Government of Nicaragua.

ment of Nicaragua toward meeting the concerns described in subsection (a).

(c) The duration of bilateral discussions with the Government of Nicaragua and the implementation of additional measures under subsection (b) shall be determined, after consultation with the Congress, by reference to Nicaragua's actions in response to the concerns described in subsection (a). Particular regard will be paid to whether—

(1) freedom of speech, assembly, religion, and political activity are being respected in Nicaragua and progress is being made toward the holding of regularly scheduled free and fair elections;

(2) there has been a halt to the flow of arms and the introduction of foreign military personnel into Nicaragua, and a withdrawal of all foreign military personnel has begun;

(3) a cease-fire with the Nicaraguan democratic resistance is being respected; and

(4) Nicaragua is refraining from acts of aggression, including support for insurgency and terrorism in other countries.

(d) The actions by the United States under this title in response to the concerns described in subsection (a) are consistent with the right of the United States to defend itself and to assist its allies in accordance with international law and treaties in force. Such actions are directed, not to determine the form or composition of any government of Nicaragua, but to achieve a comprehensive and verifiable agreement among Central American countries, based upon the 1983 Contadora Document of Objectives, including internal reconciliation within Nicaragua based upon democratic principles, without the use of force by the United States.

(e) Notwithstanding any other provision of this title, no member of the United States Armed Forces or employee of any department, agency or other component of the United States Government may enter Nicaragua to provide military advice, training, or logistical support to paramilitary groups operating inside that country. Nothing in this title shall be construed as authorizing any member or unit of the Armed Forces of the United States to engage in combat against the Government of Nicaragua.

POLICY TOWARD THE NICARAGUAN DEMOCRATIC RESISTANCE

Sec. 204. (a) It is the policy of the United States to assist all groups within the Nicaraguan democratic resistance which—

(1) are committed to work together for democratic national reconciliation in Nicaragua based on the document issued by the six Nicaraguan opposition parties on February 7, 1986, entitled "Proposal to the Nicaraguan Government for a Solution to the Crisis in Our Country"; and

(2) respect international standards of conduct and refrain from violations of human rights or from other criminal acts.

(b) No assistance under this title may be provided to any group that retains in its ranks any individual who has been found to engage in—

(1) gross violations of internationally recognized human rights as defined in section 2383(a)(1) of the Foreign Assistance Act of 1961; or

(2) any violation of laws and decrees promulgated by the Government of Nicaragua.

(c) The Secretary of State, in consultation with the Secretary of Defense, shall develop and submit to the President a plan for fully funding the assistance to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) proposed in the January 1984 report of the National Bipartisan Commission on Central America; and

(d) The report required by paragraph (1) shall include an analysis and recommendations, prepared in consultation with the Secretary of Agriculture, on how more effective use can be made of agricultural commodities from the United States in alleviating hunger in Central America and contributing to the economic development of the Central American democracies.

(e) There are hereby transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-190), under the heading "Assistance For Implementation of the Central American Peace Initiative," \$10,000,000 to be available only for the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) to promote peace, stability, and economic development.

(f) Funds transferred under paragraph (e) shall remain available for the same period of time as such funds would have been available under the Supplemental Appropriations Act, 1985 (Public Law 99-190), but for the enactment of this title.

ments described in paragraph (1) and to encourage the Nicaraguan democratic resistance to take additional steps to strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people.

(d) In furtherance of the policy set out in this section, not less than \$10,000,000 of the funds transferred by section 6(a) shall be available only for assistance to resistance forces otherwise eligible and not currently included within UNO, of which amount \$5,000,000 shall be available only for the Southern Opposition Bloc (BOS) and \$5,000,000 shall be available only for the Indian resistance force known as Misurata.

Sec. 205. (a) There are hereby transferred to the President for assistance to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) in accordance with the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961: \$300,000,000 of unobligated funds from the accounts specified in subsection (b). Amounts transferred under this section shall be administered in accordance with the terms and conditions of chapter 6 of part I of the Foreign Assistance Act of 1961. Notwithstanding any other provision of law, funds made available by this section—

(1) shall be in addition to amounts previously appropriated for the fiscal year 1986 and allocated for assistance to Central American countries; and

(2) shall remain available for obligation until September 30, 1987, except that not less than \$100,000,000 shall be obligated on or before September 30, 1986.

(b) Amounts made available by this section shall be transferred from such accounts as the President may designate for which appropriations were made by title II of the Foreign Assistance and Related Programs Appropriations Act, 1986, title II of the Agriculture, Rural Development and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, and title II of the Urgent Supplemental Appropriations Act, 1985 (Public Law 99-190).

