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94th Congress)	HOUSE OF REPRESENTATIVES	5	REPORT
2d Session		Ì	No. 94–1302

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEAR 1977

JUNE 25, 1976 .- Ordered to be printed

FERG

Mr. MORGAN, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 3168]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3168) to authorize fiscal year 1977 appropriations for the Department of State, the United States Information Agency, and the Board for International Broadcasting, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

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

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Foreign Relations Authorization Act, Fiscal Year 1977".

TITLE I—STATE DEPARTMENT

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. (a) There are authorized to be appropriated for the Department of State for fiscal year 1977, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

For the "Administration of Foreign Affairs", \$552,455,000.
 For "International Organizations and Conferences", \$342,-

(2) For "International Organizations and Conferences", \$342,-460,453._____

(3) For "International Commissions", \$17,069,000.

(4) For "Educational Exchange", \$68,500,000.

(5) For "Migration and Refugee Assistance", \$10,000,000.

(6) For increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs, such amounts as may be necessary.

(b) Amounts appropriated under this section are authorized to remain available until expended.

TRANSFER AUTHORITY

SEC. 102. Funds authorized to be appropriated for fiscal year 1977 by any paragraph of section 101(a) (other than paragraph (6)) may be appropriated for such fiscal year for a purpose for which appropriations are authorized by any other paragraph of such section (other than paragraph (6)), except that the total amount appropriated for a purpose described in any paragraph of section 101(a)(other than paragraph (6)) may not exceed the amount specifically authorized for such purpose by section 101(a) by more than 10 per centum.

CONTRIBUTION TO THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

SEC. 103. Notwithstanding the limitation contained in the proviso in the paragraph under the subheading "Contributions to International Organizations" in title I of the Act of October 25, 1972 (86 Stat. 1110), and notwithstanding the requirements of section 302(h)of the Foreign Assistance Act of 1961, \$3,545,453 of the amount authorized to be appropriated by section 101(a)(2) of this Act may be used to complete the fiscal year 1975 United States contribution to the United Nations Educational, Scientific, and Cultural Organization.

INTERNATIONAL JOINT COMMISSION

SEC. 104. The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, is amended by adding at the end thereof the following section:

"SEC. 19. Each fiscal year (beginning with fiscal year 1977), the Secretary of State may use not to exceed \$1,500 of the funds appropriated for the American Sections, International Joint Commission, United States and Canada, for representation expenses and official entertainment within the United States for such American Sections.".

RUSSIAN REFUGEE ASSISTANCE

SEC. 105. In addition to amounts otherwise available there are authorized to be appropriated to the Secretary of State for fiscal year 1977 not to exceed \$20,000,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorizations Act of 1972 (relating to Russian refugee assistance) and to furnish similar assistance to refugees from Communist countries in Eastern Europe. None of the funds appropriated under this section may be used to resettle refugees in any country other than Israel. Amounts appropriated under this section are authorized to remain available until expended.

UNITED STATES PASSPORT OFFICE

SEC. 106. In addition to amounts otherwise available for such purposes, there is authorized to be appropriated for fiscal year 1977, \$1,000,000, to be used for miniaturization of the files of the United States Passport Office. Amounts appropriated under this section are authorized to remain available until expended.

NORTH ATLANTIC ASSEMBLY

SEC. 107. The joint resolution entitled "Joint resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization", approved July 11, 1956, is amended by adding at the end thereof the following new section:

"SEC. 5. In addition to the amounts authorized by section 2, there is authorized to be appropriated \$50,000 for fiscal year 1977 to meet the expenses incurred by the United States group in hosting the twenty-second annual meeting of the North Atlantic Assembly. Amounts appropriated under this section are authorized to remain available until expended.".

PAYMENT TO LADY CATHERINE HELEN SHAW

SEC. 108. Of the amount appropriated under paragraph (1) of section 101(a) of this Act for salaries and expenses, \$10,000 shall be available for payment ex gratia to Lady Catherine Helen Shaw, wife of the former Australian Ambassador to the United States, as an expression of the concern of the United States Government for the injuries which she sustained as a result of an attack on her in the District of Columbia.

FOREIGN SERVICE BUILDINGS AUTHORIZATION

SEC. 109. Section 4 of the Foreign Service Buildings Act, 1926, is amended—

(1) in paragraph (2) of subsection (h) by striking out "\$71,-600,000" and inserting in lieu thereof "\$73,058,000"; and

(2) by adding the following new subsection at the end of the section:

"(j) For the purpose of carrying into effect the provisions of this Act in the Union of Soviet Socialist Republics, there is authorized to be appropriated, in addition to amounts authorized prior to the enactment of this subsection, \$30,000,000, which amount is authorized to remain available until expended.".

PAN AMERICAN GAMES

SEC. 110. (a) The Congress finds that—

(1) the Eighth Pan American Games to be held in San Juan, Puerto Rico, in 1979 will provide an opportunity for more than six thousand young men and women, representing thirty-three countries in the Western Hemisphere, to participate in friendly athletic competition; (2) international sporting events such as the Eighth Pan American Games make a unique contribution in promoting common understanding and mutual respect among people of different cultural backgrounds; and

(3) the President has the authority under the Mutual Educational and Cultural Exchange Act of 1961 to provide financing, when he considers that it would strengthen international cooperative relations, for (A) tours abroad by American athletes, (B)United States representation in international sports competitions, and (C) participation by groups and individuals from other countries in tours and in sports competitions in the United States.

(b) In order to strengthen international cooperative relations and promote the purposes of the Mutual Educational and Cultural Exchange Act of 1961, the Secretary of State shall use funds appropriated to carry out this section to provide financial assistance to the Eighth Pan American Games to be held in Puerto Rico in 1979. Such funds shall be transferred by the Secretary to the Recreational Development Company of Puerto Rico (a government corporation of the Commonwealth of Puerto Rico) for expenses directly related to the Eighth Pan American Games, including expenses for—

(1) promoting, organizing, and conducting such games;

(2) constructing new and repairing existing athletic and recreational facilities;

(3) providing lodging, food, and transportation for participants in such games and for related personnel; and

(4) acquiring necessary material and equipment for such games.

Such expenditures shall be subject to such controls and audits as the Comptroller General may prescribe.

(c) To carry out this section, there is authorized to be appropriated to the Secretary of State, \$12,000,000.

PARTICIPATION BY FEDERAL EMPLOYEES IN CULTURAL EXCHANGE PROGRAMS

SEC. 111. The Mutual Educational and Cultural Exchange Act of 1961 is amended by adding immediately after section 108 the following new section:

"SEC. 108A. (a) (1) Congress consents to the acceptance by a Federal employee of grants and other forms of assistance provided by a foreign government to facilitate the participation of such Federal employee in a cultural exchange—

"(A) which is of the type described in section 102(a)(2)(i) of this Act.

"(B) which is conducted for a purpose comparable to the purpose stated in section 101 of this Act, and

"(C) which is specifically approved by the Secretary of State for purposes of this section;

but the Congress does not consent to the acceptance by any Federal employee of any portion of any such grant or other form of assistance which provides assistance with respect to any expenses incurred by or for any member of the family or household of such Federal employee. "(2) For purposes of this section, the term 'Federal employee' means any employee as defined in subparagraphs (A) through (E) of section 7342(a)(1) of title 5 of the United States Code, but does not include a person described in subparagraph (F) of such section.

"(b) The grants and other forms of assistance with respect to which the consent of Congress is given in subsection (a) of this section shall not constitute gifts for purposes of section 7342 of title 5 of the United States Code.

(c) The Secretary of State is authorized to promulgate regulations for purposes of this section.".

ANNUITY INCREASES FOR ALIEN EMPLOYEES

SEC. 112. Section 444(a) of the Foreign Service Act of 1946 is amended—

(1) by inserting "(1)" immediately after "(a)"; and

(2) by inserting the following new paragraph at the end thereof:

"(2) The Secretary may, under such regulations as he may prescribe, make supplemental payments, out of funds appropriated after the date of enactment of this subparagraph for salaries and expenses, to any civil service annuitant who is a former alien employee of the Service (or is a survivor of a former alien employee of the Service) in order to offset exchange rate losses, if the annuity being paid such annuitant is based on (A) a salary that was fixed in a foreign currency that has appreciated in value in terms of the United States dollar, and (B) service in a country in which (as determined by the Secretary) the average retirement benefits being received by those who have retired from competitive local organizations are superior to the local currency value of civil service annuities plus any other retirement benefits payable to alien employees who have retired during similar time periods and after comparable careers with the United States Government.".

MEMBERSHIP AUTHORITY FOR INTERNATIONAL ORGANIZATIONS

SEC. 113. The President is authorized to maintain United States membership in the International Cotton Advisory Committee, the International Lead and Zinc Study Group, the International Rubber Study Group, and the International Seed Testing Association.

PANAMA CANAL

SEC. 114. Any new Panama Canal treaty or agreement negotiated with funds appropriated under this title must protect the vital interests of the United States in the Canal Zone and in the operation, maintenance, property, and defense of the Panama Canal.

INTERNATIONAL JOINT COMMISSION

SEC. 115. After the date of enactment of this Act, any commissioner of the International Joint Commission appointed on the part of the United States, pursuant to article VII of the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548; III Redmond 2607), shall be appointed by the President by and with the advice and consent of the Senate.

FOREIGN GIFTS

SEC. 116. (a) The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended by section 104 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 20. Any expenditure for any gift for any person of any foreign country which involves any funds made available to meet unforeseen emergencies arising in the Diplomatic and Consular Service shall be audited by the Comptroller General and reports thereon made to the Congress to such extent and at such times as he may determine necessary. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property pertaining to such expenditure and necessary to facilitate the audit.".

STATE DEPARTMENT/UNITED STATES INFORMATION AGENCY PERSONNEL SYSTEM

SEC. 117. It is the sense of Congress that the proliferation of personnel categories within the State Department and the United States Information Agency (the several categories being characterized by various standards for hiring, tenure, and pay) has resulted in a personnel system susceptible to inefficiency, inequity, and abuse. Therefore, within one hundred and eighty days of the enactment of this Act, the Secretary of State shall transmit to Congress a comprehensive plan for the improvement and simplification of this system, such plan to include a reduction in the number of personnel categories, and properiod legislation if necessary.

PARLIAMENTARY CONFERENCES

SEC. 118. (a) Section 2 of the Act of June 11, 1959 (Public Law 86-42; 73 Stat. 72), is amended by striking out "\$30,000" and inserting in lieu thereof "\$50,000", and by striking out "\$15,000" each time it appears and inserting in lieu thereof "\$25,000".

(b) Section 2 of the Act of April 9, 1960 (Public Law 86-420; 74 Stat. 40), is amended by striking out "\$30,000" and inserting in lieu thereof "\$50,000", and by striking out "\$15,000" each time it appears and inserting in lieu thereof "\$25,000".

MEDICAL MALPRACTICE PROTECTION

SEC. 119. Title X of the Foreign Service Act of 1946 is amended by adding at the end thereof the following new part:

"PART J-MALPRACTICE PROTECTION

SEC. 1091. (a) The remedy-

"(1) against the United States provided by sections 1346(b) and 2672 of title 28 of the United States Code, or "(2) through proceedings for compensation or other benefits from the United States as provided by any other law, where the availability of such benefits precludes a remedy under such sections,

for damages for personal injury, including death, allegedly arising from malpractice or negligence of a physician, dentist, nurse, pharmacist, or paramedical (including medical and dental assistants and technicians, nursing assistants, and therapists) or other supporting personnel of the Department of State (including the Agency of International Development) in furnishing medical care or related services, including the conducting of clinical studies or investigations, while in the exercise of his or her duties in or for the Department of State or any other Federal department, agency, or instrumentality shall be exclusive of any other civil action or proceeding by reason of the same subject matter against such physician, dentist, nurse, pharmacist, or paramedical or other supporting personnel (or his or her estate) whose act or omission gave rise to such claim.

"(b) The United States Government shall defend any civil action or proceeding brought in any court against any person referred to in subsection (a) of this section (or his or her estate) for any such damage or injury. Any such person against whom such civil action or proceeding is brought shall deliver, within such time after date of service or knowledge of service as determined by the Attorney General, all process serve upon him or her or an attested true copy thereof to whomever was designated by the Secretary to receive such papers and such person shall promptly furnish copies of the pleading and process therein to the United States attorney for the district embracing the place wherein the proceeding is brought, to the Attorney General, and to the Secretary.

"(c) Upon a certification by the Attorney General that the defendant was acting within the scope of his or her employment in or for the Department of State or any other Federal department, agency, or instrumentality at the time of the incident out of which the suit arose. any such civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States of the district and division embracing the place wherein it is pending and the proceeding deemed a tort action brought against the United States under the pro-visions of title 28 of the United States Code and all references thereto. Should a United States district court determine on a hearing on a motion to remand held before a trial on the merits that the case so removed is one in which a remedy by suit within the meaning of subsection (a) of this section is not available against the United States, the case shall be remanded to the State court, except that where such remedy is precluded because of the availability of a remedy through proceedings for compensation or other benefits from the United States as provided by any other law, the case shall be dismissed, but in that event, the running of any limitation of time for commencing, or filing an application or claim in, such proceedings for compensation or other benefits shall be deemed to have been suspended during the pendency of the civil action or proceeding under this section.

"(d) The Attorney General may compromise or settle any claim asserted in such civil action or proceeding in the manner provided in section 2677 of title 28 of the United States Code and with the same effect.

"(e) For purposes of this section, the provisions of section 2680(h)of title 28 of the United States Code shall not apply to any tort enumerated therein arising out of negligence in the furnishing of medical care or related services, including the conducting of clinical studies or investigations.

"(f)" The Secretary may, to the extent he deems appropriate, hold harmless or provide liability insurance for any person to whom the immunity provisions of subsection (a) of this section apply, for damages for personal injury, including death, negligently caused by any such person while acting within the scope of his or her office or employment and as a result of the furnishing of medical care or related services, including the conducting of clinical studies or investigations, if such person is assigned to a foreign area or detailed for service with other than a Federal agency or institution, or if the circumstances are such as are likely to preclude the remedies of third persons against the United States provided by section 1346(b) and 2672 of title 28 of the United States Code, for such damage or injury. "(g) For purposes of this section, any medical care or related serv-

ice covered by this section and performed abroad by a covered person at the direction or with the approval of the United States Ambassador or other principal representative of the United States in the area shall be deemed to be within the scope of employment of the individual performing the service.".

APPOINTMENT OF AMBASSADORS

SEC. 120. It is the sense of the Congress that a greater number of positions of ambassador should be occupied by career personnel in the Foreign Service.

DISCRIMINATION

SEC. 121. Information should not be disseminated about opportunities for, and there should be no participation or other assistance by any officer or employee of the Department of State (including the Agency for International Development) in, the negotiation of any contract or arrangement with a foreign country, individual, or entity,

(1) any United States person (as defined in section 7701(a)

(30) of the Internal Revenue Code of 1954) is prohibited from entering into such contract or arrangement, or

(2) such contract or arrangement requires that any such person be excluded from participating in the implementation of such contract or arrangement,

on account of the race, religion, national origin, or sex of such person in the case of an individual or, in the case of a partnership, corporation, association, or other entity, any officer, employee, agent, director, or owner thereof.

TITLE II—UNITED STATES INFORMATION AGENCY

AUTHORIZATION OF APPROPRIATIONS

SEC. 201 (a) There are authorized to be appropriated for the United States Information Agency for fiscal year 1977, to carry out international informational activities and programs under the United States Information and Education Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Numbered 8 of 1953, and other purposes authorized by law, the following amounts:

(1) For "Šalaries and Expenses" and "Salary and Expenses (special foreign currency program)", \$255,925,000.
(2) For "Special International Exhibitions", \$4,841,000.

(3) For "Acquisition and Construction of Radio Facilities". \$2.142.000.

(4) Such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

TRANSFER AUTHORITY

SEC. 202. Funds authorized to be appropriated for fiscal year 1977 by any paragraph of section 201(a) (other than paragraph (4)) may be appropriated for such fiscal year for a purpose for which appropriations are authorized by any other paragraph of such section (other than paragraph (4)), except that the total amount appropri-ated for a purpose described in any paragraph of section 201(a) (other than paragraph (4)) may not exceed the amount specifically authorized for such purpose by section 201(a) by more than 10 per centum.

PURCHASE OF UNIFORMS

SEC. 203. Section 804 of the United States Information and Educational Exchange Act of 1948 is amended-

(1) by striking out "and" at the end of paragraph (12);

(2) by striking out the period at the end of paragraph (13) and (2) by soluting out the period at the one of paragraph (13) and
 inserting in lieu thereof "; and"; and
 (3) by adding immediately after paragraph (13) the following

new paragraph:

"(14) purchase uniforms, when funds are appropriated therefor.".

REPLACEMENT OF PASSENGER MOTOR VEHICLES

SEC. 204. Title VIII of the United States Information and Educational Exchange Act of 1948 is amended by adding at the end thereof the following new section:

"REPLACEMENT OF PASSENGER MOTOR VEHICLES

"SEC. 806. The exchange allowances or proceeds derived from the exchange or sale of passenger motor vehicles used abroad for purposes of this Act or the Mutual Educational and Cultural Exchange Act of 1961 are authorized to be made available without fiscal year limitation for replacement of an equal number of such vehicles in accordance with section 201(c) of the Federal Property and Administrative Services Act of 1949."

BICENTENNIAL DISTRIBUTION OF CERTAIN ITEMS PREPARED BY THE UNITED STATES INFORMATION AGENCY

SEC. 205. (a) Notwithstanding the second sentence of section 501 of the United States Information and Educational Exchange Act of 1948, the Director of the United States Information Agency shall make available to the Administrator of General Services, for deposit in the National Archives of the United States, a master copy of each of the films described in subsection (b) and 150 copies of the exhibit described in subsection (c) and the Administrator shall provide for the distribution of copies of such films and such exhibit for public viewing within the United States in conjunction with the commemoration of the American Revolution Bicentennial.

(b) The films referred to in subsection (a) are the following films which were prepared by the United States Information Agency:

(1) "Echoes", a film sketching the aspirations of American democracy as evoked by heroes and leaders of the past.

(2) "Santa Fe", a film dealing with the historical and social development of Santa Fe, New Mexico, and the surrounding countryside, and with the influence of Spanish, Indian, and Mexican culture on life in the United States Southwest.

(3) "The Numbers Start With the River", a film depicting the quality of life in a small midwestern American town as seen through the eyes of two elderly, lifelong residents of the town.
(4) "The Copland Portrait", a film depicting the life, work, and

(4) "The Copland Portrait", a film depicting the life, work, and music of American composer Aaron Copland, including his early student years and early interest in music, his current work with young composers, and his still energetic public performance schedule.

(5) "200", an impressionistic animated cartoon tracing the past two centuries of the development of America.

(6) "Rendezvous", a film portraying the frontier life of American fur trappers.

(7) "Century III—The Gift of Life", a film describing the advances that have been made in the United States, and the prospects for future such advances, in medical techniques such as organ transplants, prosthesis, and immunology.

(c) The exhibit referred to in subsection (a) is the exhibit, prepared by the United States Information Agency, entitled "Life, Liberty, and the Pursuit of Happiness". Such exhibit is a collection of pictures and captions, derived primarily from documents contemporaneous with the events represented, depicting early cultural life in the United States and tracing the early economic growth of the United States, the expansion westward, the development of the democratic spirit, and the establishment of American government and legal institutions.

VOICE OF AMERICA BROADCASTS

SEC. 206. Title V of the United States Information and Educational Exchange Act of 1948 is amended by adding the following new section:

"SEC. 503. The long-range interests of the United States are served by communicating directly with the peoples of the world by radio. To be effective, the Voice of America (the Broadcasting Service of the United States Information Agency) must win the attention and respect of listeners. These principles will therefore govern Voice of America (VOA) broadcasts:

"(1) VOA will serve as a consistently reliable and authoritative source of news. VOA news will be accurate, objective, and comprehensive.

"(2) VOA will represent America, not any single segment of American society, and will therefore present a balanced and comprehensive projection of significant American thought and institutions.

"(3) VOA will present the policies of the United States clearly and effectively, and will also present responsible discussion and opinion on these policies.".

TITLE III—BOARD FOR INTERNATIONAL BROADCASTING

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. Section 8 of the Board for International Broadcasting Act of 1973 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 8. (a) There are authorized to be appropriated to carry out the purposes of this Act for fiscal year 1977— "(1) \$58, 385,000, of which \$5,000,000 shall be available only to

"(1) \$58, 385,000, of which \$5,000,000 shall be available only to the extent that the Director of the Office of Management and Budget determines (and so certifies to the Congress) is necessary, because of downward fluctuations in foreign currency exchange rates in order to maintain the budgeted level of operation for Radio Free Europe and Radio Liberty; and

"(2) such additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs.

Amounts appropriated under this section are authorized to remain available until expended.

"(b) The Director of the Office of Management and Budget shall place in reserve and inform the Congress of any amount appropriated under this section which, because of upward fluctuations in foreign currency exchange rates, is in excess of the amount necessary to maintain the budgeted level of operation for Radio Free Europe and Radio Liberty.".

SEC. 302. (a) Section 3(b) of the Board for International Broadcasting Act of 1973 is amended(1) in paragraph (1)—

(A) in the first sentence, by striking out "seven members, two of whom shall be ex officio members" and inserting in lieu thereof "six members, one of whom shall be an ex officio member", and

(B) in the fourth sentence, by striking out "the chief operating executive of Radio Liberty shall be ex officio members" and inserting in lieu thereof "Radio Liberty shall be an ex officio member";

(2) by amending paragraph (4) to read as follows:

"(4) TERM OF OFFICE OF THE EX OFFICIO MEMBER.-The ex officio member of the Board shall serve on the Board during his term of service as chief operating executive of Radio Free Europe and Radio Liberty."; and

(3) in the third sentence of paragraph (5), by striking out "Ex officio members" and inserting in lieu thereof "The ex officio member".

(b) Section 3 of such Act is further amended by adding at the end thereof the following new subsection:

"(c) The Board may, to the extent it deems necessary to carry out its functions under this Act, procure supplies, services, and other personal property; including specialized electronic equipment.".

(c) Paragraph (8) of section 4(a) of such Act is amended—

(1) by striking out "30th day of October" and inserting in lieu thereof "31st day of January"; and
 (2) by striking out "June" and inserting in lieu thereof

"September".

TITLE IV-MISCELLANEOUS

JAPAN-UNITED STATES FRIENDSHIP ACT

SEC. 401. The Japan-United States Friendship Act (Public Law 94-118) is amended.

(1) in paragraph (10) of section 6 by striking out "from the Secretary of State, on a reimbursable basis,";

(2) in section 3(d) by striking out the period at the end thereof and inserting in lieu thereof ", including interest and proceeds accruing to the Fund from such funds in accordance with sections 6(4) and 7 of this Act.";

(3)(A) in section 3(e)(1) by striking out the period at the end thereof and inserting in lieu thereof "and interest and proceeds accruing to the Fund from such funds in accordance with sections 6(4) and 7 of this Act."; and

(B) in section 7(b) by inserting "of amounts authorized to be appropriated under section 3(d) of this Act" immediately after "investment" in the second sentence.

FOREIGN CURRENCY REPORTS

SEC. 402. Section 502(b) of the Mutual Security Act of 1954 is amended by adding at the end thereof the following new sentence: "Each such consolidated report shall be published in the Congressional Record within ten legislative days after it is forwarded pursuant to this subsection.".