(c)(1) The Secretary of State, the Administrator of the Agency for International Development, and the Director of the Office of Management and Budget, shall—

(A) develop a plan for fully funding the assistance to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) proposed in the January 1984 report of the National Bipartisan Commission on Central America; and

(B) provide a report describing this plan to the President and the Congress no later than March 1, 1987.

(2) The report required by paragraph (1) shall include an analysis and recommendations, prepared in consultation with the Secretary of Agriculture, on how more effective use can be made of agricultural commodities from the United States in alleviating hunger in Central America and contributing to the economic development of the Central American democracies.

(d) There are hereby transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-190), under the heading "Assistance For Implementation of the Central American Peace Initiative," \$10,000,000 to be available only for the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) to promote peace, stability, and economic development.

(e) Funds transferred under paragraph (d) shall remain available for the same period of time as such funds would have been available under the Supplemental Appropriations Act, 1985 (Public Law 99-190), but for the enactment of this title.

able under the Supplemental Appropriations Act, 1985 (Public Law 99-89), but for the enactment of this title.

(e) The Congress reaffirms its support for the establishment of a Central American Development Organization, authorized by section 164 of the Foreign Assistance Act of 1961, as an effective forum for dialogue on, and the continuous review and advancement of, Central America's political, economic, and social development, including the strengthening of democratic pluralism and respect for internationally recognized human rights. Toward this end, not less than \$750,000 of the funds transferred by this section should be used to establish the Central American Development Organization and its administrative apparatus so as to ensure that Central American development objectives are encouraged.

ASSISTANCE FOR THE NICARAGUAN DEMOCRATIC RESISTANCE

Sec. 206. (a)(1) The Congress hereby approves the provision of assistance for the Nicaraguan democratic resistance in accordance with the provisions of this title.

(2) There are hereby transferred to the President for the purposes of this section \$100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate.

(b) Notwithstanding the Impoundment Control Act of 1974, not more than 40 percent of the funds transferred under subsection (a) may be available for obligation or expenditure in accordance with this title upon the date of its enactment; not more than an additional 20 percent of such funds may be so available no earlier than October 15, 1986, and 15 days after the transmission to the Congress of the determination required by section 11(c) and not more than 40 percent may be so available no earlier than February 15, 1987, and 15 days after the transmission to the Congress of the determination required by section 11(c).

(c) Funds transferred under subsection (a) shall remain available for the same period of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), but for the enactment of this title.

COORDINATION OF AND ACCOUNTABILITY FOR ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

Sec. 207. (a) The Secretary of State (or his designee) shall be responsible for policy guidance, coordination, and supervision of United States Government activities under this title.

(b) Any agency to which funds transferred under section 6(a) are allocated shall establish standards, procedures and controls necessary to assure that such funds are accounted for and are used exclusively for the purposes authorized by this title. Standards, procedures and controls shall be developed in consultation with the Secretary of Defense and the appropriate agencies of the Government and shall be submitted to the President and the Congress for their review and approval. The Secretary of State shall submit to the President and the Congress a report describing the standards, procedures and controls established by the agency.

(c) There are hereby transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-190), under the heading "Assistance For Implementation of the Central American Peace Initiative," \$10,000,000 to be available only for the provision of assistance to the Nicaraguan democratic resistance.

(b) Of the \$30,000,000 made available only for purposes of subsection (a), \$3,000,000 shall be available only for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.

APPLICATION OF EXISTING LAWS

SEC. 209. (a) Except as otherwise provided in this title, funds transferred under section 6(a) shall be available for the purposes described in section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986, and all the requirements, terms, and conditions of such section and sections 101 and 102 of such Act, section 502 of the National Security Act of 1947, and section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88), shall be deemed to have been met for such use of such funds.

(b) The use of funds made available under this title is subject to all applicable provisions of law and established procedures relating to the oversight by the Congress of operations of departments and agencies.

(c) Nothing in this title shall be construed as permitting the President to furnish additional assistance to the Nicaraguan democratic resistance from funds other than the funds transferred under section 6(a) or otherwise specifically authorized by the Congress for assistance to the Nicaraguan democratic resistance.

(d) No limitation or restriction contained in section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law shall apply to the transfer or use of funds transferred to the President under this title.

USE OF FUNDS AFTER A PEACEFUL SETTLEMENT

SEC. 210. If the President determines and so reports to the Congress that a peaceful settlement of the conflict in Central America has been reached, then—

(1) the unobligated balance, if any, of funds transferred under section 6(a) shall be available for the purposes of relief, rehabilitation, and reconstruction in Central American countries in accordance with the authorities contained in Chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to economic support fund assistance);

(2) the President shall terminate any economic embargo of Nicaragua then in effect; and

(3) the President shall take such further actions as appropriate to carry out the policy described in section 2(a)(1) of this title with respect to all Central American countries, including Nicaragua.