REPORT ON INTERNATIONAL BROADCASTING

SEC. 403. Not later than January 31, 1977, the President shall submit to the Congress a report-

(1) recommending steps to be taken to utilize more effectively the transmission facilities for international broadcasting, both existing and planned, of the United States Government;

(2) examining the feasibility of greater cooperation with for-eign countries to insure mutually efficient use of nationally owned and nationally funded transmission facilities for international broadcasting;

(3) containing a comprehensive outline of projected needs for United States international broadcasting operations based on anticipated language requirements and anticipated cooperation among various agencies of the United States Government, United States Government-funded organizations, and foreign governments involved in international broadcasting; and

(4) recommending steps which should be taken to extend broadcasting operations similar to those carried out under the Board for International Broadcasting Act of 1973 to additional countries where access to information is restricted by the policies of the governments of such countries.

TITLE V—FOREIGN SERVICE RETIREMENT

SHORT TITLE

SEC. 500. This title may be cited as the "Foreign Service Retirement Amendments of 1976".

FOREIGN SERVICE STAFF PARTICIPATION

SEC. 501. (a) Section 803 of the Foreign Service Act of 1946 is amended by adding the following paragraph at the end of subsection (a) thereof:

(4) All Foreign Service staff officers and employees appointed by the Secretary of State or the Director of the United States Information Agency with unlimited appointments.".

(b) Section 803 of such Act is further amended by changing the reference at the end of subsection (b) (2) from "852(b)" to "811".

(c) Section 803 of such Act is further amended by striking out subsection (c) thereof.

DEFINITIONS

SEC. 502. (a) The caption of section 804 of such Act is amended to read "DEFINITIONS".

(b) Section 804 of such Act is amended by striking out all of such section except paragraphs (4), (5), and ($\check{6}$) of subsection (\check{b}) and inserting in lieu thereof the following:

"When used in this title unless otherwise specified, the term-

"(1) 'Annuitant' means any person including a former participant or survivor who meets all requirements for an annuity from the Fund under the provisions of this or any other Act and who has filed claim therefor.

"(2) 'Surviving spouse' means the surviving wife or husband of a participant or annuitant who, in the case of a death in Service or marriage after retirement, was married to the participant or annuitant for at least two years immediately preceding his or her death or is the parent of a child born of the marriage.

"(3) 'Child', except in section 841, means an unmarried child, under the age of eighteen years, or such unmarried child regardless of age who because of physical or mental disability incurred before age eighteen is incapable of self-support. In addition to the offspring of the participant, such term includes (A) an adopted child, (B) a stepchild or recognized natural child who received more than one-half support from the participant, and (C) a child who lived with and for whom a petition of adoption was filed by a participant, and who is adopted by the surviving spouse of the participant after the latter's death. Such term also includes an unmarried student below the age of twenty-two years. For this purpose a child whose twenty-second birthday occurs before July 1 or after August 31 of a calendar year, and while a student is deemed to have become twenty-two years of age on the first day of July after that birthday.

"(4) 'Student' means a child regularly pursuing a full-time course of study or training in residence in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution. A child who is a student shall not be deemed to have ceased to be a student during any interim between school years, semesters, or terms if the interim or other period of nonattendance does not exceed five calendar months and if the child shows to the satisfaction of the Secretary that he or she has a bona fide intention of continuing to pursue such course during the school year, semester, or term immediately following the interim.

"(5) 'Military and naval service' means honorable active service-

"(A) in the Armed Forces of the United States;

"(B) in the Regular or Reserve Corps of the Public Health Service after June 30, 1960; or

"(C) as a commissioned officer of the National Oceanic and Atmospheric Administration or predecessor organization after June 30, 1961;

but does not include service in the National Guard except when ordered to active duty in the service of the United States.

"(6) 'Foreign Service normal cost' means the level percentage of payroll required to be deposited in the Fund to meet the cost of benefits payable under the System (computed in accordance with generally accepted actuarial practice on an entry-age basis) less the value of retirement benefits earned under another retirement system for Government employees and less the cost of credit allowed for military service.".

(c) Section 804 of such Act is further amended by redesignating present paragraphs (4), (5), and (6) of subsection (6) as paragraphs (7), (8), and (9), respectively.

CONFORMITY WITH CIVIL SERVICE RETIREMENT SYSTEM

SEC. 503. Immediately after section 804 of such Act, insert the following new section:

"AUTHORITY TO MAINTAIN EXISTING AREAS OF CONFORMITY BETWEEN CIVIL SERVICE AND FOREIGN SERVICE RETIREMENT SYSTEMS

"SEC. 805. (a) In order to maintain existing conformity between the Civil Service Retirement and Disability System and the Foreign Service Retirement and Disability System, whenever (subsequent to January 1, 1974) a law is enacted which affects a provision of general applicability in the Civil Service Retirement and Disability System (subchapter III, chapter 83, title 5, United States Code) or otherwise affects current or former participants, annuitants, or survivors under that System which, immediately prior to the enactment of such law, had been substantially identical to a corresponding provision of law affecting participants, former participants, annuitants, or survivors under the Foreign Service Retirement and Disability System, such new provision of law shall be deemed to extend to the latter System so that it applies in like manner with respect to such Foreign Service Retirement and Disability System participants, former participants, annuitants, or survivors. The President is authorized by Executive order to prescribe regulations to implement this section and to make such extension retroactive to a date no earlier than the effective date of such provision for the Civil Service Retirement and Disability System.

"(b) Any provisions of an Executive order issued under the authority of this section shall modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

"(1) all provisions of law enacted prior to the effective date of the provision of such Executive order, and

"(2) any prior provision of an Executive order issued under authority of this section.".

CONTRIBUTIONS

SEC. 504. (a) The heading of part B of title VIII of such Act is amended to read "Contributions to the Fund".

(b) Section 811 of such Act is amended by adding the following at the end thereof:

"(c) (1) If an officer or employee under another retirement system for Government employees becomes a participant in the system by direct transfer, such officer or employee's total contributions and deposits that would otherwise be refundable on separation including interest accrued thereon, except voluntary contributions, shall be transferred to the Fund effective as of the date such officer or employee becomes a participant in the System. Each such officer or employee shall be deemed to consent to the transfer of such funds and such transfer shall be a complete discharge and acquitance of all claims and demands against the other Government retirement fund on account of service rendered prior to becoming a participant in the system.

"(2) No officer or employee, whose contributions are transferred to the Fund in accordance with the provisions of subsection (c)(1) of this section, shall be required to make contributions in addition to those transferred, for periods of service for which required contributions were made to the other Government retirement fund, nor shall any refund be made to any such officer or employee on account of contributions made during any period to the other Government retirement fund, at a higher rate than that fixed by subsection (d) of this section.

"(d) Any participant credited with civilian service after July 1, 1924 (1) for which no retirement contributions, deductions, or deposits have been made, or (2) for which a refund of such contributions, deductions, or deposits has been made which has not been redeposited, may make a special contribution to the Fund equal to the following percentages of basic salary received for such services:

	salar
From July 1, 1921, to October 15, 1960, inclusive	5
From October 16, 1960, to December 31, 1969, inclusive	61/
On and after January 1, 1970	7

Notwithstanding the foregoing, a special contribution for prior nondeposit service as a National Guard technician which would be creditable under subchapter III, chapter 83, title 5, of the United States Code toward civil service retirement and for which a special contribution has not been made, shall be equal to the special contribution for such service computed in accordance with the above schedule multiplied by the percentage of such service that is creditable under section 851. Special contributions shall include interest computed from the midpoint of each service period included in the computation, or from the date refund was paid, to the date of payment of the special contribution or commencing date of annuity, whichever is earlier. Interest shall be compounded at the rate of 4 per centum per annum to December 31, 1976, and at 3 per centum per annum thereafter. No interest shall be charged on special contributions made after the effective date of the Foreign Service Retirement Amendments of 1976 for any period of separation from Government service which began before October 1, 1956. Special contributions may be paid in installments when authorized by the Secretary.

"(e) No contributions shall be required for any periods of military or naval service.

"(f) A participant or survivor may make a special contribution any time before receipt of annuity and may authorize payment by offset against initial annuity accrurals.".

COMPUTATION OF ANNUITIES

SEC. 505. (a) The heading of part C of title VIII of such Act is amended to read "Computation and Payment of Annuities".

(b) Subsection (a) of section 821 of such Act is amended (1) by striking out the phrase "for which full contributions have been made to the Fund" each time it appears and by striking out the commas immediately preceding and following such phrase the first time it appears, (2) by striking out ", 852", and (3) by adding the following sentence at the end thereof: "The annuity shall be reduced by 10 per centum of any special contribution described in section 811(d) due for service for which no contributions were made and remaining unpaid unless the participant elects to eliminate the service involved for purposes of annuity computation.".

(c) Subsection (b) of section 821 of such Act is amended to read as follows:

"(b) (1) Unless elected in writing to the contrary at the time of retirement, any married participant shall receive a reduced annuity and provide a maximum survivor annuity for his or her spouse. Such a participant's annuity or any portion thereof designated in writing by the participant as the base for the survivor benefit shall be reduced by $2\frac{1}{2}$ per centum of the first \$3,600 plus 10 per centum of any amount over \$3,600. If an annuitant entitled to receive a reduced annuity under this subsection dies and is survived by a spouse, a survivor annuity shall be paid to the surviving spouse equal to 55 per centum of the full umount of the participant's annuity computed under subsection (a) of this section, or by 55 per centum of any lesser amount the annuitant designated at the time of retirement as the base for the survivor benefit.

"(2) An annuity payable from the Fund to a surviving spouse shall commence on the day after the annuitant dies and shall terminate on the last day of the month before the survivor's (A) remarriage prior to attaining age sixty, or (B) death. If a survivor annuity is terminated because of remarriage under clause (A) above, it shall be restored at the same rate commencing on the date such remarriage is terminated provided any lump sum paid upon termination of the annuity is returned to the Fund.".

(d) Subsection (d) of section 821 of such Act is amended by adding the following sentence at the end thereof: "If the annuity to a surviving child is initiated or resumed, the annuities of any other children shall be recomputed and paid from that date as though the annuities to all currently eligible children in the family were then being initiated.".

(e) Subsection (e) of section 821 of such Act is amended to read as follows:

"(e) The annuity payable to a child under subsection (c) or (d) of this section shall begin on the day after the participant dies or if the child is not then qualified, on the first day of the month in which the child becomes eligible. A child's annuity shall terminate on the last day of the month which precedes the month in which eligibility ceases."

(f) Subsection (f) of section 821 of such Act is amended (1) by striking out "50" in the first sentence and inserting in lieu thereof "55", and (2) by striking out the last two sentences and inserting in lieu thereof the following: "The annuity payable to a beneficiary under the provisions of this subsection shall begin on the day after the annuitant dies and shall terminate on the last day of the month preceding the survivor's death.".

(g) Section 821 of such Act is further amended by adding the following new subsections at the end thereof:

"(g) An annuitant who was married at retirement and who later marries may, within one year after such marriage, irrevocably elect in writing a reduced annuity with benefit to any surviving spouse who qualifies under section 804(2). Receipt by the Secretary of notice of an election under this subsection voids prospectively any election previously made under subsection (f). The reduction in annuity required by an election under this subsection shall be computed and the amount of the survivor annuity shall be determined as if the election were made under subsection (b)(1). The annuity reduction or recomputation shall be effective the first day of the month after notice of the election is received by the Secretary.

"(h) A surviving spouse shall not become entitled to a survivor annuity or to the restoration of a survivor annuity payable from the Fund unless the survivor elects to receive it instead of any other survivor annuity to which he or she may be enitled under this or any other retirement system for Government employees.

"(i) Any married annuitant who reverts to retired status with entitlement to a supplemental annuity under section 871 shall, unless the annuitant elects in writing to the contrary at that time, have the supplemental annuity reduced by 10 per centum to provide a supplemental survivor annuity for his or her spouse. Such supplemental survivor annuity shall be equal to 55 per centum of the annuitant's supplemental annuity and shall be payable to a surviving spouse to whom the annuitant was married at the time of reversion to retired status or to whom the annuitant had been married for at least two years at the time of death or who is the parent of a child born of the marriage."

PAYMENT OF ANNUITIES

SEC. 506. Part C of title VIII of such Act is further amended by adding the following new section at the end thereof:

"PAYMENT OF ANNUITY

"SEC. 822. (a) Except as otherwise provided, the annuity of a former participant who has met the eligibility requirements for annuity shall commence on the day after separation from the Service or on the day after pay ceases. The annuity of a former participant who is entitled to a deferred annuity under section 834 or under any other section of this Act shall begin on the day he or she reaches age sixty.

"(b) The annuity to a survivor shall become effective as otherwise specified but shall not be paid until the survivor submits an application therefor supported by such proof of eligibility as the Secretary may require. If such application or proof of eligibility is not submitted during an otherwise eligible person's lifetime, no annuity shall be due or payable to his or her estate.

"(c) An individual entitled to annuity from the Fund may decline to accept all or any part of the annuity by submitting a signed waiver to the Secretary. The waiver may be revoked in writing at any time. Payment of the annuity waived may not be made for the period during which the waiver was in effect.

"(d) Recovery of overpayments under this title may not be made from an individual when, in the judgment of the Secretary, the individual is without fault and recovery would be against equity and good conscience or administratively infeasible.".

DISABILITY ANNUITIES

SEC. 507. Section 831 of such Act is amended-

(1) in subsection (a) thereof by striking out "that is credited in accordance with provisions of section 851 or 852(a)(2)";

(2) in subsection (c) thereof by striking out "(a)" following "section 841";

(3) by amending subsection (d) thereof to read as follows:

"(d) No participant shall be entitled to receive an annuity under this Act and compensation for injury or disability to himself or herself under subchapter I of chapter 81, title 5, United States Code, covering the same period of time except that a participant may simultaneously receive both an annuity under this section and scheduled disability payments under section 8107 of title 5, United States Code. This provision shall not bar the right of any claimant to the greater benefit conferred by either this Act or such subchapter for any part of the same period of time. Neither this provision nor any provision of such subchapter shall be so construed as to deny the right of any participant to receive an annuity under this Act and to receive concurrently any payment under such subchapter by reason of the death of any other person."; and

(4) in subsection (e) thereof by striking out "section 14 of the Act of September 16, 1916, as amended" and inserting in lieu thereof "section 8135 of title 5, United States Code".

DEATH IN SERVICE

SEC. 508. (a) Section 832 of such Act is amended by amending subsections (a), (b), (c), and (d) to read as follows:

"(a) If a participant dies and no claim for annuity is payable under the provisions of this Act, the lump-sum credit shall be paid in accordance with section 841.

"(b) If a participant who has at least eighteen months of civilian service credit toward retirement under the system dies before separation or retirement from the Service and is survived by a spouse, such surviving spouse shall be entitled to an annuity equal to 55 per centum of the annuity computed in accordance with the provisions of subsection (e) of this section and of section 821(a) and if the participant had less than three years creditable civilian service at the time of death, the survivor annuity shall be computed on the basis of the average salary for the entire period of such service. "(c) If a participant who has at least eighteen months of civilian

"(c) If a participant who has at least eighteen months of civilian service credit toward retirement under the system dies before separation or retirement from the Service and is survived by a wife or a husband and a child or children, each surviving child shall be entitled to an annuity computed in accordance with subsections (c)(1) and (d) of section 821.

"(d) If a participant who has at least eighteen months of civilian service credit toward retirement under the system dies before separation or retirement from the Service and is not survived by a wife or husband, but by a child or children, each surviving child shall be entitled to an annuity computed in accordance with subsections (c) (2) and (d) of section 821.".

(b) Section 832 of this Act is further amended by adding the following new subsections at the end:

"(f) If an annuitant who elected a reduced annuity dies in service after being recalled under section 520(b) and is survived by a spouse

entitled to a survivor annuity based on such an election, such survivor annuity shall be computed as if the recall service had otherwise terminated on the day of death and the deceased annuity had been resumed in accordance with section 871. If such a death occurs after the annuitant had completed sufficient recall service to attain eligibility for a supplemental annuity, a surviving spouse, in addition to any other benefits, shall be entitled to elect, in lieu of a refund of retirement contributions made during the recall service, a supplemental survivor annuity computed and paid under section 821(i) as if the recall service had otherwise terminated. If the annuitant had completed sufficient recall service to attain eligibility to have his or her annuity determined anew, a surviving spouse may elect, in lieu of any other benefit under this title, to have the annuitant's rights redetermined and to receive a survivor annuity computed under subsection (b) of this section on the basis of the annuitant's total service.

"(g) Annuities that become payable under this section shall commence, terminate, and be resumed in accordance with subsection (b)(2), (e), or (h) of section 821, as appropriate.".

DISCONTINUED SERVICE-TECHNICAL CHANGE

SEC. 509. Section 834 of such Act is amended (1) by striking out "(a) immediately following "SEC. 834."; (2) by striking out "that is credited in accordance with the provisions of section 851 or 852(a) (2)" in subsection (a) thereof; and (3) by striking out subsection (b) thereof.

LUMP-SUM PAYMENTS

SEC. 510. Part E of title VIII of such Act is amended to read as follows:

"PART E-LUMP-SUM PAYMENTS

"SEC. 841. (a) 'Lump-sum credit' as used in this title means the compulsory and special contributions to a participant's or former participant's credit in the Fund plus interest thereon compounded at 4 per centum per annum to the date of separation or December 31, 1976, whichever is earlier, and after such date for a participant who separates from the Service after completing at least one year of civilian service and before completing five years of such service, at the rate of 3 per centum per annum to the date of separation. Interest shall not be paid for a fractional part of a month in the total service or on compulsory and special contributions from an annuitant for recall service or other service performed after the date of separation which forms the basis for annuity.

"(b) Whenever a participant becomes separated from the Service without becoming eligible for an annuity or a deferred annuity in accordance with the provisions of this Act, the lump-sum credit shall be paid to the participant.

⁶(c) Whenever an annuitant becomes separated from the Service following a period of recall service without becoming eligible for a supplemental or recomputed annuity under section 871, the annuitant's compulsory contributions to the Fund for such service together with any special contributions the annuitant may have made for other service performed after the date of separation from the Service which forms the basis for annuity, shall be returned.

"(d) If all annuity rights under this title based on the service of a deceased participant or annuitant terminate before the total annuity paid equals the lump-sum credit, the difference shall be paid in the order of precedence shown in subsection (g) of this section.

"(e) If a participant or former participant dies and is not survived by a person eligible for an annuity under this title or by such a person or persons all of whose annuity rights terminate before a claim for survivor annuity is filed, the lump-sum credit shall be paid in accordance with subsection (g) of this section. "(f) If an annuitant who was a former participant dies, annuity

"(f) If an annuitant who was a former participant dies, annuity accrued and unpaid, shall be paid in accordance with subsection (g) of this section.

"(g) Payments authorized in subsections (d) through (f) of this section shall be paid in the following order of precedence to such person or persons surviving the participant and alive on the date entitlement to the payment arises, upon the establishment of a valid claim therefor, and such payment shall be a bar to recovery by any other person:

"(1) to the beneficiary or beneficiaries last designated by the participant before or after retirement in a signed and witnessed writing received by the Secretary prior to the participant's death, for which purpose a designation, change, or cancellation of beneficiary in a will or other document not so executed and filed shall have no force or effect;

"(2) if there be no such beneficiary, to the surviving wife or husband of such participant;

"(3) if none of the above, to the child or children of such participant (including adopted and natural children but not stepchildren) and descendants of deceased children by representation;

"(4) if none of the above, to the parents of such participant or the survivor of them;

"(5) if none of the above, to the duly appointed executor or administrator of the estate of such participant; and

"(6) if none of the above, to other next of kin of such participant as may be determined in the judgment of the Secretary to be legally entitled thereto, except that no payment shall be made pursuant to this paragraph (6) until after the expiration of thirty days from the death of the marticipant on apprint

of thirty days from the death of the participant or annuitant. "(h) Annuity accrued and unpaid on the death of a survivor annuitant shall be paid in the following order of precedence, and the pay-

tant shall be paid in the following order of precedence, and the payment bars recovery by any other person: First, to the duly appointed executor or administrator of the estate of the survivor annuitant; second, if there is no such executor or administrator, payment may be made, after the expiration of thirty days from the date of death of such survivor annuitant, to such person as may be determined by the Secretary to be entitled under the laws of the survivor annuitant's domicile at the time of death.

"(i) Amounts deducted and withheld from basic salary of a participant under section 811 from the beginning of the first pay period after the participant has completed thirty-five years of service computed under sections 851 and 853, but excluding service credit for unused sick leave under subsection (b) of section 851, together with interest on the amounts at the rate of 3 per centum a year compounded annually from the date of the deduction to the date of retirement or death, shall be applied toward any special contribution due under subsection (d) of section 811, and any balance not so required shall be refunded in a lump sum to the participant after separation or, in the event of a death in service, to a beneficiary in the order of precedence specified in subsection (g) of this section.".

CREDITABLE SERVICE

SEC. 511. (a) The heading of section 851 of such Act is amended to read as follows: "CREDITABLE SERVICE".

(b) Subsection (a) of section 851 of such Act is amended to read as follows:

"(a) Except as otherwise specified by law, all periods of civilian and military and naval service and periods of absence and separation therefrom completed by a participant through the date of final separation from the Service that would be creditable, as determined by the Secretary, under section 8332 of title 5, United States Code, toward retirement under the Civil Service Retirement and Disability System, if performed by an employee under that system, shall be creditable for purposes of this title. Conversely, any such service performed after December 31, 1976, that is not creditable under specified conditions under section 8332 of title 5, United States Code, shall be excluded under this title under the same conditions.".

(c) Section 851 of such Act is further amended by adding the following new subsections at the end thereof:

"(c) (1) A participant who enters on approved leave without pay to serve as a full-time officer or employee of an organization composed primarily of Government employees may, within sixty days after entering on that leave without pay, file with the employing agency an election to receive full retirement credit for such periods of leave without pay and arrange to pay concurrently into the Fund through the employing agency, amounts equal to the retirement deductions and agency contributions on the Foreign Service salary rate that would be applicable if the participant were in a pay status. If the election and all payments provided by this subsection are not made for the periods of such leave without pay occurring after the effective date of this subsection, the participant may not receive any credit for such periods of leave without pay occurring after such date.

" (\mathfrak{D}) A participant may make a special contribution for any period or periods of approved leave without vay while serving, before the effective date of this subsection, as a full-time officer or employee of an organization composed primarily of Government employees. Any such contribution shall be based upon the suspended Foreign Service salary rate, and shall be computed in accordance with section 811. A participant who makes such a contribution shall be allowed full retirement credit for the period or periods of leave without pay. If this contribution is not made, up to six months' retirement credit shall be allowed for such periods of leave without pay each calendar year. "(e) No credit in annuity computation shall be allowed for any period of civilian service for which a participant made retirement contributions to another retirement system for Government employees unless (1) the right to any annuity under the other system which is based on such service is waived, and (2) a special contribution is made covering such service pursuant to section 811.

"(f) A participant who during the period of a war, or of a national emergency as proclaimed by the President or declared by the Congress, leaves the Service to enter the military service is deemed, for the purpose of this title, as not separated from the Service unless the participant applies for and receives a lump-sum payment under section 841. However, the participant is deemed to be separated from the Service after the expiration of five years of such military service.".