INCENTIVES FOR A NEGOTIATED SETTLEMENT

SEC. 211. (a) Assistance to the Nicaraguan democratic resistance under this title shall be provided in a manner designed to encourage the Government of Nicaragua to respond favorably to the many opportunities available for achieving a negotiated settlement of the conflict in Central America. These opportunities include the following proposals:

(1) Six opposition Nicaraguan political parties on February 7, 1986, called for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on a new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation of these actions and commitments by appropriate international groups and organizations;

(2) President Reagan on February 10, 1986, offered simultaneous talks between the Government of Nicaragua and the United States Government;

(3) President Jose Napoleon Duarte of El Salvador on March 5, 1986, offered an additional

dialogue between the Government of El Salvador and the insurgents in El Salvador if the Government of Nicaragua would simultaneously engage in a dialogue with all elements of the Nicaragua democratic opposition; and

(4) The United Nicaraguan Opposition on May 29, 1986, reiterated its support for the six-party proposal described in paragraph (1) as a means to achieve national reconciliation and democratization.

(b)(1) In furtherance of the objectives set forth in subsection (a), and except as provided in subsection (e), assistance to the Nicaraguan democratic resistance under this title shall be limited to the following:

(A) humanitarian assistance (as defined in section 722(g)(5) of the International Security and Development Cooperation Act of 1985);

(B) logistics advice and assistance;

(C) support for democratic political and diplomatic activities;

(D) training, services, equipment and supplies for radio communications, collection, and utilization of intelligence, logistics, and small-unit skills, tactics and operations; and

(E) equipment and supplies necessary for defense against air attacks.

(2) The assistance described in paragraph (1) shall be limited, by type and value, to the matters specified in the classified annex to the communication from the President to the Speaker of the House of Representatives and the President of the Senate dated June 24, 1986.

(3) No weapons or ammunition shall be delivered under this title to the Nicaraguan democratic resistance prior to September 1, 1986.

(c) On and after October 15, 1986, an additional \$20,000,000 of the funds transferred under section 6(a) may be made available for obligation and expenditure for assistance to the Nicaraguan democratic resistance 15 days after the President determines and reports to the Congress that—

(1) the Central American countries have not concluded a comprehensive and effective agreement based on the Contradora Document of Objectives;

(2) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity, leading to regularly scheduled free and fair elections and the establishment of democratic institutions; and

(3) there is no reasonable prospect of achieving such agreement, dialogue, cease-fire, and end to constraints described in paragraphs (1) and (2) through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance.

(d)(1) Notwithstanding any other provision of this title, on or after October 15, 1986, funds transferred under section 6(a) may be obligated or expended only if the President determines and reports to the Congress that the Nicaraguan democratic resistance groups receiving assistance under this title have agreed to and are beginning to implement—

(A) confidence and reform measures to broaden their leadership base;

(B) the coordination of their efforts;

(C) the elimination of human rights abuses;

(D) the pursuit of a defined and coordinated program for achieving representative democracy in Nicaragua; and

(E) the subordination of military forces to civilian leadership; and

(F) the application of rigorous standards, procedures and controls to assure that funds transferred under section 6(a) are fully accounted for and are used exclusively for the purposes authorized by this title.

(2) In making his determination under paragraph (1), the President shall take into account the effectiveness and legitimacy of the political leadership of those Nicaraguan democratic resistance groups receiving assistance under this title, including the ability of that political leadership—

(A) to reflect the views and objectives of the internal and external Nicaraguan democratic opposition;

(B) to function as the spokesman for the Nicaraguan democratic opposition with Central Americans, international organizations, and the United States Government;

(C) to represent the Nicaraguan democratic opposition in dealing with the Government of Nicaragua;

(D) to provide command and control for the military forces of all resistance groups receiving assistance under this title and to establish the goals for their military operations;

(E) to determine the distribution of and maintain accountability for assistance provided under this title; and

(F) to provide the legal mechanisms necessary for the enforcement of standards of conduct applicable to all members of the resistance groups receiving assistance under the title.