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FUNDING NORMAL COST

SEC. 512. Section 865 of such Act is amended (1) by inserting "(a)" immediately after "SEC. 865.", and (2) by adding the following new subsection at the end thereof:

"(b) There is authorized to be appropriated to the Fund for each fiscal year an amount equal to the amount of the Foreign Service normal cost for that year which is not met by contributions to the Fund under section 811(a)."

ANNUITY ADJUSTMENT FOR RECALL SERVICE

SEC. 513. Section 871 of such Act is amended to read as follows:

"ANNUITY ADJUSTMENT FOR RECALL SERVICE

"SEC. 871. Any annuitant recalled to duty in the Service in accordance with the provisions of section 520(b) shall, while so serving, be entitled in lieu of annuity to the full salary of the class in which serving. During such service, the recalled annuitant shall make contributions to the Fund in accordance with the provisions of section 811. On the day following termination of the recall service, the former annuity shall be resumed adjusted by any cost-of-living increases under section 882 that became effective during the recall period. If the recall service lasts less than one year, the annuitant's contributions to the Fund during recall service shall be refunded in accordance with section 841. If the recall service lasts more than one year, the annuitant may, in lieu of such refund, elect a supplemental annity computed under section 821 on the basis of service credit and average salary earned during the recall period irrespective of the number of years of service credit previously earned. If the recall service continues for at least five years, the annuitant may elect to have his or her annuity determined anew under section 821 in lieu of any other benefits under

this section. Any annuitant who is recalled under section 520(b) may, upon written application, count as recall service any prior service that is creditable under section 851 that was performed after the separation upon which his or her annuity is based.".

VOLUNTARY CONTRIBUTIONS

SEC. 514. (a) Section 881(a) of such Act is amended by striking out that portion of such section which precedes paragraph (1) and inserting in lieu thereof the following:

"(a) The Voluntary contribution account shall be the sum of unrefunded amounts heretofore voluntarily contributed by any participant or former participant under this section or under a prior corresponding provision of law, plus interest compounded at the rate of 3 per centum per annum to date of separation from the Service or in case of a participant or former participant separated with entitlement to a deferred annuity to the date the voluntary contribution account is claimed, or to the commencing date fixed for the deferred annuity or to the date of death, whichever is earlier. A participant's or former participant's account shall, effective on the date the participant becomes eligible for an annuity or a deferred annuity and at the participant's election, be—".

(b) Section 881 of such Act is further amended by striking out subsections (c) and (d) thereof and by inserting in lieu thereof the following:

"(c) Å voluntary contribution account shall be paid in a lump sum following receipt of an application therefor from a present or former participant provided application is filed prior to payment of any additional annuity. If not sooner paid, the account shall be paid at such time as the participant separates from the Service for any reason without entitlement to an annuity, or a deferred annuity or at such time as a former participant dies or withdraws compulsory contributions to the Fund. In case of death, the account shall be paid in the order of precedence specified in section 841(g).".

COST-OF-LIVING ADJUSTMENTS

SEC. 515. (a) Subsections (a), (b), and (c) of section 882 of such Act are amended to read as follows:

"(a) A cost-of-living annulity increase shall become effective under this section on the effective date of each such increase under section 8340(b) of title 5, United States Code. Each such increase shall be applied to each annuity payable from the Fund which has a commencing date not later than the effective date of the increase.

"(b) The first annuity increase under this section after the effective date of this paragraph shall equal the per centum rise in the price index, adjusted to the nearest one-tenth of 1 per centum, between the month last used to establish an increase under this section and the base month used to establish the concurrent increase under section 8340(b) of title 5, United States Code. Each subsequent annuity increase under this section shall be identical to the corresponding percentage increase under section 8340(b) of title 5, United States Code. "(c) Eligibility for an annuity increase under this section shall be governed by the commencing date of each annuity payable from the Fund as of the effective date of an increase except as follows:

"(1) An annuity, except a deferred annuity under section 834 or any other section of this Act, payable from the Fund to a participant who retires and receives an immediate annuity, or to a surviving spouse of a deceased participant who dies in service or who dies after being separated under the provisions of section 634(b)(2), which has a commencing date after the effective date of the then last preceding general annuity increase under this section shall not be less than the annuity which would have been payable if the commencing date of such annuity had been the effective date of such last preceding increase. In the administration of this paragraph, the number of days of unused sick leave to an employee's or deceased employee's credit on the effective date of the then last preceding general annuity increase under this section shall be deemed to be equal to the number of days of unused sick leave to his or her credit on the day of separation from the Service.

"(2) Effective from its commencing date, an annuity payable from the Fund to an annuitant's survivor, except a child entitled under section 821(c) or 832(c) or (d), shall be increased by the total per centum increase the annuitant was receiving under this section at death.

"(3) for purposes of computing or recomputing an annuity to a Child under section 821 (c) or (d) or 832 (c) or (d), the items \$900, \$1,080, \$2,700 and \$3,240 appearing in section 821(c) shall be increased by the total per centum increases by which corresponding amounts are being increased under section 8340 of title 5, United States Code, on the date the child's annuity becomes effective."

(b) Section 882 of such Act is further amended by adding the following new subsection at the end thereof:

"(f) Effective the first day of the second month which begins after the effective date of the Foreign Service Retirement Amendments of 1976 or on the commencing date of an annuity, whichever is later, the annuity of each surviving spouse whose entitlements to annuity resulted from the death—

"(1) before the effective date of the Foreign Service Retirement Amendments of 1976, of (A) a participant, or (B) a former participant entitled to benefits under section 634(b); or

"(2) of an annuitant who, prior to the effective date of the Foreign Service Retirement Amendments of 1976, elected a reduced annuity under this or any other Act in order to provide a spouse's survivor annuity;

shall be increased by 10 per centum.".

REPEALS

SEC. 516. Sections 833, 852, and 854 of such Act are repealed.

RECALL

SEC. 517. (a) The caption of section 520 of such Act is amended to read "REAPPOINTMENT AND RECALL".

(b) Subsection (b) of section 520 of such Act is amended to read as follows:

"(b) Whenever the Secretary determines it to be in the public interest, any retired officer or employee of the Service may be recalled for active duty on a temporary or limited basis to any appropriate class in his or her former category, except that a retired Foreign Service officer may not be recalled to a class higher than he or she held at the time of retirement unless appointed to the higher class by the President by and with the advice and consent of the Senate.".

RETIREMENT OF CAREER AMBASSADORS

SEC. 518. Section 631 and the heading thereto of such Act are amended to read as follows:

"FOREIGN SERVICE OFFICERS WHO ARE CAREER AMBASSADORS

"SEC. 631. Any Foreign Service officer who is a career ambassador, other than one occupying a position as chief of mission or any other position to which appointed by the President, by and with the advice and consent of the Senate, shall be retired from the Service at the end of the month in which the officer reaches age sixty-five and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest, such an officer may be retained on active service for a period not to exceed five years. Any such officer who completes a period of authorized service after reaching age sixty-five shall be retired at the end of the month in which such service is completed.".

RETIREMENT OF PARTICIPANTS WHO ARE NOT CAREER AMBASSADORS

SEC. 519. Section 632 of such Act is amended to read as follows:

"PARTICIPANTS IN THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM WHO ARE NOT CAREER AMBASSADORS

"SEC. 632. Any participant in the Foreign Service Retirement and Disability System, other than one occupying a position as chief of mission or any other position to which appointed by the President, by and with the advice and consent of the Senate, who is not a career ambassador shall be retired from the Service at the end of the month in which the participant reaches age sixty and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest, such a participant may be retained on active service for a period not to exceed five years. Any such participant who completes a period of authorized service after reaching age sixty shall be retired at the end of the month in which such service is completed.".

SELECTION-OUT BENEFITS

SEC. 520. Section 634(b)(2) of such Act is amended by striking out-

(1) ", with interest" after the words "Disability Fund" the first time the latter appears;

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(2) "(a)" after "section 841" the first time the latter appears; (3) "that is credited in accordance with the provisions of sec-

tion 851 or 852(a)" after "naval service"; (4) ", with interest as provided in section 841(a)", after "Dis-ability Fund" the last time the latter appears; and

(5) "(b)" after "section 841" the last time the latter appears.

SEPARATION FOR CAUSE

SEC. 521. (a) Section 637 of such Act is amended by striking from the first sentence of subsection (b) thereof-

 (1) ", with interest" after "Disability Fund";
 (2) "(a)" after "section 841"; and
 (3) "that is credited in accordance with the provisions of section 851 or 852(a)" after "naval service".

(b) Such subsection (b) is further amended by striking out the last sentence thereof.

CONVERSION TO FOREIGN SERVICE RETIREMENT SYSTEM

SEC. 522. (a) In accordance with such regulations as the President may prescribe, all Foreign Service staff officers and employees with unlimited appointments who (1) have been appointed by the Secretary of State or the Director, United States Information Agency, and (2) are participants in the Civil Service Retirement and Disability System on the effective date of this section, shall be transferred to the Foreign Service' Retirement and Disability System effective on such date. Their retirement contributions shall be transferred in accordance with section 811 of the Foreign Service Act of 1946, as amended by this title.

(b) Mandatory retirement at age sixty as prescribed in section 632 of the Foreign Service Act of 1946, as amended by this title, shall not apply to any Foreign Service staff officer or employee who becomes a participant in the Foreign Service Retirement and Disability System pursuant to subsection (a) of this section until such officer or employee completes ten years of continuous service in the Foreign Service exclusive of military service, in the Department of State or ten years of such continuous service in the United States Information Agency.

(c) Any Foreign Service staff officer or employee who becomes a participant in the Foreign Service Retirement and Disability System pursuant to subsection (a) of this section who is age fifty-seven or over on the effective date of this section may retire voluntarily at any time prior to mandatory retirement and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended by this title.

(d) Section 9(b) of the Act of August 20, 1968 (82 Stat. 812), is repealed on the effective date of this section.

GRANTS TO CERTAIN WIDOWS AND SURVIVOR ANNUITY ELECTIONS

SEC. 523. (a) A Foreign Service annuitant who was married at the time of retirement, whose service terminated prior to October 16, 1960. and who has not elected any survivor benefit, may, within one hundred and twenty days after the effective date of this title, elect a reduction in his or her annuity of \$300 per annum and provide a survivor benefit of \$2,400 per annum payable to the annuitant's surviving spouse provided the marriage had been in effect for at least two years at the time of death or resulted in the birth of a child. The survivor annuity shall be treated in all respects as if it had been elected under section 821(b) of the Foreign Service Act of 1946, as amended by this title.

(b) An assistant who makes an election under subsection (a) of this section shall pay into the Foreign Service Retirement and Disability Fund an amount equal to \$25 times the number of full months between the commencing date of his or her annuity and the first of the month following receipt of notice of election by the Secretary of State. This amount may be paid into such Fund by deduction from annuity in multiples of \$25 per month. The annuity reduction under subsection (a) of this section and the deduction under this subsection shall commence effective the first of the month following receipt of notice of the election by the Secretary of State. The deduction under this subsection shall commence effective the first of the month following receipt of notice of the election by the Secretary of State. The deduction under this subsection shall continue until the required amount has been paid into such Fund or until the annuitant's death, whichever occurs first; and if the latter, any remaining portion of such required amount shall be deemed to have been paid.

(c) If a Foreign Service annuitant who separated from the Foreign Service prior to October 16, 1960, died before the effective date of this title, or dies within one hundred and twenty days after such effective date leaving a spouse to whom married at retirement who is not entitled to receive a survivor annuity under the terms of section 8133 of title 5, United States Code, or any law authorizing payment from the Foreign Service Retirement and Disability Fund and who qualifies under section 821(h) of the Foreign Service Act of 1946, as amended by this title, the Secretary of State shall grant such surviving spouse. if not remarried prior to age sixty, an annuity, to be payable from such Fund in the amount of \$2,400 per annum adjusted by all cost-of-living increases received by widows granted annuities under section 4 of the Act of October 31, 1965 (79 Stat. 1130). An annuity to a surviving spouse who remarried prior to age sixty may be initiated or resumed under this subsection in accordance with the provisions of subsections (b) and (h) of section 821 of the Foreign Service Act of 1946, as amended by this title, if such remarriage has terminated or terminates in the future.

EFFECTIVE DATES

SEC. 524. (a) Unless otherwise specified, this title shall be effective upon enactment or on October 1, 1976, whichever is later.

(b) Section 522 of this title and sections 803 and 881 of the Foreign Service Act of 1946, as amended by this title, shall be effective on the first day of the first pay period which begins more than ninety days after the effective date of this title.

(c) Effective on the last day of the first month which ends after the effective date of this title, all Foreign Service survivor annuities, including those then in effect, shall terminate on the last day of a month in accordance with the provisions of subsections (b)(2)(B), (e), and

(f) of section 821 of the Foreign Service Act of 1946, as amended by this title.

(d) The amendment of section 804 of the Foreign Service Act of 1946 made by this title broadening eligibility for children's survivor annuities shall apply to all surviving children regardless of the date of death of the principal.

(e) Subsection (g) of section 821 of the Foreign Service Act of 1946, as added by this title, shall apply to both present and future Foreign Service annuitants. Any annuitant unmarried at retirement who married after retirement but prior to the effective date of this title may make an election under such subsection (g) if notice of the election is received by the Secretary of State within one year after such effective date.

(f) If an annuitant dies on or after January 8, 1971, who, prior to the effective date of this title, elected a reduced annuity with a benefit to a surviving spouse, and is survived by a spouse acquired after such election who qualifies under section 804(2) of the Foreign Service Act of 1946, as amended by this title, such surviving spouse shall be entitled to an annuity computed under the law in effect at the time of such election and in accordance with all other applicable statutes. Such an annuity shall be treated in all other respects in the same manner as an annuity payable under section 821(b) of the Foreign Service Act of 1946, as amended by this title. For purposes of section 882(c) (2) of the Foreign Service Act of 1946, as amended by this title, the death of an annuitant who has died before the effective date of this title shall be deemed to have occurred on such effective date.

(g) The restrictions on payment of survivor annuities in subsection (b) (2) (A) and subsection (h) of section 821 of such Act shall not apply to a supplemental survivor annuity provided under subsection (i) of section 821 or subsection (f) of section 832 of such Act if the restrictions do not apply to a basic survivor annuity elected prior to commencement of the recall service.

(h) Subsection (a) of section 822 of the Foreign Service Act of 1946, as added by this title, shall be effective on the first day of the first month which begins on or after the effective date of this title.

(i) Subsection (a) of section 841 of the Foreign Service Act of 1946, as amended by this title, shall not apply to participants separated from the Foreign Service prior to the effective date of this title nor to their survivors. All payments from the Foreign Service Retirement Fund that become due on and after such effective date shall be paid in the order of precedence specified in such section 841 irrespective of the date of separation.

(j) Subsection (c) of section 851 of the Foreign Service Act of 1946, as added by this title, shall be effective on the first day of the first pay period that begins more than thirty days after the effective date of this title. A participant who is on approved leave without pay and is serving as a full-time officer or employees of an organization composed primarily of Government employees on the effective date of such section shall have sixty days from such date to file an election under subsection (c) of said section 851.

(k) Subsection (f) of section 851 of the Foreign Service Act of 1946, as added by this title, shall apply, in addition to present partici-

pants, to former participants who separated from the Foreign Service to enter the Armed Forces within the five-year period immediately preceding the effective date of this title and who are members of the Armed Forces on such date.

(1) The annuity of a survivor who becomes immediately eligible for an annuity under subsection (c) of section 523 of this title or subsection (d) or (f) of this section shall become effective the first day of the month which begins on or after the effective date of this title. However, payment shall be made only after receipt by the Department of State of such application for annuity and such proof of eligibility as the Secretary may require. If such application and proof of eligibility are not submitted during an otherwise eligible person's lifetime, no annuity shall be due or payable to his or her estate.

(m) The amendment of subsections (a) and (b) of section 882 of the Foreign Service Act of 1946 made by this title shall be effective on the fifteenth day of the third month which begins after the effective date of this title.

(n) Annuities which commenced between-

(A) the effective date of the last cost-of-living increase which became effective under section 882 of the Foreign Service Act of 1946 prior to the effective date of this title, and

(B) such effective date,

shall be recomputed and, if necessary, adjusted retroactively to their commencing dates to apply the provisions of new subsection (c)(1) of section 882 of the Foreign Service Act of 1946, as added by section 515 of this title.

(o) Any Foreign Service officer who is or becomes a career minister and who is not occupying a position to which appointed by the President, by and with the advice and consent of the Senate, shall be mandatorily retired for age in accordance with the schedule below and receive benefits under section 821 of the Foreign Service Act of 1946, unless the Secretary determines it to be in the public interest to extend such officer's service for a period not to exceed five years:

RETIREMENT SCHEDULE

(1) Any career minister who reaches age sixty-five during the month this title becomes effective shall be retired at the end of such month.

(2) Other career ministers who are age sixty or over on such effective date shall be retired at the end of the month which contains the midpoint between the last day of the month of such effective date and the last day of the month during which the officer would reach age sixty-five, counting thirty days to the month.

(3) On the last day of the thirtieth month which ends after such effective date, all other career ministers who are age sixty or over shall be retired, and thereafter the amendments made by sections 518 and 519 shall be applicable in all cases.

(4) Any career minister who completes a period of authorized service after he reaches mandatory retirement age as provided in the above schedule shall be retired at the end of the month in which the officer completes such services. And the House agree to the same.

THOMAS E. MORGAN, CLEMENT J. ZABLOCKI, DANTE B. FASCELL, CHARLES C. DIGGS, Jr., HELEN S. MEYNER, WM. S. BROOMFIELD, JOHN BUCHANAN,

Managers on the Part of the House.

JOHN SPARKMAN, FRANK CHURCH, CLAIBORNE PELL, CLIFFORD P. CASE, JACOB K. JAVITS, HUGH SCOTT,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes to the two Houses on the amendment of the House to the bill (S. 3168) to authorize appropriations for the Department of State, the United States Information Agency, the Board for International Broadcasting, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text, and the Senate disagreed to the House amendment.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment.

The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by reason of agreements reached by the conferees and minor drafting and clarifying changes.

AUTHORIZATION OF APPROPRIATIONS

[The following table shows, in thousands of dollars, the provisions of the Senate bill, the House amendment, and the conference substitute, with respect to the authorization of appropriations]

	Senate bill	House amendment	Conference substitute
Department of State: Administration of foreign affairs	4 342, 460, 453 17, 069, 000 68, 500, 000 10, 000, 000 8 20, 000, 000 31, 458, 000	2 \$552, 455, 000 338, 875, 000 17, 069, 000 68, 500, 000 10, 000, 000 20, 000, 000 1, 000, 000 50, 000 31, 458, 000 12, 000, 000	* \$552, 455, 000 * 342, 460, 453 17, 063, 000 68, 500, 000 10, 000, 000 * 20, 000, 000 1, 000, 000 1, 458, 000 31, 458, 000 12, 000, 000
- Subtotal	1, 041, 727, 953	1, 051, 407, 000	1, 054, 992, 453
U.S. Information Agency: Salaries and expenses Special international exhibitions Radio activities Subtotal	256, 925, 000 4, 841, 000 2, 142, 000 263, 908, 000	254, 925, 000 4, 841, 000 2, 142, 000 261, 908, 000	* 255, 925, 000 4, 841, 000 2, 142, 000 262, 908, 000

See footnotes at end of table.

AUTHORIZATION OF APPROPRIATIONS-Continued

	Senate	House	Conference
	bill	amendment	substitute
Board for International Broadcasting	58, 385, 000	58, 385, 000	58, 385, 000
	58, 385, 000	58, 385, 000	58, 385, 000
Grand total	1, 364, 020, 953	1, 371, 700, 000	1, 376, 285, 453

¹ The Senate added to the executive branch request \$280,500 for additional personnel in the Department of State's Bureau of Oceans and International Environmental and Scientific Affairs and \$5,000 for that Bureau's representational

^{1 Un 35,} ² The House added \$500,000 for representational expenses of the Department of State. ³ The conferees intend that this \$500,000 increase over the executive branch request be used both to augment the account for representational expenses and for expanded activities by the Bureau of Oceans and International Environ-

account for representational expenses and for expanded accounts by the output of the UNESCO and \$20,000 each for the mental and Scientific Affairs. 4 The Senate added \$3,54,543 to complete the fiscal year 1975 U.S. contribution to UNESCO and \$20,000 each for the fiscal year 1977 expenses of the U.S. delegations to 2 interparliamentary groups (Canada-United States Interparliamentary Group, and Mexico-United States Interparliamentary Group). The conference substitute is the same as the Senate

The Senate provision permitted not more than 20 percent of the funds to be spent for the resettlement of Jewish 3 The Senate provision permitted not more than 20 percent of the funds to be spent for the resettlement of Jewish re fugges from the Soviet Union and Eastern Europe in countries other than Israel. The House amendment limited the use of these funds to resettlement in Israel only. The conference substitute is the same as the House provision.

⁶ The conferees intend that this \$1,000,000 reduction from the executive branch request be applied wherever economies an best be achieved in this item.

PARLIAMENTARY CONFERENCES

Senate bill

The Senate bill raised--from \$30,000 to \$50,000-the ceiling on annual expenditures by each of two U.S. parliamentary delegations to the Canada-U.S. Interparliamentary Group and to the Mexico-U.S. Interparliamentary Group.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

ATLANTIC COUNCIL

Senate bill

No provision.

House amendment

The House amendment earmarked \$22,500 of Educational Exchange funds for contribution to the Atlantic Council of the United States.

Conference substitute

The conference substitute omits the House provision. The conference committee wishes to emphasize that this decision is not intended to derogate in any way the valuable work of the Council or to prejudice any decision the State Department might make to enter into contractual arrangements with the Council. The decision of the conferees was based solely on a belief that it was unwise, particularly with such a marginal sum involved, to introduce the practice of Congressionallymandated contributions to organizations such as the Council.

REPRESENTATIONAL EXPENSES OF INTERNATIONAL JOINT COMMISSION, U.S. AND CANADA

Senate bill

The Senate bill authorized expenditures for representational purposes from the budget of the IJC, to the extent provided in appropriations bills.

House amendment

The House amendment authorized such expenditures up to \$1500 per year.

Conference substitute

The conference substitute is the same as the House amendment.

FEDERAL EMPLOYEES IN CULTURAL EXCHANGE PROGRAMS

Senate bill

No provision.

House amendment

The House amendment authorized Federal employees to participate in certain educational and cultural exchange programs financed by foreign governments.

Conference substitute

The conference substitute is the same as the House amendment.

Ex GRATIA PAYMENT TO LADY SHAW

Senate bill

No provision.

House amendment

The House amendment authorized a \$10,000 ex gratia payment to Lady Catherine Helen Shaw, wife of the late Australian Ambassador, in compensation for injuries suffered when Lady Shaw was assaulted in the District of Columbia.

Conference substitute

The conference substitute is the same as the House amendment.

FOREIGN GIFTS

Senate bill

The Senate bill contained a comprehensive amendment concerning gifts, which (1) prohibited personal gift-giving by the U.S. Government of items purchased with appropriated funds and valued in excess of \$50, and required reporting to Congress on all gifts given, (2) prohibited U.S. Government personnel from accepting personal gifts; and (3) provided for GAO audits of expenditures from the State Department's "Emergencies in the Diplomatic and Consular Service" account.