(e) On and after February 15, 1987, the restrictions in subsection (b) shall cease to apply and the remaining funds transferred under section 6(a) may be made available for obligation and expenditure for assistance to the Nicaraguan democratic resistance 15 days after the President determines and reports to the Congress that—

(1) the Central American countries have not concluded a comprehensive and effective agreement based on the Contradora Document of Objectives;

(2) the Government of Nicaragua is not engaged in a serious dialog with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions; and

(3) there is no reasonable prospect of achieving such agreement, dialog, cease-fire, and end to constraints described in paragraphs (1) and (2) through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance.

unless the Congress has enacted a joint resolution under section 12 disapproving the provision of additional assistance other than assistance described in subsection (b)(1) within the limits of funds previously made available.

(f)(1) Notwithstanding subsection (e), no assistance (other than the assistance described in subparagraphs (A) through (F) of subsection (b)(1)) shall be provided any time to the Nicaraguan democratic resistance under this title if—

(A) the President determines that—

(i) the Central American countries have not concluded a comprehensive and effective agreement based on the Contradora Document of Objectives; or

(ii) the Government of Nicaragua is not engaged in a serious dialog with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech...

bly, religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions; or

(B) the Congress enacts a joint resolution under section 12 disapproving the provision of additional assistance (other than assistance described in subparagraphs (A) through (C) of subsection (b)(1)).

(2) The prohibition contained in paragraph (1) shall not apply—

(A) with respect to assistance described in subparagraph (D) of subsection (b)(1) if the Government of Nicaragua fails to observe an applicable cease-fire; or

(B) with respect to assistance described in subparagraph (E) of subsection (b)(1) if the Government of Nicaragua acquires additional equipment or materiel to carry out air attacks.

CONGRESSIONAL PRIORITY PROCEDURES

SEC. 212. (a)(1) A joint resolution described in subsection (e) of section 11 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to title of the Military Construction Appropriations Act, 1987, except as provided in section 11(b) thereof within the limits of funds previously made available."

(2) A joint resolution described in subsection (f)(1)(B) of section 11 shall be one without a preamble, the matter after the resolving clause of which is as follows: "That the Congress disapproves the provision of additional assistance to the Nicaraguan democratic resistance pursuant to title of the Military Construction Appropriations Act, 1987, except as provided in subparagraph (A) through (C) of section 11(b)(1) and paragraph (2) of section 11(f) thereof."

(3) A joint resolution described in subsection (a)(1) or (a)(2) shall be considered in the House of Representatives and in the Senate in accordance with the provisions of paragraphs (3) through (7) of section 3066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to a joint resolution shall be deemed to be references to the respective joint resolution set forth in subsection (a)(1) or subsection (a)(2);

(2) references in such paragraphs to Committee on Appropriations shall be deemed to be references to the appropriate committee or committees of the respective House of Congress; and

(3) references in such paragraphs to the eighth day and to fifteen calendar days shall be deemed to be references to the fifth day and to five calendar days, respectively.

(c) The provisions of this section are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under section 11, and they shall be consistent with such rules; and

(2) with all recognition of the constitutional right of the House and the Senate to amend their rules at any time, on the same manner and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

COMMISSION ON CENTRAL AMERICAN NEGOTIATIONS

SEC. 213. (a)(1) There is established the Commission on Central American Negotiations (hereafter in this section referred to as the "Commission"), which shall be composed of five members appointed as follows:

(A) One individual appointed by the Speaker of the House of Representatives;

(B) One individual appointed by the Minority Leader of the House of Representatives;

(C) One individual appointed by the Majority Leader of the Senate;

(D) One individual appointed by the Minority Leader of the Senate; and

(E) One individual who shall serve as Chairman of the Commission, selected by majority vote of the other members of the Commission.

(2) No officer or employee of the United States may be appointed as a member of the Commission.

(3) The appointments referred to in subparagraphs (A), (B), (C), and (D) of paragraph (1) shall be made within 5 calendar days following enactment of this title, and the selection of a chairman referred to in subparagraph (E) of paragraph (1) shall be made within 10 days following enactment of this title.

(b) The purpose of the Commission is to monitor and report on the efforts of the Nicaraguan democratic resistance to coordinate and reform and on the status of any negotiations on the peace, stability, and security of Central America, including negotiations conducted between or among—

(1) the Government of Nicaragua and all elements of the Nicaraguan democratic opposition, including the Nicaraguan democratic resistance;

(2) the governments of Central American countries;

(3) the Government of the United States and the Government of Nicaragua;

(4) the governments of the Contadora and Support Group countries and the governments of the Central American countries; and

(5) the Government of El Salvador and the insurgents in El Salvador.

(c)(1) The Commission may appoint and fix the pay of not more than seven staff personnel, but at such rates not in excess of the rate for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(2)(A) Each member of the Commission shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which such member is engaged in the performance of duties as a member of the Commission.