House amendment

No provision.

Conference substitute

The conference substitute omits the first two aspects of the Senate provision and modifies the third to provide for GAO audits of expenditures on gifts to foreign nationals involving funds from the "Emergencies in the Diplomatic and Consular Service" account.

MEMBERSHIP AUTHORITY FOR CERTAIN INTERNATIONAL **ORGANIZATIONS**

Senate bill

The Senate bill authorized U.S. membership in four organizationsthe International Cotton Advisory Committee, the International Lead and Zinc Study Group, the International Rubber Study Group, and the International Seed Testing Association—in which the United States has participated for some years on a year-to-year basis. The effect of the provision is simply to place U.S. participation on a more permanent footing.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

MEDICAL MALPRACTICE PROTECTION

Senate bill

The Senate bill amended the Foreign Service Act to protect State Department medical personnel against personal malpractice suits that may arise in connection with their official duties. This provision is similar to provisions of titles 38 and 42 under which medical personnel in the Veterans' Administration and the Public Health Service are now protected against personal malpractice suits.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

APPOINTMENT OF AMBASSADORS

Senate bill

The Senate bill amended the Foreign Service Act to require that 75% of total U.S. ambassadorial positions be occupied by career Foreign Service personnel.

House amendment

No provision.

Conference substitute

The conference substitute declares it to the sense of Congress that a greater number of U.S. ambassadorial positions should be occupied by career Foreign Service personnel.

STATE/USIA PERSONNEL SYSTEM

Senate bill

The Senate bill required the Secretary of State to submit to Congress within 180 days of enactment a comprehensive plan for the improvement and simplification of the State Department/USIA personnel system.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

U.N. Assessment Scale

Senate bill

The Senate bill contained a sense of the Congress statement calling upon the President to seek changes in U.N. assessment rates according to the "relative ability to pay" principle.

House amendment

No provision.

Conference substitute

The conference substitute omits the Senate provision.

ANNUITY INCREASE FOR ALIEN EMPLOYEES Senate bill

No provision.

House amendment

The House amendment provided authority to the Secretary of State to use appropriated funds to compensate alien annuitants for losses resulting from changes in exchange rates.

Conference substitute

The conference substitute is the same as the House amendment.

FOREIGN CURRENCY REPORTS

Senate bill

No provision.

House amendment

The House amendment added to the Mutual Security Act of 1954 a requirement that each consolidated report on foreign currency expenditures, which are already submitted to Congress pursuant to the Act, be published in the Congressional Record within ten legislative days of submission.

Conference substitute

The conference substitute is the same as the House amendment.

PANAMA CANAL

Senate bill

No provision.

House amendment

The House amendment declares:

"with funds appropriated under this title must protect the vital interests of the United States in the Canal Zone and in the operation, maintenance, property, and defense of the Panama Canal."

Conference substitute

The conference substitute is the same as the House amendment. The conference committee noted that this statement of policy is not intended to derogate in any way the President's constitutionally-mandated power to negotiate treaties.

DISCRIMINATION

Senate bill

No provision.

House amendment

The House amendment provided that none of the funds authorized to be appropriated to the State Department by this bill could be used for dissemination of information about, or for participation in the negotiation of, any foreign contract if the Department has reason to believe that discrimination against U.S. citizens would be involved in the contract.

Conference substitute

The conference substitute stipultes that no State Department employee should provide such information or participate in such negotiations if any discrimination against U.S. citizens is involved.

COMMISSIONERS FOR IJC

Senate bill

No provision.

House amendment

The House amendment provided that commissioners of the International Joint Commission, United States and Canada, shall hereafter be appointed subject to the advice and consent of the Senate.

Conference substitute

The conference substitute is the same as the House amendment.

PRESIDENTIAL REPORT ON INTERNATIONAL BROADCASTING

Senate bill

The Senate bill required that the President report to Congress by December 31, 1976, concerning the feasibility of international sharing of nationally owned and funded radio broadcast facilities.

House amendment

The House amendment called for a similar report, but changed the reporting date to January 31, 1977, and directed that the report also include recommendations concerning steps which should be taken to extend BIB-type broadcasting to additional countries where information is restricted.

Conference substitute

The conference substitute is essentially the same as the House amendment.

BIB RESERVE FUND

Senate bill

The Senate bill directed that the Director of the Office of Management and Budget report to Congress concerning the use of the reserve fund established by the bill to buffer the operations of Radio Free Europe/Radio Liberty against foreign exchange fluctuations.

House amendment

The House amendment also established the reserve fund but did not require reports to Congress.

Conference substitute

The conference substitute is the same as the Senate provision.

DOMESTIC DISTRIBUTION OF SPECIFIED USIA FILMS AND EXHIBIT

Senate bill

No provision.

House amendment

The House amendment authorized the domestic distribution of seven specified USIA films and one USIA exhibit in conjunction with the American Bicentennial.

Conference substitute

The conference substitute is the same as the House provision. The conference committee emphasized, however, that these exceptions to the legal prohibition against domestic distribution of USIA materials were approved solely because of the extraordinary occasion of the Bicentennial and that this action was not intended

JAPAN-UNITED STATES FRIENDSHIP ACT

Senate bill

The Senate bill contained certain technical amendments to the Japan-U.S. Friendship Act.

House amendment

No provision.

Conference substitute

The conference substitute is, with certain technical clarifying amendments, the same as the Senate provision.

Paragraph (1) of the conference substitute clarifies existing law to allow continuation of the practice already adopted by the Japan-United States Friendship Commission, with the full support of the Department of State, of obtaining its support services from the General Services Administration. The G.S.A. provides such services for a number of statutory commissions; and the Commission and the Department of State believe that it is appropriate and convenient for the G.S.A. to provide services for the Japan-U.S. Friendship Commission as well. The conference substitute also provides the necessary administrative flexibility to enable the Commission to engage a limited additional staff to assist the Executive Director as may be necessary and appropriate to the Commission's needs.

Paragraphs (2) and (3) (A) make explicit that the interest earned on the Okinawa and GARIOA Accounts in the Japan-United States Trust Fund (referred to in sections 3(d) and 3(e)(1) of the Act) are authorized to be appropriated on a "no year" basis. This means that the interest does not have to be authorized annually but is authorized to be appropriated as it accumulates annually. The interest must still be appropriated as it accumulates annually in order to be expended by the Commission.

Paragraph (3) (B), which is of a technical nature, clarifies the intention of the Senate provision respecting the GARIOA Account. The effect is to make clear that the amounts authorized to be appropriated under section 3(e) (1) of the Act (the GARIOA Account) shall remain in Japan as a separate account of the Japan-United States Friendship Trust Fund. Those funds shall continue to be invested in accordance with established investment practice for funds available in U.S. accounts in Japan which were transferred by the Japanese Government to the United States at U.S. request under Article V of the United States-Japan Agreement regarding the Settlement of Postwar Economic Assistance to Japan, signed in Tokyo, January 9, 1962, and the exchange of notes of the same date. Interest accruing to the GARIOA funds shall be credited to the Trust Fund, and the principal and interest of the GARIOA funds shall be available for expenditure in accordance with the provisions of the Act.

TERRORISM

Senate bill

The Senate bill contained a provision prohibiting the use of funds under this or any other Act for the benefit of any country which condones terrorism.

House amendment

No provision.

Conference substitute

The conference substitute omits the Senate provision. The conferees noted that this provision is duplicative of a provision contained in the conference report on the International Security Assistance and Arms Export Control Act of 1976. COMMISSION ON U.S. PARTICIPATION IN THE U.N.

Senate bill

The Senate bill authorized the establishment of a 15-member Commission on United States Participation in the United Nations.

House amendment

No provision.

Conference substitute

The conference substitute omits the Senate provision. The conferees noted that such a Commission would duplicate studies now underway in both Houses concerning United States participation in the United Nations.

FOREIGN SERVICE RETIREMENT AMENDMENTS

Senate bill

The Senate bill contained a series of amendments to the Foreign Service Act of 1946 to equate Foreign Service survivor and certain other retirement benefits with Civil Service benefits in those areas where the two systems were previously comparable.

House amendment

The House amendment amended the Foreign Service Act to remove the 1 percent add-on in the Foreign Service annuity cost-of-living adjustment formula.

Conference substitute

The conference substitute is the same as the Senate provision with the exception of changes noted below. The following is a summary of the conference substitute:

A. Provisions Relating to Survivorship

1. The annuities of student-dependents are extended past age 18 to age 22.

2. Survivor annuities for current and future annuitants are increased from 50 to 55 percent.

3. The requirement that male retirees provide survivor benefits for their wives is eliminated.

4. Survivor protection is extended to cover spouses wedded after retirement.

5. Hereafter, an annuity to the spouse of a retiree terminates if the spouse remarries before reaching the age of 60.

6. Hereafter, the spouse of a retiree may receive the higher of two Government survivor annuities but not both simultaneously.

7. Annuities will be granted to widows of pre-October 1960 retirees who died without leaving a survivor benefit.

8. Living pre-October 1960 retirees who did not elect a survivor benefit are permitted to do so.

B. Other Major Changes

1. Prior service credit for retirement computation is made the same for the Foreign Service as for the Civil Service. 2. Refunds of employee contributions for service in excess of 35 years (the maximum number creditable) are authorized.

3. An employee retiring after a cost-of-living increase will receive an annuity at least equal to that he would have received had he retired immediately before the increase.

4. Conformity between Foreign Service retirement provisions and substantially identical Civil Service provisions will be maintained through the use of Executive orders, which will incorporate into the Foreign Service retirement system any changes in the Civil Service system.

Both the Senate bill and the House amendment contained provisions relating to cost-of-living adjustments for annuitants. The conference committee accepted the Senate provision placing future Foreign Service cost-of-living annuity increases on the same cycle as Civil Service annuity increases and making future annuity increases identical under both systems. So long as the 1 percent add-on is applicable to Civil Service annuities, it will apply to Foreign Service annuities; if the 1 percent add-on is repealed for Civil Service retirees, it will be repealed for Foreign Service retirees.

The conference substitute omits two provisions of the Senate bill. The first, relating to reemployed annuitants, authorized the payment of a higher portion of the annuity than is presently authorized to a Foreign Service annuitant during a period of reemployment by the Federal Government. The second authorized Foreign Service retirees and their spouses to receive annual routine physical examinations in Government facilities. The conference committee omitted these provisions on the understanding that the House Committee on International Relations would hold hearings on these and similar proposals in the near future.

Finally, in regard to that provision in the conference substitute which lowers from 65 to 60 the retirement age for career ministers not serving in positions requiring Senate confirmation, the conferees emphasized that this change is without prejudice to any judicial deliberations or proceedings on the broader question of mandatory retirement at age 60 for Foreign Service employees.

> THOMAS E. MORGAN, CLEMENT J. ZABLOCKI, DANTE B. FASCELL, CHARLES C. DIGGS, JR., HELEN S. MEYNER, WM. S. BROOMFIELD, JOHN BUCHANAN, Managers on the Part of the House. JOHN SPARKMAN, FRANK CHURCH, CLAIBORNE PELL, CLIFFORD P. CASE, JACOB JAVITS, HUGH SCOTT, Managers on the Part of the Senate.

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94TH CONGRESS 2d Session SENATE

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEAR 1977

MARCH 18, 1976.—Ordered to be printed

Mr. SPARKMAN, from the Committee on Foreign Relations, submitted the following

REPORT

[To accompany S. 3168]

The Committee on Foreign Relations, to which were referred the bills (S. 2977, S. 2978, S. 3018, S. 3020, S. 3102) to authorize fiscal year 1977 appropriations for the Department of State, the United States Information Agency, and the Board for International Broadcasting and for other purposes, having considered the same, reports favorably an original bill and recommends that the bill do pass.

AUTHORIZATION OF APPROPRIATIONS

The primary purpose of the bill is to authorize fiscal year 1977 appropriations for the operations of the State Department (including the Office of Foreign Buildings), the United States Information Agency, and the Board for International Broadcasting (which makes grants to Radio Free Europe and Radio Liberty). The fiscal year 1977 authorizations approved by the Committee are shown in the following table, together with the fiscal year 1976 appropriation in each category and the Administration's fiscal year 1977 request:

57-010-76----1

[Fiscal years]

	1976 appropriation	1977 request	Committee recommendation
. State Departments:1			
A. Administration of foreign affairs	\$500, 652, 000	\$551, 955, 000	\$552, 240, 500
1. Salaries and expenses	(488, 797, 000)	(539, 800, 000)	(540, 080, 500)
2. Representation allowances 3. Emergencies in the diplomatic and consular	(1, 700, 000)	(2,000,000)	(2,005,000)
service	(2, 100, 000)	(2, 100, 000)	(2, 100, 000)
4. Payment to the Foreign Service retirement	(2, 100, 000)	(2,100,000)	(2, 100, 000)
and disability fund	(8, 055, 000)	(8,055,000)	(8, 055, 000)
B. International organizations and conferences	271,016,000	338, 875, 000	342, 460, 453
1. Contributions to international organizations	(217, 853, 000)	(274,000,000)	(277, 545, 453)
2. Contributions for international peacekeeping			
activities	(35,000,000)	(45, 000, 000)	(45,000,000)
3. Missions to international organizations	(9, 528, 000)	(9, 300, 000)	(9, 340, 000)
4. International conferences and contingencies 5. International trade negotiations	(5, 740, 000)	(7,035,000)	(7, 035, 000)
5. International trade negotiations	(2, 895, 000)	(3, 540, 000)	(3, 540, 000)
C. International commissions	20, 259, 000	17,069,000	17, 069, 000
1. International Boundary and Water Commission.	(13, 890, 000)	(9, 729, 000)	(9, 729, 000)
2. American sections, international commissions_ 3. International fisheries	(1, 609, 000)	(1, 840, 000) (5, 500, 000)	(1, 840, 000) (5, 500, 000)
D. Educational exchange	(4, 760, 000) 63, 429, 000	68, 500, 000	68, 500, 000
D. Educational exchange. 1. Mutual educational and cultural exchange	03, 463, 000	00, 500, 500	00, 300, 000
activities	(54, 429, 600)	(58, 500, 000)	(58, 500, 000)
activities 2. Center for cultural and technical interchange	(,,)	(,,,	(,,,
between East and West	(9, 000, 000)	(10,000,000)	(10, 000, 000)
E. Migration and refugee assistance	9, 957, 000	10,000,000	10,000,000
F. Aid to Soviet/East European refugees	20,000,000 _		20, 000, 000
G. Foreign Service buildings supplemental ²		31, 458, 000	31, 458, 000
. United States Information Agency 3	#cc		
A. Salaries and expenses	260, 008, 000	256, 925, 000	256, 925, 000
B. Special international exhibitions	6, 187, 000	4, 841, 000	4, 841, 000
C. Acquisition and construction of radio facilities	10, 135, 000 64, 500, 000	2, 142, 000 53, 385, 000	2, 142, 000 1 58, 385, 000
. Doard for international proadcasting	04, 000, 000	33, 383, 000	* 30, 365, 000
Total	51 226 142 000	1. 335. 150, 000	1, 364, 020, 953

¹ For purposes of meaningful comparison, State Department figures for fiscal year 1976 are revised on the basis of the new foreign affairs administrative support system, which actually takes effect in fiscal year 1977 and which involves a significant reduction in the amount of reimbursement received by the State Department from other agencies for shared

expenses. ^a This is in addition to a 2-yr (fiscal year 1976–77) authorization of \$94,685,000 already enacted. ^a Because the fiscal year 1976 USIA authorization has not yet been enacted, the amounts shown for fiscal year 1976 are estimates.

This figure includes \$5,000,000 which will be drawn upon only in the event of changes in international exchange rates adverse to the dollar. * See footnotes b and c.

OTHER PROVISIONS OF THE BILL

In addition to authorizing appropriations, the bill-

(1) Extends to State Department medical personnel malpractice protection similar to that now available to employees of the Public Health Service and the Veterans Administration.

(2) Removes the existing prohibition against the State Department's development of a new Travel Document and Issuance System.

(3) Requires the Secretary of State to transmit to Congress a comprehensive plan for improvement of the State/USIA personnel system.

(4) Places into law a clear statement of purpose to govern broadcasts by the Voice of America.

(5) Requires the President to transmit to Congress a report on projected U.S. needs for international broadcast facilities and ways in which existing facilities can be put to more efficient use.

(6) Makes a variety of technical amendments in existing legislation.

COMMITTEE ACTION

On March 4, the Committee held a public hearing on five Administration bills introduced by request (S. 2977, S. 2978, S. 3018, S. 3020, S. 3102), at which time the following witnesses were heard:

Lawrence Eagleburger, Deputy Under Secretary of State for Management, accompanied by Orlan Ralston, Deputy Assistant Secretary for Foreign Buildings Operations; Don C. Eller, Director, Budget Planning and Presentation; Dr. William M. Watson, Deputy Assistant Secretary for Medical Services; and John M. Thomas, Assistant Secretary for Administration.

James Keogh, Director, U.S. Information Agency, accompanied by Stanley Silverman, Budget Officer, and Edward Hidalgo, General Counsel.

David M. Abshire, Chairman, Board for International Broadcasting, accompanied by Thomas H. Quinn, Board Member; Walter Roberts, Executive Director; and Sig Mickelson, President, Radio Free Europe/Radio Liberty.

On March 9, the Committee met in open session to consider all five bills. After consolidating the bills and agreeing on certain amendments, the Committee, by voice vote without dissent, ordered an original bill reported favorably.

COMMITTEE COMMENTS

Recognizing that some agency costs are unpredictable, the Committee in the past has provided a certain amount of flexibility in its authorizations by approving not only a specific budget figure but also "such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other non-discretionary costs." Heretofore, the Committee has viewed the phrase "other nondiscretionary costs" as applying to increases resulting from significant adverse currency exchange rate fluctuations, and other extraordinary developments producing serious budget shortfalls. However, at this year's hearings it became apparent that Administration officials saw this phrase as authorizing additional appropriations to cover almost any unanticipated cost increase. In the Committee's view, such an interpretation is too broad. Therefore, while allowing the authorization for "other nondiscretionary costs" to remain available, the Committee intends that appropriations under this authority be sought only in extraordinary instances and not to cover routine but unforeseen cost increases. The Committee expects to be informed whenever appropriations are sought under the authorization provided by the "other nondiscretionary costs" phrase.

COST ESTIMATES

Section 252(a)(1) of the Legislative Reorganization Act of 1970 requires that Committee reports on bills and joint resolutions contain an estimate of the costs of carrying out such legislation in the fiscal year in which it is reported and in each of the five years which follow.

This bill authorizes appropriations for the State Department (including the Office of Foreign Buildings), USIA, and the Board for International Broadcasting for one fiscal year, 1977. The total au-

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thorized for these purposes is \$1,364;020,953, plus such additional amounts as may be required for mandatory salary and employee benefit increases and nondiscretionary cost increases. Future funding requirements of these agencies may be expected to approximate, in terms of real dollars, those of fiscal year 1977. One item in the bill the \$30 million authorization for the new Embassy complex in Moscow—does represent the initial commitment for a multi-year project; ultimately the complex is expected to cost \$75-\$100 million.

SECTION-BY-SECTION ANALYSIS

In the following section-by-section analysis, one provision common to all authorization items should be understood to obtain, even though not mentioned: that in addition to the amounts specified, there are authorized to be appropriated such sums as may be necessary for increases in pay, salary, retirement, or other nondiscretionary costs. It should be noted also that in the tables for items under Title I (State Department), the figures for FY 1976 appropriations have been stated, for purposes of meaningful comparison, on the basis of the new Foreign Affairs Administrative Support System, which actually takes effect in FY 1977 and which involves a significant reduction in the amount of reimbursement received by the State Department from other agencies for shared expenses. Finally, it should be noted that a transfer authority is available to both the State Department and USIA, such that any unappropriated portion of one budget item may be considered an authorization for another of that agency's budget items, provided that no item is increased by more than 10 percent.

Sec. 101(a). Administration of Foreign Affairs (State Department)

Included in this item are funds for almost all salaries, expenses, and allowances for officers and employees of the State Department, both in the United States and abroad; and also funds needed for mandatory payments to the Foreign Service Retirement and Disability Fund. The following table shows appropriations in this category in fiscal year 1976, the Administration's fiscal year 1977 request, and the Committee's recommendation:

		[In thousan	ids of dollars].		an the second	
			Fiscal year 1976	Fiscal year 1977 request	Committee recommenda- tion	Differenc
Salaries and	expenses		\$488, 797 1, 700	\$539, 800 2, 000	2,005.0	+\$280.
Emergencies	s in the Diplomatic	and Consular Service	2, 100	2, 100	2, 100. 0	0
Emergencie	s in the Diplomatic	and Consular Service retirement and disability	2, 100 8, 055	2, 100 8, 055	2, 100. 0 8, 055. 0	0

The Committee's two changes in this item, both initiated by Senator Pell, are intended to provide additional strength to the Department's Bureau of Oceans and International Environment and Scientific Affairs, which carries the increased workload entailed by recent passage of the 200-mile fisheries bill and by the continuing Law of the Sea negotiations. The \$280,500 increase under "salaries and expenses" is intended to support ten additional people (7 professional and 3 clerical), while the \$5,000 increase under "representation allowances" is intended to provide the Bureau with the representational funds necessary for bilaterial negotiations.

Sec. 101(b). Repeal of Prohibition on TDIS

In its budget request for fiscal year 1976, the State Department sought \$1,000,000 to begin implementation of a new Travel Document and Issuance System (TDIS). Because there was concern in Congress that the full implications of this new system had not been adequately assessed, the request was denied and a provision was added to the fiscal year 1976 Foreign Relations Authorization Act prohibiting implementation of the system. A sum of \$100,000 was provided, however, to allow the Department to complete a full analysis of the proposed system. This study has now been supplied to the Congress, and the Administration has requested repeal of the prohibition, though no funds have yet been requested for actual implementation of the system. Having approved the system when it was first proposed last year, the Committee approved the Administration's request that the prohibition be repealed.

Sec. 101(c). International Organizations and Conferences (State Department)

Included in this item are funds to pay the regularly assessed U.S. share of contributions to the United Nations, its specialized and associated agencies, and a variety of other international organizations; funds for U.S. contributions to international peacekeeping activities; funds for the expenses of U.S. missions to various international organizations and conferences; and funds for the conduct of U.S. trade negotiations. The following table shows appropriations in this category in fiscal year 1976, the Administration's request for fiscal year 1977, and the Committee's recommendations:

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Jin thousands of dollars]

1.15

	Fiscal year 1976	Fiscal year 1977 request	Committee recommenda- tion	Difference
Contributions to international organizations Contributions for international peacekeeping activities Missions to international organizations International conferences and contingencies International trade negotiations	\$217, 853 35, 000 9, 528 5, 740 2, 895	\$274,000 45,000 9,300 7,035 3,540	¹ \$277, 545. 5 45, 000. 0 9, 340. 0 7, 035. 0 3, 540. 0	+\$3, 545. 5 0 +40. 0 0
 Total	271, 016	338, 875	342, 460. 5	+3, 585. 5

¹ The precise figure is \$277,545,453.

The first and major category within this line-item is "Contributions to International Organizations," for which \$274,000 was requested to provide for U.S. contributions to the U.N. and its various specialized agencies, to six inter-American organizations, to six regional organizations (including NATO, SEATO, and the OECD), and to a variety of other international organizations. Following is a table detailing contributions funded through this portion of the "International Organizations and Conferences" line-item and comparing fiscal year 1976 contributions with proposed contributions for fiscal year 1977:

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

[In thousands of dollars; fiscal years]

	1976	1977 request
United Nations and specialized agencies:		
1. United Nations	\$77, 335	\$87,185
2. United Nations Educational, Scientific and Cultural Organization	*	
3. International Civil Aviation Organization	6, 292	5, 790
5. International Givit Awalust organization	29, 319	38, 155
4. World Health Organization	13, 570	20, 798
5. Food and Agriculture Organization	6,729	20, 260
6. International Labor Organization	1, 308	1. 470
7. International Telecommunication Union	1, 308	2, 295
8. World Meteorological Organization 9. Intergovernmental Maritime Consultative Organization	1, 683	2, 23
9. Intergovernmental Maritime Consultative Organization	143	259
10. Universal Postal Linion	168	316
11. World Intellectual Property Organization	105	136
12 World Tourism Organization		113
13. International Atomic Energy Agency	7,429	11, 343
Inter-American organizations:		
1. Inter-American Indian Institute	62	88
2. Inter-American Institute of Agricultural Sciences	4, 405	4, 758
3. Pan American Institute of Geography and History	195	19
3. Pan American Institute of Geography and History	15	19
4. Pan American Railway Congress Association	15, 862	19,009
5. Pan American Health Organization		27,005
6. Organization of American States	25,001	27,000
, Regional organizations:	15.7	
1. South Pacific Commission	457	71
2. North Atlantic Treaty Organization	11, 523	13, 17
3 North Atlantic Assembly	171	215
4. Southeast Asia Treaty Organization	587	461
5. Colombo Plan Council for Technical Cooperation	12	13
6. Organization for Economic Cooperation and Development	11, 237	15, 850
0. Diganization of continue cooperation and bereiopment	,,	,
. Other international organizations:	105	12
1. Interparliamentary Union	2	10.
2. International Bureau of the Permanent Court of Arbitration	28	2
3. International Bureau for the Publication of Customs Tarifis		20
4. International Bureau of Weights and Measures	165	
5. International Hydrographic Organization	25	2
6. International Wheat Council	91	
7. International Coffee Organization 8. International Institute for the Unification of Private Law	-400	<u>-</u>
8. International Institute for the Unification of Private Law	22	2
9 Hague Conference on Private International Law	23	2
10. Maintenance of Certain Lights in the Red Sea	6	. (
11. International Bureau of Exhibitions	11	1
11. International Discussion Council	796	89
12. Customs Cooperation Council		
15. International Center for the Study of the Preservation and nesteration of	115	15
Unitural Property	18	19
14. International Organization for Legal Metrology	430	62
15. International Agency for Research on Cancer		
16. General Agreement on Tariffs and Trade	1, 989	2, 18
17. International Office of Epizootics	19	2
		074 00
Total	217, 853	274,000

 \sim In acting on this proposal, the Committee made one change: the addition of \$3,545,453 to provide for completion of the \$18.5 million fiscal year 1975 U.S. contribution to UNESCO. This partial arrearage arose when the 92nd Congress enacted a ceiling limiting the U.S. contribution to any international organization to 25% of that organization's total assessments; and organizations such as UNESCO, which operate on a multi-year assessment cycle, could not immediately comply. While Congress later authorized a one-year exception to the 25% limitation, permitting payment of the fiscal year 1975 arrearages which had developed, such payment to UNESCO was not made because, by then, the issue of UNESCO policy toward Israel had arisen and Congress had legislated a total cut-off of U.S. payments to that organization. The Committee chose to provide the funds necessary for completion of the fiscal year 1975 UNESCO payment for two reasons. The first is that the payment would cover an arrearage which arose prior to, and for reasons unrelated to, the total cut-off. The second reason is that, in the Committee's view, this is the year in which it is imperative that UNESCO take affirmative action to reverse its anti-Israeli policies; and the Committee believes that it is important for the United States to be a fully active member at this critical juncture. Because the UNESCO constitution provides that a member nation two years in arrears on its payments loses its voting right, the U.S. lost its vote on January 1st of this year; but payment of the relatively small fiscal year 1975 arrearage would allow full U.S. participation until January 1, 1977.

In authorizing this exception, the Committee emphasizes that the prohibition against payments to UNESCO remains in the law and that no further payment will be possible unless, as the law provides, the President is able to certify to Congress that UNESCO "(1) has adopted policies which are fully consistent with its educational, scientific, and cultural objectives, and (2) has taken concrete steps to correct its recent actions of a primarily political character."

The second category within this line-item is "Contributions for International Peacekeeping," for which \$45 million was requested to provide for the U.S. share of the expenses of the two United Nations peacekeeping forces in the Middle East, one on the Syrian-Israeli front and the other on the Egyptian-Israeli front. The \$45 million request was based on the assumption that the Security Council will continue to authorize UN peacekeeping forces as required, that the General Assembly will appropriate funds for their operations, and that the U.S. share will not exceed 30 percent (U.S. participation in international peacekeeping activities is exempted from the 25 percent ceiling).

The third category within this line-item is "Missions to International Organizations," for which \$9.3 million was requested to fund U.S. Missions to various international organizations such as the United Nations, the Organization of American States, and the Food and Agriculture Organization, as well as the costs of U.S. participation in interparliamentary conferences. The Committee's one change was to increase the amounts available for the expenses of the U.S. components of the Canada-U.S. Interparliamentary Group and the Mexico-U.S. Interparliamentary Group. Heretofore, \$30,000 has been budgeted annually for each U.S. delegation. Rising costs, however, have rendered this amount inadequate. The Committee therefore added \$40,000 so as to make available an additional \$20,000 for each delegation. Concommitantly, the Committee (in section 107) raised the permanent authority for such annual expenditures for each delegation from \$30,000 to \$50,000.

The fourth category in this line-item is "international Conferences and Contingencies," for which \$7.0 million was requested and approved to pay for U.S. participation in international conferences (travel, per diem, and administrative costs) and for U.S. contributions to so-called "provisional" international organizations—that is, organizations such as, for example, the International Lead and Zine Study Group, for which Congress has heretofore provided funds but not permanent authorization. Of the conferences for which U.S. participation is funded through this category, approximately half are meetings of the United Nations and its specialized agencies; the remainder are meetings of regional organizations, commodity groups, and specialized bodies dealing with a variety of economic, political and scientific matters. The Committee notes that because section 103 of this bill authorizes permanent U.S. membership in four heretofore "provisional" organizations, the U.S. contributions to those organizations will in the future be carried in the "Contributions to International Organizations" category.

The fifth category in this line-item is "International Trade Negotiations," for which \$3.5 million was requested and approved to pay for U.S. participation in the special GATT negotiations which began in Geneva in 1973 and which are expected to move into the final stages during the coming year. These funds will pay the salaries and administrative expenses of the permanent staff, as well as the logistical expenses of other delegates who attend periodically.

Sec. 101(d). International Commissions (State Department)

Included in this item are funds to pay U.S. expenses in certain international commissions through which the United States cooperates with other nations (principally Mexico and Canada) in efforts to preserve common resources, protect life and property, maintain boundary areas, and preserve and improve fisheries resources. For this item, the following table shows FY 1976 appropriations, the Administration's FY 1977 request, and the Committee's recommendation:

INTERNATIONAL COMMISSIONS

[In thousands of dollars; fiscal years]

	1976 appropriation	1977 request	Committee recommen- dation	Difference
International Boundary and Water Commission, United States and Mexico American sections, international commissions International fisheries commissions	13, 890 1, 609 4, 760	9, 729 1, 840 5, 500	9, 729 1, 840 5, 500	. (
Total	20, 259	17, 069	17, 069	. (

The first category, "International Boundary and Water Commission, United States and Mexico," provides funds both for salaries and routine expenses of the U.S. section of the Commission and for the U.S. share of Commission projects undertaken to solve problems arising on the United States-Mexico boundary. Such projects include the Lower Rio Grande Flood Control Project, the Settlement of Boundary Disputes Project, and the Tijuana Flood Control Project.

The second category in this line-item, "American Sections, International Commissions," provides funds for two United States-Canadian commissions: the International Boundary Commission, which maintains markers and clears vegetation along the boundary, and the International Joint Commission, which supervises industrial and commercial activity affecting the quality and level of boundary waters.

The third category in this line-item, "International Fisheries Commissions," provides funds for scientific studies conducted by a number of regional fisheries commissions on the fish resources for which they are responsible. Based on these studies, the various commissions recommend conservation measures to member governments.

Sec. 101(e). Educational Exchange (State Department)

Included in this line-item are funds for activities conducted under the Mutual Educational and Cultural Exchange Act and for the operation of the Center for Cultural and Technical Interchange between East and West, located in Hawaii. For this item, the following table shows FY 1976 appropriations, the Administration's FY 1977 request, and the Committee's recommendation:

EDUCATIONAL EXCHANGE

[In thousands of dollars; fiscal years]

	1976 appropriation	1977 request	Committee recommen- dation	Difference
Mutual educational and cultural exchange activities Center for cultural and technical interchange between	54, 429	58, 500	58, 500	0
East and West	9, 000	10, 000	10, 000	0
Total	63, 429	68, 500	68, 500	Ű

In the first category, which is administered by the State Department's Bureau of Educational and Cultural Affairs, the major activity is the exchange-of-persons program. This program, which has traditionally received strong support from the Foreign Relations Committee, is focused primarily on bringing to the United States persons who are influential or potentially influential in their own countries. The time spent in the United States ranges from a few weeks to a year, with the grantee participating in a seminar program or a university year. The program also provides for the sending of Americans to participate in institutions in reciprocating countries. In addition to the exchange program, this item includes funds for aid to American schools abroad, American cultural presentations abroad in the area of the performing arts, and American liaison with UNESCO.

The second category contains funds for the East-West Center, located in Hawaii, which was established by Congress in 1960 as a focal point for private and government-sponsored activities promoting educational and cultural exchange between the United States and the nations of Asia and the Pacific. The Committee notes that in fiscal year 1976 the governance of the Center was transferred from the University of Hawaii to a new public, non-profit educational corporation with its own Board of Governors and that in fiscal year 1977 the Center will be relocated in a new complex built by the State of Hawaii to provide the Center better facilities for its cooperative projects.

Sec. 101(f). Migration and Refugee Assistance (State Department)

Included in this item are funds for a variety of programs which assist international refugees and migrants. Some of these funds are used for contributions to standing agencies, namely the International Committee of the Red Cross, the Intergovernmental Committee for European Migration, and the UN Commissioner for Refugees. Other

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funds, carried under the general heading of the United States Refugee Program, are used to support a variety of voluntary agencies and religious and ethnic groups engaged in refugee assistance. Funds provided under this category are administered by the Special Assistant to the Secretary for Refugee and Migration Affairs. The following shows the fiscal year 1976 appropriation in this category, the Administration's fiscal year 1977 request, and the Committee's recommendation:

Migration and refugee assistance

Fiscal year 1976 appropriation	\$9, 957, 000
Fiscal year 1977 request Committee recommendation	10, 000, 000 10, 000, 000
Difference	0

Sec. 101(g). Aid to Soviet Refugees

This section provides a special authorization, initiated by Senator Javits, for \$20 million in assistance to refugees from the Soviet Union and the communist countries of Eastern Europe. Through Congressional initiative, the Foreign Relations Authorization Act of 1972 authorized "assistance to Israel or another suitable country, including assistance for the resettlement in Israel or such country of Jewish or other similar refugees from the Union of Soviet Socialist Republics." In fiscal years 1973 through 1976, funds were authorized and appropriated for this purpose. In fiscal year 1976, the coverage of the program was extended to include refugees from Eastern Europe as well as the Soviet Union, and it was specified in law that no more than 20 percent of the funds appropriated would be used to settle refugees in any country other than Israel. This section continues the program under the conditions set in fiscal year 1976 and at the fiscal year 1976 program level.

Sec. 102. New Authority for Representation Expenses

Under the Canada-U.S. Great Lakes Water Quality Agreement of 1972, the International Joint Commission (which supervises industrial and commercial activity affecting the quality and level of Canada-U.S. boundary waters) has broadened the scope of its activities. The Executive Branch has therefore requested that the American Section of the Joint Commission be authorized to use funds from its budget (rather than "out of pocket") for representation expenses and official entertainment of Canadian participants in the Agreement and in the Commission. This section provides that authority, under which it is estimated that annual expenditures will approximate \$1,500.

Sec. 103. Authority to Maintain Membership in International Organizations

This section provides authority for the United States to maintain membership in four international organizations: the International Cotton Advisory Committee, the International Lead and Zinc Study Group, the International Rubber Study Group, and the International Seed Testing Association. The United States has participated as a contributing member in these organizations for a number of years, and this authorization simply places U.S. membership on a more permanent footing. Several years ago the Committee began to urge the State Department to review U.S. participation in international organizations with a view to seeking specific legislative authority for U.S. participation in each organization in which continued American membership was judged to be worthwhile. That process is now well advanced, and this section simply continues it. U.S. contributions to these four organizations in fiscal year 1977 will total \$72,000; and no additional expense is entailed by the authorization to maintain standing membership.

Sec. 104. Foreign Service Buildings Supplemental

Last year's foreign Relations Authorization Act contained a twovear authorization of appropriations for the State Department's Office of Foreign Buildings Operations, which is responsible for providing (1) consolidated office space abroad for the Foreign Service and other permanent agencies of the U.S. Government operating in cooperation with the Foreign Service; and (2) government-owned residences for Ambassadors, ministers, officers in charge of consular posts, and senior officers at the principal diplomatic missions, as well as for a substantial part of the American diplomatic and consular staff at posts where special housing problems exist. The original fiscal year 1967-77 authorization provided last year totaled \$94.7 million for worldwide operations. The purpose of this section is to supplement that authorization with an additional authorization of \$31.5 million. Of the \$31.5 million, \$30 million is designed for the new Moscow embassy complex which has long been in the planning stages and on which work is now ready to begin. It is estimated that the total project cost will be in the range of from \$75-\$100 million. The remaining \$1.5 million authorization in this section is actually a technical amendment, resulting from a new accounting system whereby the Department's reimbursements from other agencies for shared facilities have been reduced. The \$1.5 million increase for the Department will be accompanied by a \$1.5 million reduction elsewhere in the federal budget.

Sec. 105. Medical Malpractice Protection

This section, requested by the Administration, would add to the Foreign Service Act a new provision extending to State Department. (and also AID) medical personnel protection against civil suits for acts of alleged medical malpractice performed while acting within the scope of their employment. The provision is similar to existing legislation at 38 U.S.C. 4116 and 42 U.S.C. 233 which provides such protection to medical personnel in the Veterans Administration and the Public Health Service, respectively. A similar provision is also under consideration in H.R. 3954, a bill to extend such protection to both civilian and uniformed personnel providing medical services for the Armed Forces.

The current increase in litigation surrounding incidents of alleged medical malpractice, and the attendant increase in the cost of malpractice insurance and growing reluctance of companies to sell such insurance at any price, have reportedly caused medical personnel in the Department great concern over their exposure to civil liability for alleged malpractice. According to the State Department, this threat of personal liability is causing Department medical personnel to practice defensive medicine—to carry out tests and procedures well beyond those normally indicated under the circumstances. The result is increased costs for the Foreign Service Medical program. To provide such personnel with malpractice protection, this section would make the remedy against the United States provided by the Federal Tort Claims Act the exclusive remedy for individuals sustaining losses because of malpractice by medical personnel of the Department while acting within the scope of their employment. In situations not covered by the Federal Tort Claims Act, such as when suits are instituted abroad, the amendment would give the Secretary authority to hold medical personnel of the Department harmless with respect to claims alleging malpractice in the performance of medical and related functions within the scope of their employment.

Physicians and other medical personnel assigned abroad by the Department occasionally are required to provide medical services on an unofficial basis to both U.S. citizens and noncitizens either in an emergency or as a courtesy. This may occur, for example, when official travelers become ill abroad and request that Foreign Service medical personnel provide necessary medical care or when Foreign Service medical personnel provide emergency first-aid to alien em-ployees for on-the-job injuries and illnesses. In order to protect Foreign Service medical personnel from personal liability for malpractice claims which may arise in connection with such necessary but unofficial acts, paragraph (g) of this provision would define any medical services performed abroad by persons otherwise covered by the section at the direction or with the approval of the United States Ambassador (or other principal representative of the United States in the area) as being within the scope of their employment. In answer to a specific Committee inquiry, the Department stated that incidents arising from medical services provided by Department medical employees on "humanitarian grounds" or "in the interests of the United States" would also be covered. The Department stated, however, that coverage would not extend to any service provided on a private basis for a personal fee.

In addition to medical personnel of the State Department, this section would cover medical personnel employed by the Agency for International Development who serve abroad as medical advisers and occasionally provide medical care in emergencies. The Secretary of State would delegate authority to the Director of AID to carry out this provision as it relates to AID personnel.

The overall effect of this provision is that an aggrieved person will retain the right to seek compensation for a legitimate malpractice claim against medical personnel of the Department, but at the same time such personnel will be insulated against frivolous lawsuits and protected against the possibility that, in connection with their assigned duties, they may be held personally liable for catastrophic damages for which insurance, if obtainable at all, is prohibitively expensive. Since it is impossible to predict the number of claims that may arise in the future, it is not possible to prepare a cost estimate for this provision; however, there have been no actual cases to date of medical personnel of the Department being personally sued for malpractice in connection with their official duties.

Sec. 106. State Department/USIA Personnel System

This section, initiated by Senator Pell, is intended to establish a Congressional mandate for a thorough review and appropriate revision of the Foreign Service personnel system. The language of the section is self-explanatory:

It is the sense of Congress that the proliferation of personnel categories within the State Department and the United States Information Agency (the several categories being characterized by various standards for hiring, tenure, and pay) has resulted in a personnel system susceptible to inefficiency, inequity, and abuse. Therefore, within 180 days of the enactment of this Act, the Secretary of State shall transmit to Congress a comprehensive plan for the improvement and simplification of this system, such plan to include a reduction in the number of personnel categories, and proposed legislation if necessary.

An identical provision was passed by the Senate as a part of last year's Foreign Relations Authorization Act but was omitted from the bill in the House-Senate conference after the State Department provided assurances to the conferees that a report on personnel system improvements would be submitted to Congress within 120 days even without a legal requirement. Although such a report was later provided, it was incomplete and inadequate. The Committee has therefore again placed this requirement in legislation with the intention of providing a firm deadline.

Sec. 107. Parliamentary Conferences

This section raises the authorization for annual expenditures for the U.S. delegation to two interparliamentary conferences: the Canada-U.S. Interparliamentary Group and the Mexico-U.S. Interparliamentary Group. As discussed in the analysis of section 101(c), the annual allocation from the "International Organizations and Conferences" budget item has heretofore been \$30,000 for each delegation. This section lifts the annual expenditure authority for each delegation to \$50,000 to accommodate rising costs.

Sec. 201. United States Information Agency

Included in this section are funds for all of the activities of the United States Information Agency, a total authorization of \$274 million.

The "salaries and expenses" are funds for almost all of USIA's programs and activities: press and publications, motion pictures and television, centers and related activities, and radio broadcasting by the Voice of America. Because many Agency personnel are engaged in activities supporting more than one function, it is not possible to assign exact expenditure levels to any one functional area. A rough estimate, however, would show the following break-down of the \$257 million "salaries and expenses" item:

Press and Publications would receive \$56 million, for activities which include the production and dissemination of Agency publications and the effort to encourage accurate and favorable coverage of the U.S. in the foreign press.

Motion Pictures and Television would receive \$25 million, principally for the production and acquisition of a variety of films which are made available to various groups and television stations around the world. Centers and Related Activities would receive \$100 million, for the operation of overseas information centers, libraries and reading rooms, support for binational centers (which are cultural institutions sponsored jointly by USIA and local groups, the dissemination of books about American life, and overseas support for the State Department's cultural exchange program.

Radio Broadcasting would receive \$76 million, to be used for all activities, other than broadcast facility construction and maintenance, surrounding the operation of the Voice of America broadcasting system.

The following shows the fiscal year 1976 appropriation for this item, the Administration's fiscal year 1977 request, and the Committee's recommendation:

Salaries and expenses (USIA)

Fiscal year 1976 appropriation (estimate)	<i>.</i> .
Fiscal year 1977 request Committee recommendation	256, 925, 000 256, 925, 000
Difference	0

In the "special international exhibitions" item are funds for various international exhibitions undertaken by authority of the Mutual Educational Exchange Act. Funds for the program are appropriated to the agency on a no-year (available until expended) basis and may be allocated in part to other agencies for the conduct of collateral activities. The current program focuses on Eastern Europe, the Soviet Union, and Berlin, where exhibitions are conducted featuring various aspects of American life and culture:

Special International Exhibitions (USIA)

Fiscal year 1976 appropriation (estimate)	\$6, 187, 000
Fiscal year 1977 request Committee recommendation	
Difference	. 0

In the "acquisition and construction of radio facilities" item are funds appropriated on an available-until-expended basis for use by the Agency in maintaining, and when possible improving, the capabilities of the VOA broadcasting system. The Committee notes that while the fiscal year 1976 appropriation of \$10.1 million provided \$6.8 million for the initial stages of construction of new facilities in the Philippines, this money has not yet been expended nor have additional funds been requested for this project in fiscal year 1977. It is the Committee's understanding that, for reasons of economy, the Administration has decided to delay commencing the project until Fiscal Year 1978, at which time the \$6.8 million already appropriated will provide for the initial expenses.

Acquisition and construction of radio facilities (USIA)

Fiscal year 1976 appropriation (estimate)	\$10, 135, 000
Fiscal year 1977 request Committee recommendation	2, 142, 000
Difference	0

Sec. 202. Purchase of Uniforms

This section, requested by the Executive Branch, authorizes USIA to use funds from its annual appropriation to purchase uniforms for those USIA employees who perform duties as drivers, guards, and messengers. Such authority is already available to the State Department and AID.

Sec. 203. Proceeds from the Exchange or Sale of Motor Vehicles

This section, also requested by the Executive Branch, relates to USIA's use of exchange allowances and proceeds derived from the exchange or sale of motor vehicles used abroad. At present, authority for Agency use of exchange allowances and proceeds is repeated in each annual appropriation act. This section will simplify the appropriation language in the future and make the allowances or proceeds available without fiscal year limitation for the replacement of vehicles, thus giving USIA greater flexibility and conforming USIA authority in this regard to that of the State Department.

Sec. 204. Voice of America Charter

This section, sponsored by Senator Percy, places into law the charter of the Voice of America. Originally set forth by executive directive during the Eisenhower Administration, the charter comprises a set of principles intended to govern broadcasts by the Voice of America. In the Committee view, the broadcasts of VOA can be effective only if they have the respect of their listeners, and such respect can be built only through a tradition of accurate and balanced news presentation. Because the VOA charter expresses this idea clearly, the Committee approved its inclusion in the basic USIA legislation.

Sec. 205. Efficient Use of Broadcast Facilities

This section, sponsored by Senator Percy, requires that not later than December 31, 1976, the President submit to Congress a report—

(1) recommending steps to be taken to utilize more effectively the transmission facilities for international broadcasting, both existing and planned, of the United States Government;

(2) examining the feasibility of greater cooperation with foreign countries to insure mutually efficient use of nationally-owned and nationally-funded transmission facilities for international broadcasting; and

(3) containing a comprehensive outline of projected needs for United States international broadcasting operations based on anticipated language requirements and anticipated sharing of facilities with other governments and U.S. Government-funded organizations involved in international broadcasting.