(B) While away from his home or regular place of business in the performance of duties for the Commission, a member or staff personnel of the Commission shall be allowed travel expenses, including a per diem in lieu of subsistence, not to exceed the expenses allowed persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(3) For purposes of pay and other employment benefits, grants, and privileges and for all other purposes, any employee of the Commission shall be considered to be a congressional employee as defined in section 5107 of title 5, United States Code.

(4) A majority of the members of the Commission shall constitute a quorum.

(5) All decisions of the Commission shall be by majority vote.

(6) The Commission may make such reports in connection with its duties as it deems necessary to the Speaker of the House

of Representatives and the chairman of the Committee on Foreign Relations of the Senate, except that—

(1) not later than 5 days after receipt by the Congress or a report by the President under section 14 the Commission shall prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report addressing all the matters which are required to be included in reports of the President by paragraphs (1), (3), and (4) of section 14; and

(2) not later than September 30, 1986, the Commission shall prepare and transmit to the Congress a report on whether the Nicaraguan democratic resistance groups receiving assistance under this title have agreed to and are beginning to implement measures described in subparagraphs (A) through (F) of section 11(d)(1) and an evaluation of the factors described in section 11(d)(2).

(f)(1) Salaries and expenses of the Commission, but not more than \$400,000, shall be paid from the contingent fund of the Senate out of the Account for Miscellaneous Items, in accordance with the provisions of this section.

(2) Funds made available to the Commission by paragraph (1) shall be disbursed on vouchers approved by the Chairman, except that no voucher shall be required for the disbursement of the salary of an individual appointed under subsection (c).

(3) For purposes of section 502(b) of the Mutual Security Act of 1954, the Commission shall be deemed to be a standing committee of the Congress and shall be entitled to use of funds in accordance with such section.

(g) The Commission shall terminate not later than 90 days after transmittal of the reports required by subsection (e).

PRESIDENTIAL REPORTING REQUIREMENT

SEC. 214. The President shall prepare and transmit to the Congress with each determination required by section 12 a report on actions taken to achieve a resolution of the conflict in Central America in a manner that meets the concerns described in section 3(a). Each such report shall include—

(1) a detailed statement of the status of negotiations toward a negotiated settlement of the conflict in Central America, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(2) a detailed accounting of the disbursements made to provide assistance with the funds transferred under section 6(a) and a detailed statement of how the accounting standards, procedures and controls established under section 7(b) and 11(d)(1)(F) are being implemented so as to assure that such funds are fully accounted for and are being used exclusively for the purposes authorized by this title;

(3) a discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps to be taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights violations; and

(4) an evaluation of the progress of the Nicaraguan democratic resistance in broadening its political base and in unifying and coordinating programs for achieving representative democracy in Nicaragua.

REQUESTS FOR ADDITIONAL ASSISTANCE

SEC. 215. The provisions of subsection (a) and (b) of section 722 of the International Security and Development Cooperation Act of 1955 shall apply—

(1) with respect to any request described in section 722(p) of such Act submitted by the President to the Congress on or after the date of enactment of this title, and

(2) with respect to any request by the President for additional economic assistance for the Central American democracies to carry out recommendations contained in the report required by section 5(c)(1)(B) (in which case references to a joint resolution in subsections (s) and (t) of section 722 of such Act shall be deemed to be references to a joint resolution without a preamble, the matter after the resolving clause of which is as follows: "That the Congress approves the additional economic assistance for the Central American democracies that the President requested pursuant to title _____ of the Military Construction Appropriation Act, 1987."), except that, for purposes of consideration in a House of Congress of a joint resolution under subsection (s) or (t) of such section, amendments to such a joint resolution may be in order but only if such amendments are germane.

LIMITATION ON PARTICIPATION OF UNITED STATES GOVERNMENT PERSONNEL IN DELIVERY OF ASSISTANCE

SEC. 216. (a) United States Government personnel may not provide any training or other service, or otherwise participate directly or indirectly in the provision of any assistance, to the Nicaraguan democratic resistance pursuant to this title within those land areas of Honduras and Costa Rica which are within 20 miles of the border with Nicaragua.

(b) As used in this section, the term "United States Government personnel" means—

(1) any member of the United States Armed Forces who is on active duty or is performing inactive duty training; and

(2) any employee of any department, agency, or other component of the executive branch of the United States Government, but does not include any officer or employee of the United States General Accounting Office or any employee of the Inspector General of the Department of State and the Foreign Service who is carrying out inspections, investigations, or audits with respect to assistance for the Nicaraguan democratic resistance pursuant to this title.

TITLE III—EMERGENCY RESERVE FOR AFRICAN FAMINE RELIEF

Sec. 301. Title II of Public Law 99-10 is amended, under the heading "Emergency Reserve for African Famine Relief", by striking out "\$225,000,000" and inserting in lieu thereof "\$525,000,000".

Sec. 302. Of the funds appropriated under title II of Public Law 99-10, as amended by this Act, \$300,000,000 shall remain available for obligation until September 30, 1987, notwithstanding any other provision of law or this Act.

And the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

(m) Such amounts as may be necessary for programs, projects, or activities provided for in H.R. 5205, the Department of Transportation and Related Agencies Appropriations Act, 1987, to the extent and in the manner provided for in the conference report and joint explanatory statement of the committee of conference (House Report 99-976) as filed in the House of Representatives on October 7, 1986, as if enacted into law, except that such confer-

ence agreement shall be considered as including the following language in lieu of section 331 of H.R. 5205 as passed by the House of Representatives on July 30, 1986:

"SEC. 331. AIR TRAFFIC CONTROLLER WORK FORCE REQUIREMENTS.—The Federal Aviation Administration shall satisfy the following criteria by September 30, 1987:

(a) total air traffic controller work force level of 15,000;

(b) with respect to the air traffic controller work force, of those individuals eligible to be Full Performance Level controllers, 70 percent shall have achieved Full Performance Level status;

(c) with respect to staffing at particular air traffic control facilities, of those individuals eligible to be Full Performance Level controllers, at least 60 percent at all centers and level 3 and above terminals shall have achieved Full Performance Level status."

And the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

(m) Such amounts as may be necessary for programs, projects or activities provided for in the Treasury, Postal Service and General Government Appropriations Act, 1987, at a rate of operations and to the extent and in the manner provided as follows, to be effective as if it had been enacted into law as the regular appropriations Act:

An Act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1987, and for other purposes

TITLE I—TREASURY DEPARTMENT OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; not to exceed \$22,000 for official reception and representation expenses; not to exceed \$200,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not to exceed \$650,000, to remain available until expended, for repairs and improvements to the Main Treasury Building and Annex, \$52,642,000.

INTERNATIONAL AFFAIRS

For necessary expenses of the international affairs function of the Office of the Secretary, hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed \$2,000,000 for official travel expenses; and not to exceed \$73,000 for official reception and representation expenses; \$22,142,000.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including purchase (not to exceed eight for police-type use) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and pres-

entation of awards; not to exceed \$3,000,000 for repair, alteration, minor construction, and related equipment for the Federal Law Enforcement Training Center facility to remain available until expended; not to exceed \$2,000 for official reception and representation expenses; and services as authorized by 5 U.S.C. 3109: Provided, That funds appropriated in this account shall be available for State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; acceptance of gifts; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center; \$29,499,000.

FINANCIAL MANAGEMENT SERVICE SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, \$240,117,000, of which not to exceed \$2,137,000 shall remain available until expended for systems modernization initiatives.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of three hundred vehicles for police-type use for replacement only; and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; not to exceed \$5,000 for official reception and representation expenses; \$193,463,000, of which \$15,000,000 shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year 1987, and of which \$1,300,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(a)(2). Provided, That no funds appropriated herein shall be available for administrative expenses in connection with consolidating or centralizing within the Department of the Treasury the records of receipts and disposition of firearms maintained by Federal firearms licensees or for issuing or carrying out any provisions of the proposed rules of the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, on Firearms Regulations, as published in the Federal Register, volume 43, number 55, of March 21, 1978: Provided further, That none of the funds appropriated herein shall be available for explosive identification or detection testing research, development, or implementation: Provided further, That not to exceed \$300,000 shall be available for research and development of an explosive identification and detection device.

UNITED STATES CUSTOMS SERVICE SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of up to five hundred motor vehicles for replacement only, including four hundred ninety for police-type use; hire of passenger motor vehicles; not to exceed \$10,000 for official reception and representation expenses; and awards of compensation to informants as authorized by any Act approved by the United States Customs Service, 3799, of which not to exceed \$150,000 shall be available for payment for rental in connection with predelivery operations, and not to exceed \$1,100,000, to remain available until expended, for research and development of an explosive identification and detection device. That uniforms may be purchased without regard to the general purchase price

THE WHITE HOUSE
WASHINGTON

Date: 5/25



A.B.

TO:

Alan Row

FROM: ARTHUR B. CULVAHOUSE, JR.
Counsel to the President

FYI: _____

COMMENT: _____

ACTION: WAS THIS IN the package
of Opinions given/shown to
Guy Struve?