In the Committee's view, it is important in the interests of economy that the United States develop a long-range policy regarding the use of U.S. owned and supported broadcast facilities. Such a policy must be based on a full assessment of future needs for U.S. and U.S.supported broadcast operations and an analysis of the most effective ways in which existing and planned facilities can be used. Such an analysis should consider all reasonable possibilities for the sharing of facilities by VOA and RFE/RL, both with each other and with other governments. This section is intended to foster such a long-term policy.

Sec. 301. Board for International Broadcasting (Radio Free Europe/ Radio Liberty)

Included in this item are funds for the fiscal 1977 operations of Radio Free Europe and Radio Liberty, and of the Board for International Broadcasting which makes grants to the radios. At the suggestion of the General Accounting Office and with the sponsorship of Senator Percy, the Committee approved an authorization of \$5,000,000 over and above the Administration's request. The purpose of this additional appropriation is not to provide for operations beyond those envisioned in the budget preparation, but rather to ensure that operations at that level are able to continue regardless of swings in international currency exchange rates. More than 80% of the BIB appropriation is converted into foreign currency; there is thus a great potential for disruption in BIB planning and operations when exchange rates are shifting. Under the provision of this section, the extra \$5 million will be available only to the extent the Director of the Office of Management and Budget determines it to be necessary to compensate for a change in the exchange rate from the rate used in budget preparation. Conversely, if the dollar becomes stronger than anticipated, the OMB Director will place in reserve any amount of the regular budget not needed to sustain the budgeted level of RFE/RL operations. Assuming that over the long term the dollar will maintain its current strength, this approach will involve no additional expenditures. Indeed if, as is likely, there has been a tendency on the part of the radios to build into their budgets a pad against adverse exchange rate movements, this approach will actually effect a saving.

Board for International Broadcasting

Fiscal year 1976 appropriation	\$64, 500, 000
Fiscal year 1977 request	53, 385, 000 58, 385, 000
Difference	+5, 000, 000

In the Committee's consideration of the authorization for the Board for International Broadcasting, a matter of particular concern to Committee members was the future of the Radio Liberty transmission facilities in Spain. Although built by Radio Liberty, these facilities are owned by the Spanish Government and have been operated by Radio Liberty under a lease arrangement. Having expired, this lease is now subject to renegotiation over the months ahead. At recent hearings on the pending U.S.-Spanish Treaty of Friendship and Cooperation, Administration officials stated that they have conveyed to Spanish authorities the American view that the continued availability of Radio Liberty facilities is a significant aspect of the broadening relationship which now appears in prospect between Spain and the United States. The Committee wishes to reaffirm this view with emphasis.

The Committee is favorably impressed by the progress reported by the Board and the management of the radios toward the unification of radio leadership, the co-location of headquarters, and the consolidation of administrative, technical, fiscal and other support services. The Committee encourages further efforts toward fulfilling the Board's commitment of a year ago to reduce the payroll base before FY 1977 by \$5.8 million through consolidation and economy programs. The Committee welcomes the Board's assurance that additional economies will be pursued through a sound early-retirement program and through vigorous implementation of recommendations to be made in the near future by the Comptroller General. The Committee intends to monitor the progress made toward implementation.

In this regard, the Committee intends that the Board and Radio management undertake prompt and thorough studies of:

Personnel compensation practices for radio employees in Munich, in order to remove artificial exchange rates and intercorporate inequities, and to establish uniform compensation scales for U.S. citizens and foreign nationals which conform to the practices of the Department of State and other U.S. government agencies in the area.

The feasibility of replacing the present outmoded dual corporate structure by a single new corporation, under which all personnel would be employed under uniform scales and benefits.

The feasibility of transferring major program operations to the United States.

The feasibility of consolidating, within the earliest practicable time, other areas of operations such as news research and audience research.

Broadcast and transmitter schedules, with a view to concentrating technical resources on priority languages during peak listening hours. The Board should determine, after consultation with the Department of State, which of the 25 languages now being broadcast should be continued and at what levels.

The Committee expects to be notified by the Board of the results of such studies before the beginning of the new fiscal year.

The Board is obliged by statute to assess broadcast quality and effectiveness, including the determination as to whether any broadcasts are inconsistent with broad U.S. foreign-policy objectives. The Committee appreciates the informal cooperation developed between the Board and the Department of State in the evaluation process. The Committee believes that periodic program reviews by the Board, including the effective use of expert consultants, would enhance its oversight of broadcast quality and effectiveness.

Under Section 5 of the Board for International Broadcasting Act (PL 93-129), the Board should enjoy prompt and regular access to the Radio organization's documents, current records and staff analyses. The Committee believes that the Board should establish regular reporting requirements, in the manner of comparable U.S. granting agencies, to assure itself of accurate, thorough and current financial information. The Board would be well advised, in the Committee's view, to insist that any uniform accounting and fiscal-reporting system developed within the radio organization should conform, as closely as possible, to the practices of the United States Government, including the most recent recommendations of the Office of Management and Budget and the requirements of the General Accounting Office. Independent financial audits of the radio organizations should be carried out at the direction of and under the supervision of the Board.

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Sec. 302. Technical Amendments to Existing BIB Legislation

This section conforms existing law to the consolidation which has taken place in the radios' organization. Whereas heretofore each radio had a chief operating executive and both sat ex officio on the Board for International Broadcasting, the consolidated radios are now run by one executive who sits as the single ex officio member of the Board, along with the five Board members appointed by the President.

This section also changes the date of the annual BIB report to Congress, so as to conform to the new fiscal year which begins on October 1 instead of July 1.

Finally, this section authorizes the Board to procure services and property, including specialized electronic equipment, the principal effect being to enable the Board—a U.S. Government agency—to purchase new transmission equipment and facilities, rather than making grants to the radios for the same purpose. This will result in a saving, in that the Board will be exempt from certain foreign taxes, and will also allow new facilities to be owned under U.S. Government title.

Sec. 401. Amendments to Japan-U.S. Friendship Act

This section, initiated by Senator Javits, makes two minor amendments in the Japan-United States Friendship Act (P.L. 94–118). The first has the effect of providing the Japan-U.S. Friendship Commission with authority to obtain support services from the General Services Administration, as well as from the Department of State. The second removes a previous ambiguity by making explicit that the interest and proceeds from the sale of obligations held in the Japan-United States Friendship Trust Fund are authorized to be appropriated to the Commission on a no-year basis. For the interest to be available to the Commission for expenditure, it must first be appropriated (in compliance with section 7 of the Act), in a manner similar to the handling of other government trust funds.

CHANGES IN EXISTING LAW

In compliance with paragraph 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no changes is proposed is shown in roman):

TITLE I-ADMINISTRATION OF FOREIGN AFFAIRS

PART 1-DEPARTMENT OF STATE

AUTHORIZATION

SEC. 101. (a) There are authorized to be appropriated for the Department of State [for fiscal year 1976], to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for the "Administration of Foreign Affairs", [\$439,055,000] for fiscal year 1977, \$552,240,500; and

(2) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

(c) The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 17. The Secretary of State is authorized to use appropriated funds for unusual expenses similar to those authorized by section 5913 of title 5, United States Code, incident to the operation and maintenance of the living quarters of the United States Representative to the Organization of American States".

TRAVEL DOCUMENT AND ISSUANCE SYSTEM

SEC. 102. (a) Except as provided in subsection (b), no part of any funds authorized to be appropriated by this title may be used for the development or implementation of the Travel Document and Issuance System which has been proposed by the United States Passport Office (and which involves a restructuring of the passport issuance function and the issuance of machine readable passport books), or of any other new passport system.

(b) Not to exceed \$100,000 of the amount authorized to be appropriated by section 101(a)(1) of this Act shall be available for a study of the desirability and cost implications of the Travel Document and Issuance System described in subsection (a). Such study shall be transmitted to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate.

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TITLE II-INTERNATIONAL ORGANIZATIONS,

CONFERENCES, AND COMMISSIONS

GENERAL AUTHORIZATIONS

SEC. 201. (a) There are authorized to be appropriated for the Department of State [for the fiscal year 1976], to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for "International Organizations and Conferences", **[\$**250,228,000] for fiscal year 1977, \$\$42,460,453;

(2) for "International Commissions", [\$19,993,000] for fiscal year 1977, \$17,069.000; and

(3) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

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TITLE III-EDUCATIONAL EXCHANGE

AUTHORIZATION

SEC. 301. (a) There are authorized to be appropriated for the Department of State [for fiscal year 1976], to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts: (1) for "Educational Exchange", [\$78,800,000] for fiscal year

1977, \$68,500.000; and

(2) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

(c) No funds from the Government and Relief in Occupied Areas (G.A.R.I.O.A.) Account are authorized to be appropriated under this section.

TITLE V—GENERAL

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MIGRATION AND REFUGEE ASSISTANCE

SEC. 501. (a) Section 2(c) of the Refugee and Migration Assistance Act of 1962 is amended to read as follows:

(c)(1) Whenever the President determines it to be important to the national interest he is authorized to furnish on such terms and conditions as he may determine assistance under this Act for the purpose of meeting unexpected urgent refugee and migration needs.

"(2) There is established a United States Emergency Refugee and Migration Assistance Fund to carry out the purposes of this section. There is authorized to be appropriated to the President from time to time such amounts as may be necessary for the fund to carry out the purposes of this section, except that no amount of funds may be appropriated which, when added to amounts previously appropriated but not yet obligated, would cause such amounts to exceed \$25,000,000. Amounts appropriated hereunder shall remain available until expended.

(3) Whenever the President requests appropriations pursuant to this authorization he shall justify such requests to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives, as well as to the Committees on Appropriations.".

(b)(1) There are authorized to be appropriated for the Department of State [for fiscal year 1976], to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(A) for "Migration and Refugee Assistance," [\$10,100,000]; for fiscal year 1977, \$10,000,000; and

(B) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(2) Amounts appropriated under this subsection are authorized to remain available until expended.

(c) In addition to amounts otherwise available, there are authorized to be appropriated to the Secretary of State [for fiscal year 1976] for fiscal year 1977 not to exceed \$20,000,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorizations Act of 1972 (relating to Russian refugee assistance) and to furnish similar assistance to refugees from Communist countries in Eastern Europe. Not to exceed 20 per centum of the amount appropriated under this subsection may be used to resettle refugees in any country other than Israel. Appropriations made under this subsection are authorized to remain available until expended.

THE ACT OF AUGUST 1, 1956 (PUBLIC LAW 84-885)

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SEC. 19. The Secretary of State is authorized, to the extent provided for in appropriation Acts, to use funds for representation expenses and official entertainment within the United States for the American Sections, International Joint Commission, United States and Canada.

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FOREIGN SERVICE BUILDINGS ACT, 1926

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SEC. 4. (a) For the purpose of carrying into effect the provisions of this Act there is hereby authorized to be appropriated an amount not exceeding \$10,000,000, and the appropriations made pursuant to this authorization shall constitute a fund to be known as the Foreign Service Buildings Fund, to remain available until expended. Under this authorization not more than \$2,000,000 shall be appropriated for any one year, but within the total authorization provided in this Act the Secretary of State may enter into contracts for the acquisition of the buildings and grounds authorized by this Act. In the case of the buildings and grounds authorized by this Act, after the initial alterations, repairs, and furnishings have been completed, subsequent expenditures for such purposes may be made out of the appropriations authorized by this Act in amounts authorized by the Congress each year.

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(h) In addition to amounts authorized before the date of enactment of this subsection, there is authorized to be appropriated to the Secretary of State-

(1) for acquisition by purchase or construction (including acquisition of leaseholds) of sites and buildings in foreign countries under this Act, and for major alterations of buildings acquired under this Act, the following sums-

(A) for use in Africa, not to exceed \$865,000 for the fiscal vear 1977:

(B) for use in the American Republics, not to exceed \$2.450,000 for the fiscal year 1977;

(C) for use in Europe, not to exceed \$6,725,000 for fiscal vear 1977:

(D) for use in East Asia, not to exceed \$875,000 for the fiscal year 1977;

(E) for use in the Near East and South Asia, not to exceed \$8,005,000, of which not to exceed \$3,985,000 may be appropriated for the fiscal year 1976;

(F) for facilities for the United States Information Agency, not to exceed \$3,745,000, of which not to exceed \$2,800,000 may be appropriated for the fiscal year 1976; and

(G) for facilities for agricultural and defense attaché housing, not to exceed \$420,000 for the fiscal year 1977; and
(2) for use to carry out the other purposes of this Act for fiscal

years 1976 and 1977, [\$71,600,000] \$73,058,000, of which not to exceed \$32,840,000 may be appropriated for fiscal year 1976.

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(j) For the purpose of carrying into effect the provisions of this Act in the Union of Soviet Socialist Republics, there is hereby authorized to be appropriated, in addition to amounts previously authorized prior to the enactment of this amendment, \$30,000,000, to remain available until expended.

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TITLE X OF THE FOREIGN SERVICE ACT, 1946

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(PART J-MALPRACTICE PROTECTION)

SEC. 1091. (a) The remedy—

(1) against the United States provided by sections 1346(b) and 2672 of title 28, or

(2) through proceedings for compensation or other benefits from the United States as provided by any other law, where the availability of such benefits precludes a remedy under section 1346(b) or 2672of title 28—

for damages for personal injury, including death, allegedly arising from malpractice or negligence of a physician, dentist, nurse, pharmacist, or paramedical (for example, medical and dental assistants and technicians, nursing assistants, and therapists) or other supporting personnel of the Department of State (including the Agency for International Development) in furnishing medical care or related services while in the exercise of his or her duties in or for the Department of State or any other Federal department, agency, or institution shall be exclusive of any other civil action or proceeding by reason of the same subject matter against such physician, dentist, nurse, pharmacist, or paramedical or other supporting personnel (or his or her estate) whose act or omission gave rise to such claim.

(b) The United States Government shall defend any civil action or proceeding brought in any court against any person referred to in subsection (a) of this section (or his or her estate) for any such damage or injury. Any such person against whom such civil action or proceeding is brought shall deliver, within such time after date of service or knowledge of service as determined by the Attorney General, all process served upon him or her or an attested true copy thereof to whomever was designated by the Secretary to receive such papers and such person shall promptly furnish copies of the pleading and process therein to the United States attorney for the district embracing the place wherein the proceeding is brought, to the Attorney General, and to the Secretary.

(c) Upon a certification by the Attorney General that the defendant was acting within the scope of his or her employment in or for the Department of State or any other Federal department, agency, or institution at the time of the incident out of which the suit arose, any such civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States of the district and division embracing the place wherein it is pending and the proceeding deemed a tort action brought against the United States under the provisions of title 28 and all references thereto. Should a United States district court determine on a hearing on a motion to remand held before a trial on the merits that the case so removed is one in which a remedy by suit within the meaning of subsection (a) of this section is not available against the United States, the case shall be remanded to the State court: Provided, That where such remedy is precluded because of the availability of a remedy through proceedings for compensation or other benefits from the United States as provided by any other law, the case shall be dismissed, but in that event, the running of any limitation of time for commencing, or filing an application or claim in, such proceedings for compensation or other benefits shall be deemed to have been suspended during the pendency of the civil action or proceeding under this section.

(d) The Attorney General may compromise or settle any claim asserted in such civil action or proceeding in the manner provided in section 2677 of title 28 and with the same effect.

(e) For purposes of this section, the provisions of section 2680(h) of title 28 shall not apply to any tort enumerated therein arising out of negligence in the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations.

(f) The Secretary may, to the extent he deems appropriate, hold harmless or provide liability insurance for any person to whom the immunity provisions of this section apply (as described in subsection (a) of this section), for damages for personal injury, including death, negligently caused by any such person while acting within the scope of his or her office or employment and as a result of the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations, if such person is assigned to a foreign area or detailed for service with other than a Federal agency or institution, or if the circumstances are such as are likely to preclude the remedies of third persons against the United States provided by sections 1346(b) and 2672 of title 28, for such damage or injury.

(g) For purposes of this section, any medical or related service covered by this section and performed abroad by a covered person at the direction or with the approval of the United States Ambassador or other principal representative of the United States in the area shall be deemed to be within the scope of employment of the individual performing the service.

THE ACT OF JUNE 11, 1959 (PUBLIC LAW 86-42)

JOINT RESOLUTION To authorize participation by the United States in parliamentary conference with Canada

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That not to exceed twentyfour Members of Congress shall be appointed to meet jointly and at least annually and when Congress is not in session (except that this restriction shall not apply during the first session of the Eighty-sixth Congress or to meetings held in the United States) with representatives of the House of Commons and Senate of the Canadian Parliament for discussion of common problems in the interests of relations between the United States and Canada. Of the Members of the Congress to be appointed for the purposes of this resolution (hereinafter designated as the United States group) half shall be appointed by the Speaker of the House from Members of the House (not less than four of whom shall be from the Foreign Affairs Committee), and half shall be appointed by the President of the Senate from Members of the Senate (not less than four of whom shall be from the Foreign Relations Committee).

Such appointments shall be for a period of each meeting of the Canada-United States Interparliamentary group except for the four members of the Foreign Affairs Committee and the four members of the Foreign Relations Committee, whose appointments shall be for the duration of each Congress.

SEC. 2. An appropriation of \$30,000 \$50,000 annually is authorized, [\$15,000] \$25,000 of which shall be for the House delegation and [\$15,000] \$25,000 for the Senate delegation, or so much thereof as may be necessary, to assist in meeting the expenses of the United States group of the Canada-United States Interparliamentary group for each fiscal year for which an appropriation is made, the House and Senate portions of such appropriation to be disbursed on vouchers to be approved by the Chairman of the House delegation and the Chairman of the Senate delegation, respectively.

SEC. 3. The United States group of the Canada-United States Interparliamentary group shall submit to the Congress a report for each fiscal year for which an appropriation is made including its expenditures under such appropriation.

SEC. 4. The certificate of the Chairman of the House delegation or the Senate delegation of the Canada-United States Interparliamentary group shall hereafter be final and conclusive upon the accounting officers in the auditing of the accounts of the United States group of the Canada-United States Interparliamentary group.

THE ACT OF APRIL 9, 1960 (PUBLIC LAW 86-420)

JOINT RESOLUTION To authorize participation by the United States in parliamentary conferences with Mexico

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That not to exceed twentyfour Members of Congress shall be appointed to meet jointly and at least annually with representatives of the Chamber of Deputies and Chamber of Senators of the Mexican Congress for discussion of common problems in the interests of relations between the United States and Mexico. Of the Members of the Congress to be appointed for the purposes of this resolution (hereinafter designated as the United States group) half shall be appointed by the Speaker of the House from Members of the House (not less than four of whom shall be from the Foreign Affairs Committee), and half shall be appointed by the President of the Senate from Members of the Senate (not less than four of whom shall be from the Foreign Relations Committee). Such appointments shall be for the period of each meeting of the Mexico-United States Interparliamentary group except for the four members of the Foreign Affairs Committee, and the four members of the Foreign Relations Committee, whose appointment shall be for the duration of each Congress.

SEC. 2. An appropriation of [\$30,000] \$50,000 annually is authorized, [\$15,000] \$25,000 of which shall be for the House delegation and [\$15,000] \$25,000 for the Senate delegation, or so much thereof as may be necessary to assist in meeting the expenses of the United States group of the Mexico-United States Interparliamentary group for each fiscal year for which an appropriation is made, the House and Senate portions of such appropriation to be disbursed on vouchers to be approved by the Chairman of the House delegation and the Chairman of the Senate delegation, respectively.

SEC. 3. The United States group of the Mexico-United States Interparliamentary group shall submit to the Congress a report for each fiscal year for which an appropriation is made including its expenditures under such appropriation.

SEC. 4. The certificate of the Chairman of the House delegation or the Senate delegation of the Mexico-United States Interparliamentary group shall hereafter be final and conclusive upon the accounting officers in the auditing of the accounts of the United States group of the Mexico-United States Interparliamentary group.

UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948, AS AMENDED

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SEC. 503. The long-range interests of the United States are served by communicating directly with the peoples of the world by radio. To be effective, the Voice of America (the Broadcasting Service of the United States Information Agency) must win the attention and respect of listeners. These principles will govern Voice of America (VOA) broadcasts:

(1) VOA will serve as a consistently reliable and authoritative source of news. VOA news will be accurate, objective, and comprehensive.

(2) VOA will represent America, not any single segment of American society, and will therefore present a balanced and comprehensive projection of significant American thought and institutions.

(3) VOA will present the policies of the United States clearly and effectively, and will also present responsible discussion and opinion on these policies.

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BASIC AUTHORITY

SEC. 804. In carrying out the provisions of this Act, the Secretary, or any Government agency authorized to administer such provisions may-

(1) employ, without regard to the civil service and classification laws, aliens abroad for service in the United States relating to the translation or narration of colloquial speech in foreign languages when suitable qualified United States citizens are not available (such aliens to be investigated for such employment in accordance with procedures established by the Secretary or such agency and the Attorney General), and such persons may be admitted to the United States, if otherwise qualified, as nonimmigrants under section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)) for such time and under such conditions and procedures as may be established by the Secretary and the Attorney General;

(2) pay travel expenses of aliens employed abroad for service in the United States and their dependents to and from the United States;

(3) incur expenses for entertainment within the United States within such amounts as may be provided in appropriations Acts;

(4) obtain insurance on official motor vehicles operated by the Secretary or such agency in foreign countries, and pay the expenses incident thereto;

(5) notwithstanding the provisions of section 2680(k) of title 28, United States Code, pay tort claims in the manner authorized in the first paragraph of section 2672 of such title, when such claims arise in foreign countries in connection with operations conducted abroad under this Act:

(6) employ aliens by contract for services abroad;

(7) provide ice and drinking water abroad;

(9) pay excise taxes on negotiable instruments abroad;

(9) pay the actual expenses of preparing and transporting to their former homes the remains of persons, not United States Government employees, who may die away from their homes while participating in activities conducted under this Act;

(10) rent or lease, for periods not exceeding five years, offices, buildings, grounds, and living quarters abroad for employees carrying out this Act, and make payments therefor in advance;

(11) maintain, improve, and repair properties used for information activities in foreign countries;

(12) furnish fuel and utilities for Government-owned or leased property abroad; [and]

(13) pay travel expenses of employees attending official international conferences, without regard to sections 5701-5708 of title 5. United States Code, and regulations issued thereunder, but at rates not in excess of comparable allowances approved for such conferences by the Secretary [.]; and

(14) purchase of uniforms, when funds are appropriated therefor.

TRAVEL EXPENSES

SEC. 805. Appropriated funds made available for any fiscal year to the Secretary or any Government agency, to carry out the provisions of this Act, for expenses in connection with travel of personnel outside the continental United States, including travel of dependents and transportation of personal effects, household goods, or automobiles of such personnel, shall be available for all such expenses in connection with travel or transportation which begins in that fiscal year pursuant to travel orders issued in that year, notwithstanding the fact that such travel or transportation may not be completed until the following fiscal year. SEC. 806. The exchange allowances or proceeds derived from the exchange or sale of passenger motor vehicles used abroad for purposes of this Act and the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2451, et. seq.), in accordance with section 201(c) of the Act of June 30, 1949 (40 U.S.C. 481(c)), shall be available without fiscal year limitation for replacement of an equal number of such vehicles.