26 May 87

yes.
Alan

As requested -
Vicki

December 1, 1986

f

MEMORANDUM FOR PETER J. WALLISON

FROM: VICKI MASTERMAN

SUBJECT: Laws Governing U.S. Support for Nicaraguan Rebels

This is in further response to your request for an explanation of the laws regarding U.S. support for the Anti-Sandinista Rebels (or Contras) fighting the government of Nicaragua. This memorandum provides a chronological synopsis and brief explanation of the laws relating specifically to Contra aid.

Fiscal Year 1983 -- The first law specifically addressing U.S. aid to the Contras was section 793 of the Fiscal Year 1983 Continuing Appropriations Resolution which stated:

None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras.

Pub. L. No. 97-377, 2d Sess., 1982. Representative Edward P. Boland, Chairman of the House Intelligence Committee, sponsored this provision; this section was called the "Boland Amendment." (As is noted below, the FY 1985 prohibition on Contra aid has also been generally referred to as the "Boland Amendment"; however, it was not introduced by Representative Boland, but rather was the result of a conference compromise.) Prior to passage of the Boland amendment in 1982, covert operations in Honduras were funded by CIA contingency appropriations as well as by intelligence and defense appropriations. 1983 Congressional Quarterly Almanac, p. 132.

The United States continued to support the Contras through fiscal year 1983. When Representative Boland alleged the Administration was violating the Boland Amendment by providing such support, the CIA responded that the aid was not "for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras." 1983 Congressional Quarterly Almanac, p. 126.

Fiscal Year 1984 -- Following considerable congressional debate (with strong opposition to further Contra aid in the House) the

Intelligence Authorization Act of 1984 and the Defense Authorization Act each contained the following provision:

During fiscal year 1984, not more than \$24,000,000 of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

Pub. L. No. 98-215, sec. 108, 1st Sess., 1983; Pub. L. No. 98-212, 1st Sess., 1983 (also included congressional finding that Nicaraguan government failed to keep 1979 promises, and directed President to work with the Organization of American States to resolve issues). The Administration had sought between \$30 and \$50 million for aid to the Contras, and, had informed Congress that the \$24 million would be expended by the end of May, 1984. Despite considerable Administration pressure, Congress refused to appropriate any additional funds for Contra support in fiscal year 1984. Reports suggest this was due in large part to congressional concern over the CIA mining of Nicaraguan harbors, and the CIA participation in a Contra manual advocating the kidnapping and assassination of Nicaraguan officials. 1984 Congressional Quarterly Almanac, p. 88.

This law governing Contra aid in FY 1984 was precedential in requiring the Administration to go through Congress to get additional funds for Contra support. Previously, the Administration had independently supported the Contras with CIA contingency funds and with available portions of defense and intelligence appropriations.

Fiscal Year 1985 -- Again after substantial congressional debate, Congress included the following section in the Fiscal Year 1985 Continuing Appropriations Act:

Sec. 8066. (a) During fiscal year 1985, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose of which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

(b) The prohibition concerning Nicaragua contained in subsection (a) shall cease to apply if, after February 28, 1985 --

(1) The President submits to Congress a report --

(A) stating that the Government of Nicaragua is providing materiel (sic) or monetary support to

anti-government forces engaged in military or paramilitary operations in El Salvador or other Central American countries;

(B) analyzing the military significance of such support;

(C) stating that the President has determined that assistance for military or paramilitary operations prohibited by subsection (a) is necessary;

(D) justifying the amount and type of such assistance and describing its objectives; and

(E) explaining the goals of United States policy for the Central American region and how the proposed assistance would further such goals, including the achievement of peace and security in Central America through a comprehensive, verifiable and enforceable agreement based upon the Contadora Document of Objectives; and

(2) a joint resolution approving assistance for military or paramilitary operations in Nicaragua is enacted.

[(c) For the purpose of subsection (b) (2), this subsection establishes a lengthy procedure for passage of the "joint resolution."]

(d) During fiscal year 1985 funds approved by the resolution described in subsection (b) (2) for the purpose of supporting, directly or indirectly, military or paramilitary operations in Nicaragua, shall not exceed \$14,000,000.

Pub. L. No. 98-473, 2d Sess., 1984. Although a technically imprecise label, this prohibition of military support for the Contras has been generally referred to as "the Boland Amendment." This is probably because Representative Boland sponsored the similar 1983 ban on Contra aid, was Chairman of the House Intelligence Committee during the 1984 conference compromise process, and was a long-time vocal opponent of Contra aid.

Since funds for Contra aid had run out in May, 1984, the Administration was disappointed by this law prohibiting support for military operations in Nicaragua until after February 28, 1985 -- and even then, only providing \$14 million upon passage of a congressional resolution following the required Presidential report. The Administration was even more disappointed, however, when Congress refused to pass the joint resolution which would have released the \$14 million in April, 1985, after the President's April 3, 1985 report and proposal.