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BOARD FOR INTERNATIONAL BROADCASTING ACT OF 1973 (RADIO FREE EUROPE/RADIO LIBERTY)

*

ESTABLISHMENT AND ORGANIZATION

SEC. 3. (a) There is established a Board for International Broadcasting (hereinafter referred to as the "Board").

(b) (1) COMPOSITION OF BOARD.—The Board [shall consist of seven members, two of whom shall be ex officio members.] shall consist of six members, one of whom shall be an ex officio member. The President shall appoint, by and with the advice and consent of the Senate, five voting members, one of whom he shall designate as chairman. Not more than three of the members of the Board appointed by the President shall be of the same political party. [The chief operating executive of Radio Free Europe and the chief operating executive of Radio Liberty shall be ex officio members of the Board] The chief operating executive of Radio Free Europe and Radio Liberty shall be an ex officio member of the Board and shall participate in the activities of the Board, but shall not vote in the determinations of the Board.

(2) SELECTION.—Members of the Board appointed by the President shall be citizens of the United States who are not concurrently regular full-time employees of the United States Government. Such members shall be selected by the President from among Americans distinguished in the fields of foreign policy or mass communications.

(:) TERM OF OFFICE OF PRESIDENTIALLY APPOINTED MEMBERS.— In appointing the initial voting members of the Board, the President shall designate three of the members appointed by him to serve for a term of three years and two members to serve for a term of two years. Thereafter, the term of office of each member of the Board so appointed shall be three years. The President shall appoint, by and with the advice and consent of the Senate, members to fill vacancies occurring prior to the expiration of a term, in which case the members so appointed shall serve for the remainder of such term. Any member whose term has expired may serve until his successor has been appointed and qualified.

(4) TERM OF OFFICE OF EX OFFICIO MEMBERS.— [Ex officio members of the Board shall serve on the Board during their terms of service as chief operating executives of Radio Free Europe or Radio Liberty.] The ex officio member of the Board shall serve on the Board during his term of service as chief operating executive of Radio Free Europe and Radio Liberty.

(5) COMPENSATION.—Members of the Board appointed by the President shall, while atteningd meetings of the Board or while engaged in duties relating toh suc meetings or in other activities of the Board pursuant to this section, including traveltime, be entitled to receive compensation equal to the daily equivalent of the compensation prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code. While away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently. **[**Ex officio members of the Board] The ex officio member of the Board shall not be entitled to any compensation under this Act, but may be allowed travel expenses as provided in the preceding sentence.

FUNCTIONS

SEC. 4. (a) The Board is authorized:

(1) to make grants to Radio Free Europe and to Radio Liberty in order to carry out the purposes set forth in section 2 of this Act;

(2) to review and evaluate the mission and operation of Radio Free Europe and Radio Liberty, and to assess the quality, effectiveness and professional integrity of their broadcasting within the context of the broad foreign policy objectives of the United States:

(3) to encourage the most efficient utilization of available resources by Radio Free Europe and Radio Liberty and to undertake, or request that Radio Free Europe or Radio Liberty undertake, such studies as may be necessary to identify areas in which the operations of Radio Free Europe and Radio Liberty may be made more efficient and economical;

(4) to develop and apply such financial procedures, and to make such audits of Radio Free Europe and Radio Liberty as the Board may determine are necessary, to assure that grants are applied in accordance with the purposes for which such grants are made:

(5) to develop and apply such evaluative procedures as the Board may determine are necessary to assure that grants are applied in a manner not inconsistent with the broad foreign policy objectives of the United States Government;

(6) to appoint such staff personnel as may be necessary, subject to the provisions of section 5, United States Code, governing appointments in the competitive service, and to fix their compensation in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates;

(7)(A) to procure temporary and intermittent personal services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18; and

(B) to allow those providing such services, while away from their homes or their regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently, while so employed;

(8) to report annually to the President and the Congress [on or before the 30th day of October, summarizing the activities of the

Board during the year ending the preceding June 30, on or before the 31st day of January, summarizing the activities of the Board during the year ending the preceding September 30, and reviewing and evaluating the operation of Radio Free Europe and Radio Liberty during such year; and

(9) to prescribe such regulations as the Board deems necessary to govern the manner in which its functions shall be carried out.

(10) to procure supplies, services, and other personal property, including specialized electronic equipment, to the extent the Board deems necessary to carry out its functions under the Act.

(b) In carrying out the foregoing functions, the Board shall bear in mind the necessity of maintaining the professional independence and integrity of Radio Free Europe and Radio Liberty.

* * * * *

FINANCING AND IMPLEMENTATION

[SEC. 8. (a) There are authorized to be appropriated, to remain available until expended, \$49,990,000 for fiscal year 1975, of which not less than \$75,000 shall be available soley to initiate broadcasts in the Estonian language and not less than \$75,000 shall be available solely to initiate broadcasts in the Latvian language. There are authorized to be appropriated for fiscal year 1975 such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law and for other nondiscretionary costs.

(b) To allow for the orderly implementation of this Act, the Secretary of State is authorized to make grants to Radio Free Europe and to Radio Liberty under such terms and conditions as he deems appropriate for their continued operation until a majority of the voting members of the Board have been appointed and qualified, and until funds authorized to be appropriated under this Act are available to the Board.

SEC. 8. (a) There are authorized to be appropriated to carry out the purposes of this Act for fiscal year 1977—

(1) \$58,385,000, of which \$5,000,000 shall be available only to the extent that the Director of the Office of Management and Budget determines (and so certifies to the Congress) is necessary, because of downward fluctuations in foreign currency exchange rates, in order to maintain the budgeted level of operation for Radio Free Europe and Radio Liberty; and

(2) such additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law.

Amounts appropriated under this section are authorized to remain available until expended.

(b) The Director of the Office of Management and Budget shall place in reserve any amount appropriated under this section which, because of upward fluctuations in foreign currency exchange rates, is in excess of the amount necessary to maintain the budgeted level of operation for Radio Free Europe and Radio Liberty.

(a) A set of the set of the

JAPAN-UNITED STATES FRIENDSHIP ACT (PUBLIC LAW 94-118)

* * * *

ESTABLISHMENT OF THE FUND; EXPENDITURES

SEC. 3. (a) There is established in the Treasury of the United States a trust fund to be known as the Japan-United States Friendship Trust Fund (hereafter referred to as the "Fund").

(b) Amounts in the Fund shall be used for the promotion of scholarly, cultural, and artistic activities between Japan and the United States, including—

(1) support for studies, including language studies, in institutions of higher education or scholarly research in Japan and the United States, designed to foster mutual understanding between Japan and the United States;

(2) support for major collections of Japanese books and publications in appropriate libraries located throughout the United States and similar support for collections of American books and publications in appropriate libraries located throughout Japan;
(3) support for programs in the arts in association with appro-

(3) support for programs in the arts in association was priate institutions in Japan and the United States;

(4) support for fellowships and scholarships at the graduate and faculty levels in Japan and the United States in accord with the purposes of this Act;

(5) support for visiting professors and lecturers at colleges and universities in Japan and the United States; and

(6) support for other Japan-United States cultural and educational activities consistent with the purposes of this Act.

(c) Amounts in the Fund may also be used to pay administrative expenses of the Japan-United States Friendship Commission, established by section 4 of this Act, as directed by that Commission.

(d) There is authorized to be appropriated to the Fund, for fiscal year 1976, an amount equal to 7.5 per centum of the total funds payable to the United States pursuant to the Agreement Between Japan and the United States of America Concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo, June 17, 1971[.], including interest and proceeds accruing to the Fund from such funds in accordance with sections 6(4) and 7 of this Act. (e) (1) There is authorized to be appropriated to the Fund, for fiscal

(e) (1) There is authorized to be appropriated to the Fund, for fiscal year 1976, in addition to the amount authorized to be appropriated by subsection (d) of this section, those funds available in United States accounts in Japan and transferred by the Government of Japan to the United States pursuant to the United States request made under article V of the agreement between the United States of America and Japan regarding the settlement of Postwar Economic Assistance to Japan, signed in Tokyo, January 9, 1962, and the exchange of notes of the same date (13 U.S.T. 1957; T.I.A.S. 5154) (the G.A.R.I.O.A. Account), including interest accruing to the G.A.R.I.O.A. Account *I* and interest and proceeds accruing to the Fund from such funds in accordance with sections 6(4) and 7 of this Act.

(2) The amount authorized to be appropriated by paragraph (1) of this subsection shall not include any amount required by law to be applied to United States participation in the International Ocean Exposition to be held in Okinawa, Japan.

(3) Any unappropriated portion of the amount authorized to be appropriated by subsection (d) of this section and paragraph (1) of this subsection for fiscal year 1976 may be appropriated in any subsequent fiscal year.

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ADMINISTRATIVE PROVISIONS

SEC. 6. In order to carry out its functions under this Act, the Commission is authorized to—

(1) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(2) receive money and property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of this Act; and to use, sell, or otherwise dispose of such property (including transfer to the Fund) for the purpose of carrying out the purposes of this Act, and any such donation shall be exempt from any Federal income, State, or gift tax;

(3) in the discretion of the Commission, receive (and use, sell, or otherwise dispose of, in accordance with paragraph (2))money and other property donated, bequeathed, or devised to the Commission with a condition or restriction, including a condition that the Commission use other funds of the Commission for the purposes of the gift, and any such donation shall be exempt from any Federal income, State, or gift tax;
(4) direct the Secretary of the Treasury to make expenditure

(4) direct the Secretary of the Treasury to make expenditure of the income of the Fund and not to exceed 5 per centum annually of the principal of the Fund to carry out the purposes of this Act, including the payment of Commission expenses if needed, excepthat any amounts expended from amounts appropriated to the Fund under section 3(e)(1) of this Act shall be expended in Japan;

(5) appoint an Executive Director, without regard to the prot visions of title 5, United States Code, governing appointments in the competitive service, who shall be compensated at the rate provided for a GS-18 of the General Schedule of such title;

(6) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed the rate specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code;

(7) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(8) enter into contracts, grants, or other arrangements, or modifications thereof;

(9) make advances, progress, and other payments which the Commission deems necessary under this Act; and

(10) obtain [from the Secretary of State, on a reimbursable basis,] such administrative support services and personnel as the Commission deems necessary and appropriate to its needs.

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Rinety-fourth Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Monday, the nineteenth day of January, one thousand nine hundred and seventy-six

An Act

To authorize fiscal year 1977 appropriations for the Department of State, the United States Information Agency, and the Board for International Broad-casting, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Relations Authorization Act, Fiscal Year 1977".

TITLE I-STATE DEPARTMENT

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. (a) There are authorized to be appropriated for the Department of State for fiscal year 1977, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts: (1) For the "Administration of Foreign Affairs", \$552,455,000. (2) For "International Organizations and Conferences", \$242,460,453

\$342,460,453.

\$342,460,453.
(3) For "International Commissions", \$17,069,000.
(4) For "Educational Exchange", \$68,500,000.
(5) For "Migration and Refugee Assistance", \$10,000,000.
(6) For increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs, such amounts as may be necessary.
(b) Amounts appropriated under this section are authorized to main available until expended.

remain available until expended.

TRANSFER AUTHORITY

SEC. 102. Funds authorized to be appropriated for fiscal year 1977 by any paragraph of section 101(a) (other than paragraph (6)) may be appropriated for such fiscal year for a purpose for which appropriations are authorized by any other paragraph of such section (other than paragraph (6)), except that the total amount appropriated for a purpose described in any paragraph of section 101(a) (other than paragraph (6)) may not exceed the amount specifically authorized for such purpose by section 101(a) by more than 10 per centum.

CONTRIBUTION TO THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

SEC. 103. Notwithstanding the limitation contained in the proviso SEC. 103. Notwithstanding the limitation contained in the proviso in the paragraph under the subheading "Contributions to Interna-tional Organizations" in title I of the Act of October 25, 1972 (86 Stat. 1110), and notwithstanding the requirements of section 302(h)of the Foreign Assistance Act of 1961, \$3,545,453 of the amount authorized to be appropriated by section 101(a)(2) of this Act may be used to complete the fiscal year 1975 United States contribution to the United Nations Educational, Scientific, and Cultural Organization.

INTERNATIONAL JOINT COMMISSION

SEC. 104. The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, is amended by adding at the end thereof the following new section: "SEC. 19. Each fiscal year (beginning with fiscal year 1977), the Secretary of State may use not to exceed \$1,500 of the funds appro-

"SEC. 19. Each fiscal year (beginning with fiscal year 1977), the Secretary of State may use not to exceed \$1,500 of the funds appropriated for the American Sections, International Joint Commission, United States and Canada, for representation expenses and official entertainment within the United States for such American Sections.".

RUSSIAN REFUGEE ASSISTANCE

SEC. 105. In addition to amounts otherwise available, there are authorized to be appropriated to the Secretary of State for fiscal year 1977 not to exceed \$20,000,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorizations Act of 1972 (relating to Russian refugee assistance) and to furnish similar assistance to refugees from Communist countries in Eastern Europe. None of the funds appropriated under this section may be used to resettle refugees in any country other than Israel. Amounts appropriated under this section are authorized to remain available until expended.

UNITED STATES PASSPORT OFFICE

SEC. 106. In addition to amounts otherwise available for such purposes, there is authorized to be appropriated for fiscal year 1977, \$1,000,000, to be used for miniaturization of the files of the United States Passport Office. Amounts appropriated under this section are authorized to remain available until expended.

NORTH ATLANTIC ASSEMBLY

SEC. 107. The joint resolution entitled "Joint resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization", approved July 11, 1956, is amended by adding at the end thereof the following new section:

"SEC. 5. In addition to the amounts authorized by section 2, there is authorized to be appropriated \$50,000 for fiscal year 1977 to meet the expenses incurred by the United States group in hosting the twenty-second annual meeting of the North Atlantic Assembly. Amounts appropriated under this section are authorized to remain available until expended.".

PAYMENT TO LADY CATHERINE HELEN SHAW

SEC. 108. Of the amount appropriated under paragraph (1) of section 101(a) of this Act for salaries and expenses, \$10,000 shall be available for payment ex gratia to Lady Catherine Helen Shaw, wife of the former Australian Ambassador to the United States, as an expression of the concern of the United States Government for the injuries which she sustained as a result of an attack on her in the District of Columbia.

FOREIGN SERVICE BUILDINGS AUTHORIZATION

SEC. 109. Section 4 of the Foreign Service Buildings Act, 1926, is amended-

(1) in paragraph (2) of subsection (h) by striking out "\$71,600,000" and inserting in lieu thereof "\$73,058,000"; and

(2) by adding the following new subsection at the end of the section:

"(j) For the purpose of carrying into effect the provisions of this Act in the Union of Soviet Socialist Republics, there is authorized to be appropriated, in addition to amounts authorized prior to the enactment of this subsection, \$30,000,000, which amount is authorized to remain available until expended.".

PAN AMERICAN GAMES

SEC. 110. (a) The Congress finds that— (1) the Eighth Pan American Games to be held in San Juan, Puerto Rico, in 1979 will provide an opportunity for more than six thousand young men and women, representing thirty-three countries in the Western Hemisphere, to participate in friendly athletic competition;

(2) international sporting events such as the Eighth Pan American Games make a unique contribution in promoting common understanding and mutual respect among people of different cultural backgrounds; and

(3) the President has the authority under the Mutual Educa-tional and Cultural Exchange Act of 1961 to provide financing, when he considers that it would strengthen international cooperative relations, for (A) tours abroad by American athletes, (B) United States representation in international sports competitions, and (C) participation by groups and individuals from other

countries in tours and in sports competitions in the United States. (b) In order to strengthen international cooperative relations and promote the purposes of the Mutual Educational and Cultural Exchange Act of 1961, the Secretary of State shall use funds appro-priated to carry out this section to provide financial assistance for the Eighth Pan American Games to be held in Puerto Rico in 1979. Such funds shall be transferred by the Secretary to the Recreational Development Company of Puerto Rico (a government corporation of the Commonwealth of Puerto Rico) for expenses directly related to the Eighth Pan American Games, including expenses for-

promoting, organizing, and conducting such games;
 constructing new and repairing existing athletic and recrea-

(2) constructing neurophysical and transportation for participants in such games and for related personnel; and
(4) acquiring necessary material and equipment for such games.

Such expenditures shall be subject to such controls and audits as the Comptroller General may prescribe.

(c) To carry out this section, there is authorized to be appropriated to the Secretary of State \$12,000,000.

PARTICIPATION BY FEDERAL EMPLOYEES IN CULTURAL EXCHANGE PROGRAMS

SEC. 111. The Mutual Educational and Cultural Exchange Act of 1961 is amended by adding immediately after section 108 the following

new section: "SEC. 108A. (a) (1) Congress consents to the acceptance by a Federal employee of grants and other forms of assistance provided by a employee in a cultural exchange— "(A) which is of the type described in section 102(a)(2)(i) of this Act, foreign government to facilitate the participation of such Federal

"(B) which is conducted for a purpose comparable to the purpose stated in section 101 of this Act, and

"(C) which is specifically approved by the Secretary of State for purposes of this section;

but the Congress does not consent to the acceptance by any Federal employee of any portion of any such grant or other form of assistance

which provides assistance with respect to any expenses incurred by or for any member of the family or household of such Federal employee. "(2) For purposes of this section, the term 'Federal employee' means any employee as defined in subparagraphs (A) through (E) of section 7342(a) (1) of title 5 of the United States Code, but does not include a person described in subparagraph (E) of such section include a person described in subparagraph (F) of such section.

(b) The grants and other forms of assistance with respect to which the consent of Congress is given in subsection (a) of this section shall not constitute gifts for purposes of section 7342 of title 5 of the United

States Code. "(c) The Secretary of State is authorized to promulgate regula-tions for purposes of this section.".

ANNUITY INCREASES FOR ALIEN EMPLOYEES

SEC. 112. Section 444(a) of the Foreign Service Act of 1946 is amended-

 by inserting "(1)" immediately after "(a)"; and
 by inserting the following new paragraph at the end thereof:

"(2) The Secretary may, under such regulations as he may pre-scribe, make supplemental payments, out of funds appropriated after the date of enactment of this subparagraph for salaries and expenses, to any civil service annuitant who is a former alien employee of the Service (or is a survivor of a former alien employee of the Service) in order to offset exchange rate losses, if the annuity being paid such annuitant is based on (A) a salary that was fixed in a foreign currency that has appreciated in value in terms of the United States dollar, and (B) service in a country in which (as determined by the Secretary) the average retirement benefits being received by those who have retired from competitive local organizations are superior to the local currency value of civil service annuities plus any other retirement benefits payable to alien employees who have retired during similar time periods and after comparable careers with the United States Government.".

MEMBERSHIP AUTHORITY FOR INTERNATIONAL ORGANIZATIONS

SEC. 113. The President is authorized to maintain United States membership in the International Cotton Advisory Committee, the International Lead and Zinc Study Group, the International Rubber Study Group, and the International Seed Testing Association.

PANAMA CANAL

SEC. 114. Any new Panama Canal treaty or agreement negotiated with funds appropriated under this title must protect the vital interests

of the United States in the Canal Zone and in the operation, maintenance, property, and defense of the Panama Canal.

INTERNATIONAL JOINT COMMISSION

SEC. 115. After the date of enactment of this Act, any commissioner of the International Joint Commission appointed on the part of the United States, pursuant to article VII of the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548; III Redmond 2607), shall be appointed by the President by and with the advice and consent of the Senate.

FOREIGN GIFTS

SEC. 116. (a) The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended by section 104 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 20. Any expenditure for any gift for any person of any foreign country which involves any funds made available to meet unfore-seen emergencies arising in the Diplomatic and Consular Service shall be audited by the Comptroller General and reports thereon made to the Congress to such extent and at such times as he may determine necessary. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property pertaining to such expenditure and neces-sary to facilitate the audit.".

STATE DEPARTMENT/UNITED STATES INFORMATION AGENCY PERSONNEL SYSTEM

SEC. 117. It is the sense of Congress that the proliferation of per-sonnel categories within the State Department and the United States Information Agency (the several categories being characterized by various standards for hiring, tenure, and pay) has resulted in a personnel system susceptible to inefficiency, inequity, and abuse. Therefore, within one hundred and eighty days of the enactment of this Act, the Secretary of State shall transmit to Congress a comprehensive plan for the improvement and simplification of this system, such plan to include a reduction in the number of personnel categories, and pro-posed legislation if necessary.

PARLIAMENTARY CONFERENCES

SEC. 118. (a) Section 2 of the Act of June 11, 1959 (Public Law 86-42; 73 Stat. 72), is amended by striking out "\$30,000" and inserting in lieu thereof "\$50,000", and by striking out "\$15,000" each time it appears and inserting in lieu thereof "25,000". (b) Section 2 of the Act of April 9, 1960 (Public Law 86-420; 74 Stat. 40), is amended by striking out "\$30,000" and inserting in lieu thereof "\$50,000", and by striking out "\$15,000" each time it appears and inserting in lieu thereof "\$50,000".

MEDICAL MALPRACTICE PROTECTION

SEC. 119. Title X of the Foreign Service Act of 1946 is amended by adding at the end thereof the following new part:

"PART J-MALPRACTICE PROTECTION

"SEC. 1091. (a) The remedy-

"(1) against the United States provided by sections 1346(b) and 2672 of title 28 of the United States Code, or

"(2) through proceedings for compensation or other benefits from the United States as provided by any other law, where the availability of such benefits precludes a remedy under such sections.

for damages for personal injury, including death, allegedly arising from malpractice or negligence of a physician, dentist, nurse, pharmacist, or paramedical (including medical and dental assistants and technicians, nursing assistants, and therapists) or other supporting personnel of the Department of State (including the Agency for International Development) in furnishing medical care or related services, including the conducting of clinical studies or investigations, while in the exercise of his or her duties in or for the Department of State or any other Federal department, agency, or instrumentality shall be exclusive of any other civil action or proceeding by reason of the same subject matter against such physician, dentist, nurse, pharmacist, or paramedical or other supporting personnel (or his or her estate) whose act or omission gave rise to such claim. "(b) The United States Government shall defend any civil action or

"(b) The United States Government shall defend any civil action or proceeding brought in any court against any person referred to in subsection (a) of this section (or his or her estate) for any such damage or injury. Any such person against whom such civil action or proceeding is brought shall deliver, within such time after date of service or knowledge of service as determined by the Attorney General, all process served upon him or her or an attested true copy thereof to whomever was designated by the Secretary to receive such papers and such person shall promptly furnish copies of the pleading and process therein to the United States attorney for the district embracing the place wherein the proceeding is brought, to the Attorney General, and to the Secretary. "(c) Upon a certification by the Attorney General that the defend-

"(c) Upon a certification by the Attorney General that the defendant was acting within the scope of his or her employment in or for the Department of State or any other Federal department, agency, or instrumentality at the time of the incident out of which the suit arose, any such civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States of the district and division embracing the place wherein it is pending and the proceeding deemed a tort action brought against the United States under the provisions of title 28 of the United States Code and all references thereto. Should a United States district court determine on a hearing on a motion to remand held before a trial on the merits that the case so removed is one in which a remedy by suit within the meaning of subsection (a) of this section is not available against the United States, the case shall be remanded to the State court except that where such remedy is precluded because of the availability of a remedy through proceedings for compensation or other benefits from the United States as provided by any other law, the case shall be dismissed, but in that event, the running of any limitation of time for commencing, or filing an application or claim in, such proceedings for compensation or other benefits shall be deemed to have been suspended during the pendency of the civil action or proceeding under this section.

pendency of the civil action or proceeding under this section. "(d) The Attorney General may compromise or settle any claim asserted in such civil action or proceeding in the manner provided in

section 2677 of title 28 of the United States Code and with the same effect.