August, 1985 through March, 1986 -- In the Fiscal Year 1985 Supplemental Appropriations Act, Congress made available for

obligation until March 31, 1986, \$27 million for humanitarian assistance to the Contras to be administered by any agency other than the CIA or the Department of Defense. This Act also continued, with respect to the funds appropriated therein, the "Boland Amendment" prohibitions of FY 1985 against any U.S. agency involved in intelligence activities from supporting, directly or indirectly, military operations in Nicaragua:

Sec. 102. (a) The prohibitions contained in section 8066(a) of the [Continuing Appropriations Act for Fiscal Year 1985 prohibiting expenditures for military support] shall, without limitation as to fiscal year, apply with respect to funds appropriated by this chapter under the headings "Humanitarian Assistance For Nicaraguan Democratic Resistance" and "Assistance for Implementation of a Contadora Agreement"

(b) Nothing in this Act, section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473), or section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall be construed to prohibit the United States Government from exchanging information with the Nicaraguan democratic resistance, or the obligation and expenditure, but only for the purposes for which they are expressly made available, of the funds appropriated by this chapter under the headings "Humanitarian Assistance for Nicaraguan Democratic Resistance" and "Assistance for Implementation of a Contadora Agreement."

Pub. L. No. 99-88, 1st Sess., 1985. This law also required the President to submit Nicaraguan progress reports to Congress, and established procedures for the President to request additional Contra aid.

Congress included the following prohibition on Contra aid in the statute authorizing the \$27 million in humanitarian aid:

(d) Prohibition Relating to Military or Paramilitary Operations in Nicaragua.--Notwithstanding any other provision of law, no funds authorized to be appropriated or otherwise made available by this Act (except the funds authorized to be appropriated in this section), by the Foreign Assistance Act of 1961, or by the Arms Export Control Act shall be used to provide assistance of any kind, either directly or indirectly, to any person or group engaging in an insurgency or other act of rebellion against the Government of Nicaragua. The United States shall not enter into any arrangement conditioning, expressly or impliedly, the provision of assistance under this Act or the purchase of defense articles and services under the Arms Export Control Act upon the provision of assistance by a recipient to persons or groups engaging in an insurgency or other act of rebellion against the Government of Nicaragua.

(e) Limitation on Use of Funds Against Nicaragua.-- None of the funds authorized to be appropriated in this or any other Act can be used to fund directly, or indirectly, activities against the Government of Nicaragua which have not been authorized by, or pursuant to, law and which would place the United States in violation of our obligations under the Charter of the Organization of American States, to which the United States is a signatory, or under international law as defined by treaty commitments agreed to, and ratified by, the Government of the United States.

International Security and Development Cooperation Act of 1985; Pub. L. No. 99-83, 1st Sess., 1985. The 1985 International Security and Development Cooperation Act prohibits, without respect to fiscal year, the expenditure of any federal funds for direct and indirect activities against the Government of Nicaragua which have not been authorized by law and which would violate relevant international charters, agreements or treaties. The Act also prohibits the United States from entering into express or implied agreements with other countries conditioning the provision of aid authorized by the Act or the sale of munitions authorized by the Arms Export Control Act on the provision of Contra support by the recipient country.

Fiscal Year 1987 -- The Continuing Appropriations Resolution for Fiscal Year 1987 included the following provisions for Contra aid:

There are hereby transferred to the President for the purposes of [assistance for the Nicaraguan democratic resistance] \$100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 . . . as the President shall designate.

. . .

Of the amounts transferred . . . , \$30,000,000 shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance.

Cong. Rec., Oct. 15, 1986, H 10688.

In sum, funds for Contra aid expired in May, 1984; additional funds were not authorized until August 1985, when Congress provided \$27 million for humanitarian assistance. The funds for humanitarian assistance were not available after March 31, 1986. Additional funds for military and humanitarian support were provided in October, 1986, in the Fiscal Year 1987 Continuing Appropriations Resolution.

There was an absolute \$24 million limit on Contra support in fiscal year 1984. A congressional ban on any U.S. agency involved in intelligence activities from directly or indirectly supporting military or paramilitary operations in Nicaragua was in effect during fiscal year 1985, and applied to the \$27 million in humanitarian assistance funds appropriated in the 1985 Supplemental Appropriations Act (available for obligation until March 31, 1986). And in 1985, Congress prohibited expenditures in support of Contra activities which are not authorized by law and which would violate specified international agreements.