"(e) For purposes of this section, the provisions of section 2680(h) of title 28 of the United States Code shall not apply to any tort enumerated therein arising out of negligence in the furnishing of medical care or related services, including the conducting of clinical studies or investigations.

"(f) The Secretary may, to the extent he deems appropriate, hold harmless or provide liability insurance for any person to whom the immunity provisions of subsection (a) of this section apply, for damages for personal injury, including death, negligently caused by any such person while acting within the scope of his or her office or employ-ment and as a result of the furnishing of medical care or related serv-ices, including the conducting of clinical studies or investigations, if such person is assigned to a foreign area or detailed for service with other than a Federal agency or institution, or if the circumstances are such as are likely to preclude the remedies of third persons against the United States provided by sections 1346(b) and 2672 of title 28 of the United States Code, for such damage or injury.

(g) For purposes of this section, any medical care or related serv-(g) For purposes of this section, any interact of the or output of the ice covered by this section and performed abroad by a covered person at the direction or with the approval of the United States Ambassador or other principal representative of the United States in the area shall be deemed to be within the scope of employment of the individual performing the service.".

APPOINTMENT OF AMBASSADORS

SEC. 120. It is the sense of the Congress that a greater number of positions of ambassador should be occupied by career personnel in the Foreign Service.

DISCRIMINATION

SEC. 121. Information should not be disseminated about opportunities for, and there should be no participation or other assistance by any officer or employee of the Department of State (including the Agency for International Development) in, the negotiation of any contract or arrangement with a foreign country, individual, or entity, if— (1) any United States person (as defined in section 7701(a) (30) of the Internal Revenue Code of 1954) is prohibited from entering

into such contract or arrangement, or

(2) such contract or arrangement requires that any such person be excluded from participating in the implementation of

such contract or arrangement, on account of the race, religion, national origin, or sex of such person in the case of an individual or, in the case of a partnership, corpora-tion, association, or other entity, any officer, employee, agent, director, or owner thereof.

TITLE II-UNITED STATES INFORMATION AGENCY

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. (a) There are authorized to be appropriated for the United States Information Agency for fiscal year 1977, to carry out interna-tional informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization

Plan Numbered 8 of 1953, and other purposes authorized by law, the following amounts:

(1) For "Salaries and Expenses" and "Salary and Expenses" (special foreign currency program)", \$255,925,000.
(2) For "Special International Exhibitions", \$4,841,000.
(3) For "Acquisition and Construction of Radio Facilities", \$2,149,000

\$2,142,000.

(4) Such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

TRANSFER AUTHORITY

SEC. 202. Funds authorized to be appropriated for fiscal year 1977 by any paragraph of section 201(a) (other than paragraph (4)) may be appropriated for such fiscal year for a purpose for which appropriations are authorized by any other paragraph of such section (other than paragraph (4)), except that the total amount appropriated for a purpose described in any paragraph of section 201(a) (other than paragraph (4)) may not exceed the amount specifically authorized for such purpose by section 201(a) by more than 10 per centum.

PURCHASE OF UNIFORMS

SEC. 203. Section 804 of the United States Information and Edu-(1) by striking out "and" at the end of paragraph (12);
(2) by striking out the period at the end of paragraph (13) and inserting in lieu thereof "; and"; and
(3) by adding immediately after paragraph (13) the following new paragraph:

ing new paragraph: (14) purchase uniforms, when funds are appropriated therefor.".

REPLACEMENT OF PASSENGER MOTOR VEHICLES

SEC. 204. Title VIII of the United States Information and Educational Exchange Act of 1948 is amended by adding at the end thereof the following new section:

"REPLACEMENT OF PASSENGER MOTOR VEHICLES

"SEC. 806. The exchange allowances or proceeds derived from the exchange or sale of passenger motor vehicles used abroad for purposes of this Act or the Mutual Educational and Cultural Exchange Act of 1961 are authorized to be made available without fiscal year limitation for replacement of an equal number of such vehicles in accord-ance with section 201(c) of the Federal Property and Administrative Services Act of 1949.".

BICENTENNIAL DISTRIBUTION OF CERTAIN ITEMS PREPARED BY THE UNITED STATES INFORMATION AGENCY

SEC. 205. (a) Notwithstanding the second sentence of section 501 of the United States Information and Educational Exchange Act of 1948, the Director of the United States Information Agency shall make available to the Administrator of General Services, for deposit

in the National Archives of the United States, a master copy of each of the films described in subsection (b) and 150 copies of the exhibit described in subsection (c) and the Administrator shall provide for the distribution of copies of such films and such exhibit for public view-ing within the United States in conjunction with the commemoration of the American Revolution Bicentennial.

of the American Revolution Bicentennial.
(b) The films referred to in subsection (a) are the following films which were prepared by the United States Information Agency:

"Echoes", a film sketching the aspirations of American democracy as evoked by heroes and leaders of the past.
"Santa Fe", a film dealing with the historical and social development of Santa Fe, New Mexico, and the surrounding countryside, and with the influence of Spanish, Indian, and Mexican culture on life in the United States Southwest.
"The Numbers Start With the River", a film depicting the quality of life in a small midwestern American town as seen

(3) "The Numbers Start with the River", a min depicting the quality of life in a small midwestern American town as seen through the eyes of two elderly, lifelong residents of the town.
(4) "The Copland Portrait", a film depicting the life, work, and music of American composer Aaron Copland, including his early student years and early interest in music, his current work with young composers, and his still energetic public performance schedule. schedule.

(5) "200", an impressionistic animated cartoon tracing the past two centuries of the development of America.

(6) "Rendezvous", a film portraying the frontier life of

(b) "Rendezvous", a min portraying the frontier file of American fur trappers.
(7) "Century III—The Gift of Life", a film describing the advances that have been made in the United States, and the prospects for future such advances, in medical techniques such as organ transplants, prosthesis, and immunology.
(c) The exhibit referred to in subsection (a) is the exhibit, prepared by the United States Information Agency, entitled "Life, Liberty and the Pursuit of Happiness" Such exhibit is a collection

Liberty, and the Pursuit of Happiness". Such exhibit is a collection of pictures and captions, derived primarily from documents contemporaneous with the events represented, depicting early cultural life in the United States and tracing the early economic growth of the United States, the expansion westward, the development of the democratic spirit, and the establishment of American government and legal institutions.

VOICE OF AMERICA BROADCASTS

SEC. 206. Title V of the United States Information and Educational Exchange Act of 1948 is amended by adding the following new section:

"SEC. 503. The long-range interests of the United States are served by communicating directly with the peoples of the world by radio. To be effective, the Voice of America (the Broadcasting Service of the United States Information Agency) must win the attention and respect of listeners. These principles will therefore govern Voice of America (VOA) broadcasts: "(1) VOA will serve as a consistently reliable and authoritative source of news. VOA news will be accurate, objective, and

comprehensive.

(2) VOA will represent America, not any single segment of American society, and will therefore present a balanced and comprehensive projection of significant American thought and institutions.

"(3) VOA will present the policies of the United States clearly and effectively, and will also present responsible discussion and opinion on these policies.".

TITLE III-BOARD FOR INTERNATIONAL BROADCASTING

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. Section 8 of the Board of International Broadcasting Act of 1973 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 8. (a) There are authorized to be appropriated to carry out

the purposes of this Act for fiscal year 1977— "(1) \$58,385,000, of which \$5,000,000 shall be available only to the extent that the Director of the Office of Management and Budget determines (and so certifies to the Congress) is necessary, because of downward fluctuations in foreign currency exchange rates in order to maintain the budgeted level of operation for

Radio Free Europe and Radio Liberty; and "(2) such additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs. Amounts appropriated under this section are authorized to remain

available until expended. "(b) The Director of the Office of Management and Budget shall

place in reserve and inform the Congress of any amount appropriated under this section which, because of upward fluctuations in foreign currency exchange rates, is in excess of the amount necessary to maintain the budgeted level of operation for Radio Free Europe and Radio

Liberty.". SEC. 302. (a) Section 3(b) of the Board for International Broad-casting Act of 1973 is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking out "seven members, two of whom shall be ex officio members" and inserting in lieu thereof "six members, one of whom shall be an ex officio member" and ber", and (B) in the fourth sentence, by striking out "the chief oper-

ating executive of Radio Liberty shall be ex officio members" and inserting in lieu thereof "Radio Liberty shall be an ex officio member";

(2) by amending paragraph (4) to read as follows:
(4) TERM OF OFFICE OF THE EX OFFICIO MEMBER.—The ex officio member of the Board shall serve on the Board during his term of serv-ice as chief operating executive of Radio Free Europe and Radio

Liberty."; and (3) in the third sentence of paragraph (5), by striking out "Ex officio members" and inserting in lieu thereof "The ex officio member".

(b) Section 3 of such Act is further amended by adding at the end

thereof the following new subsection: "(c) The Board may, to the extent it deems necessary to carry out its functions under this Act, procure supplies, services, and other personal property, including specialized electronic equipment.".

(c) Paragraph (8) of section 4(a) of such Act is amended-

(1) by striking out "30th day of October" and inserting in lieu thereof "31st day of January"; and (2) by striking out "June" and inserting in lieu thereof "September".

TITLE IV-MISCELLANEOUS

JAPAN-UNITED STATES FRIENDSHIP ACT

SEC. 401. The Japan-United States Friendship Act (Public Law 94-118) is amended

(1) in paragraph (10) of section 6 by striking out "from the

Secretary of State, on a reimbursable basis,"; (2) in section 3 (d) by striking out the period at the end thereof and inserting in lieu thereof ", including interest and proceeds accruing to the Fund from such funds in accordance with sections

6(4) and 7 of this Act."; (3) (A) in section 3(e) (1) by striking out the period at the end thereof and inserting in lieu thereof "and interest and proceeds accruing to the Fund from such funds in accordance with sections 6(4) and 7 of this Act."; and
(B) in section 7(b) by inserting "of amounts authorized to be

appropriated under section 3(d) of this Act" immediately after "investment" in the second sentence.

FOREIGN CURRENCY REPORTS

SEC. 402. Section 502(b) of the Mutual Security Act of 1954 is amended by adding at the end thereof the following new sentence: "Each such consolidated report shall be published in the Congressional Record within ten legislative days after it is forwarded pursuant to this subsection.".

REPORT ON INTERNATIONAL BROADCASTING

SEC. 403. Not later than January 31, 1977, the President shall submit to the Congress a report

(1) recommending steps to be taken to utilize more effectively the transmission facilities for international broadcasting, both existing and planned, of the United States Government; (2) examining the feasibility of greater cooperation with for-

eign countries to insure mutually efficient use of nationally owned and nationally funded transmission facilities for international broadcasting;

(3) containing a comprehensive outline of projected needs for United States international broadcasting operations based on anticipated language requirements and anticipated cooperation among various agencies of the United States Government, United States Government-funded organizations, and foreign govern-ments involved in international broadcasting; and

(4) recommending steps which should be taken to extend broadcasting operations similar to those carried out under the Board for International Broadcasting Act of 1973 to additional countries where access to information is restricted by the policies of the governments of such countries.

TITLE V—FOREIGN SERVICE RETIREMENT

SHORT TITLE

SEC. 500. This title may be cited as the "Foreign Service Retirement Amendments of 1976".

FOREIGN SERVICE STAFF PARTICIPATION

SEC. 501. (a) Section 803 of the Foreign Service Act of 1946 is amended by adding the following paragraph at the end of subsection (a) thereof:

"(4) All Foreign Service staff officers and employees appointed by the Secretary of State or the Director of the United States Information Agency with unlimited appointments.".

(b) Section 803 of such Act is further amended by changing the reference at the end of subsection (b) (2) from "852(b)" to "811".
(c) Section 803 of such Act is further amended by striking out sub-

section (c) thereof.

DEFINITIONS

SEC. 502. (a) The caption of section 804 of such Act is amended to read "definitions"

(b) Section 804 of such Act is amended by striking out all of such section except paragraphs (4), (5), and (6) of subsection (b) and inserting in lieu thereof the following:

"When used in this title unless otherwise specified, the term— "(1) 'Annuitant' means any person including a former participant or survivor who meets all requirements for an annuity from the Fund under the provisions of this or any other Act and who has filed claim therefor.

"(2) 'Surviving spouse' means the surviving wife or husband of a participant or annuitant who, in the case of a death in Service or marriage after retirement, was married to the participant or annuitant for at least two years immediately preceding his or her death or is the

For at least two years initiativity preceding his of her death of is the parent of a child born of the marriage. "(3) 'Child', except in section 841, means an unmarried child, under the age of eighteen years, or such unmarried child regardless of age who because of physical or mental disability incurred before age eighteen is incapable of self-support. In addition to the offspring of the participant, such term includes (A) an adopted child, (B) a stepchild or recognized natural child who received more than one-half support from the participant, and (C) a child who lived with and for whom a petition of adoption was filed by a participant, and who is adopted by the surviving spouse of the participant after the latter's death. Such term also includes an unmarried student below the age of twenty-two years. For this purpose a child whose twenty-second birthday occurs before July 1 or after August 31 of a calendar year, and while a student is deemed to have become twenty-two years of age on the first day of July after that birthday.

"(4) 'Student' means a child regularly pursuing a full-time course of study or training in residence in a high school, trade school, tech-nical or vocational institute, junior college, college, university, or comparable recognized educational institution. A child who is a student shall not be deemed to have ceased to be a student during any interim between school years, semesters, or terms if the interim or other period of nonattendance does not exceed five calendar months and if the child shows to the satisfaction of the Secretary that he or

she has a bona fide intention of continuing to pursue such course during the school year, semester, or term immediately following the interim. "(5) 'Military and naval service' means honorable active service— "(A) in the Armed Forces of the United States; "(B) in the Regular or Reserve Corps of the Public Health Sources of the Public Health

Service after June 30, 1960; or

"(C) as a commissioned officer of the National Oceanic and Atmospheric Administration or predecessor organization after June 30, 1961

but does not include service in the National Guard except when ordered to active duty in the service of the United States.

"(6) 'Foreign Service normal cost' means the level percentage of payroll required to be deposited in the Fund to meet the cost of benefits payable under the System (computed in accordance with generally accepted actuarial practice on an entry-age basis) less the value of retirement benefits earned under another retirement system for Government employees and less the cost of credit allowed for military service.²

(c) Section 804 of such Act is further amended by redesignating present paragraphs (4), (5), and (6) of subsection (b) as paragraphs (7), (8), and (9), respectively.

CONFORMITY WITH CIVIL SERVICE RETIREMENT SYSTEM

SEC. 503. Immediately after section 804 of such Act, insert the following new section:

"AUTHORITY TO MAINTAIN EXISTING AREAS OF CONFORMITY BETWEEN CIVIL SERVICE AND FOREIGN SERVICE REFIREMENT SYSTEMS

"SEC. 805. (a) In order to maintain existing conformity between the "SEC. 805. (a) In order to maintain existing conformity between the Civil Service Retirement and Disability System and the Foreign Serv-ice Retirement and Disability System, whenever (subsequent to Jan-uary 1, 1974) a law is enacted which affects a provision of general applicability in the Civil Service Retirement and Disability System (subchapter III, chapter 83, title 5, United States Code) or otherwise affects current or former participants, annuitants, or survivors under that System which, immediately prior to the enactment of such law, had been substantially identical to a corresponding provision of law affecting participants, former participants, annuitants, or survivors under the Foreign Service Retirement and Disability System, such new provision of law shall be deemed to extend to the latter System so that it applies in like manner with respect to such Foreign Service Retireit applies in like manner with respect to such Foreign Service Retire-ment and Disability System participants, former participants, annui-tants, or survivors. The President is authorized by Executive order to prescribe regulations to implement this section and to make such extension retroactive to a date no earlier than the effective date of such

extension retroactive to a date no earlier than the effective date of such provision for the Civil Service Retirement and Disability System.
"(b) Any provisions of an Executive order issued under the authority of this section shall modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

"(1) all provisions of law enacted prior to the effective date of the provision of such Executive order, and
"(2) any prior provision of an Executive order issued under authority of this section.".

CONTRIBUTIONS

SEC. 504. (a) The heading of part B of title VIII of such Act is amended to read "CONTRIBUTIONS TO THE FUND".

(b) Section 811 of such Act is amended by adding the following at the end thereof:

"(c) (1) If an officer or employee under another retirement system for Government employees becomes a participant in the system by direct transfer, such officer or employee's total contributions and deposits that would otherwise be refundable on separation including interest accrued thereon, except voluntary contributions, shall be transferred to the Fund effective as of the date such officer or employee becomes a participant in the System. Each such officer or employee shall be deemed to consent to the transfer of such funds and such transfer shall be a complete discharge and acquittance of all claims and demands against the other Government retirement fund on account of service rendered prior to becoming a participant in the system.

"(2) No officer or employee, whose contributions are transferred to the Fund in accordance with the provisions of subsection (c) (1) of this section, shall be required to make contributions in addition to those transferred, for periods of service for which required contributions were made to the other Government retirement fund, nor shall any refund be made to any such officer or employee on account of contributions made during any period to the other Government retirement fund, at a higher rate than that fixed by subsection (d) of this section.

"(d) Any participant credited with civilian service after July 1, 1924 (1) for which no retirement contributions, deductions, or deposits have been made, or (2) for which a refund of such contributions, deductions, or deposits has been made which has not been redeposited, may make a special contribution to the Fund equal to the following percentages of basic salary received for such services:

Service :

Percent of

A FICE -								
From	July 1,	1921, to	0	ctober 15,	1960,	inclu	isive	5
From	October	16, 1960,	to	December	31, 1	969,	inclusive	$6\frac{1}{2}$
On a	nd after	January	1,	1970				7

Notwithstanding the foregoing, a special contribution for prior nondeposit service as a National Guard technician which would be creditable under subchapter III, chapter 83, title 5, of the United States Code toward civil service retirement and for which a special contribution has not been made, shall be equal to the special contribution for such service computed in accordance with the above schedule multiplied by the percentage of such service that is creditable under section 851. Special contributions shall include interest computed from the midpoint of each service period included in the computation, or from the date refund was paid, to the date of payment of the special contribution or commencing date of annuity, whichever is earlier. Interest shall be compounded at the rate of 4 per centum per annum to December 31, 1976, and at 3 per centum per annum thereafter. No interest shall be charged on special contributions made after the effective date of the Foreign Service Retirement Amendments of 1976 for any period of separation from Government service which began before October 1, 1956. Special contributions may be paid in installments when authorized by the Secretary.

ized by the Secretary. "(e) No contributions shall be required for any periods of military or naval service.

"(f) A participant or survivor may make a special contribution any time before receipt of annuity and may authorize payment by offset against initial annuity accruals.".

COMPUTATION OF ANNUITIES

SEC. 505. (a) The heading of part C of title VIII of such Act is amend to read "COMPUTATION AND PAYMENT OF ANNUITIES". (b) Subsection (a) of section 821 of such Act is amended (1) by striking out the phrase "for which full contributions have been made to the Fund" each time it appears and by striking out the commas immediately preceding and following such phrase the first time it appears, (2) by striking out ", 852", and (3) by adding the following sentence at the end thereof: "The annuity shall be reduced by 10 per centum of any special contribution described in section 811(d) due for centum of any special contribution described in section 811(d) due for service for which no contributions were made and remaining unpaid unless the participant elects to eliminate the service involved for pur-poses of annuity computation.".

(c) Subsection (b) of section 821 of such Act is amended to read as follows:
"(b) (1) Unless elected in writing to the contrary at the time of retirement, any married participant shall receive a reduced annuity and provide a maximum survivor annuity for his or her spouse. Such a participant's annuity or any portion thereof designated in writing a participant's annuity or any portion thereof designated in writing by the participant as the base for the survivor benefit shall be reduced by 2½ per centum of the first \$3,600 plus 10 per centum of any amount over \$3,600. If an annuitant entitled to receive a reduced annuity under this subsection dies and is survived by a spouse, a survivor annu-ity shall be paid to the surviving spouse equal to 55 per centum of the full amount of the participant's annuity computed under subsection (a) of this section, or by 55 per centum of any lesser amount the annuitant designated at the time of retirement as the base for the annuitant designated at the time of retirement as the base for the

survivor benefit. "(2) An annuity payable from the Fund to a surviving spouse shall to be the function of th commence on the day after the annuitant dies and shall terminate on the last day of the month before the survivor's (A) remarriage prior to attaining age sixty, or (B) death. If a survivor annuity is terminated because of remarriage under clause (A) above, it shall be restored at the same rate commencing on the date such remarriage is terminated provided any lump sum paid upon termination of the annuity is returned to the Fund.".

(d) Subsection (d) of section 821 of such Act is amended by adding the following sentence at the end thereof: "If the annuity to a surviving child is initiated or resumed, the annuities of any other children shall be recomputed and paid from that date as though the annuities to all currently eligible children in the family were then being initiated.".

(e) Subsection (e) of section 821 of such Act is amended to read as follows

"(e) The annuity payable to a child under subsection (c) or (d) of this section shall begin on the day after the participant dies or if the child is not then qualified, on the first day of the month in which the child becomes eligible. A child's annuity shall terminate on the last day of the month which precedes the month in which eligibility ceases.

(f) Subsection (f) of section 821 of such Act is amended (1) by striking out "50" in the first sentence and inserting in lieu thereof "55", and (2) by striking out the last two sentences and inserting in lieu thereof the following: "The annuity payable to a beneficiary under the provisions of this subsection shall begin on the day after the annuitant dies and shall terminate on the last day of the month preceding the survivor's death.".

(g) Section 821 of such Act is further amended by adding the following new subsections at the end thereof: "(g) An annuitant who was married at retirement and who later

"(g) An annuitant who was married at retirement and who later marries may, within one year after such marriage, irrevocably elect in writing a reduced annuity with benefit to any surviving spouse who qualifies under section 804(2). Receipt by the Secretary of notice of an election under this subsection voids prospectively any election previously made under subsection (f). The reduction in annuity required by an election under this subsection shall be computed and the amount of the survivor annuity shall be determined as if the election were made under subsection (b) (1). The annuity reduction or recomputation shall be effective the first day of the month after notice of the election is received by the Secretary.

"(h) A surviving spouse shall not become entitled to a survivor annuity or to the restoration of a survivor annuity payable from the Fund unless the survivor elects to receive it instead of any other survivor annuity to which he or she may be entitled under this or any other retirement system for Government employees.

"(i) Any married annuitant who reverts to retired status with entitlement to a supplemental annuity under section 871 shall, unless the annuitant elects in writing to the contrary at that time, have the supplemental annuity reduced by 10 per centum to provide a supplemental survivor annuity for his or her spouse. Such supplemental survivor annuity shall be equal to 55 per centum of the annuitant's supplemental annuity and shall be payable to a surviving spouse to whom the annuitant was married at the time of reversion to retired status or to whom the annuitant had been married for at least two years at the time of death or who is the parent of a child born of the marriage.".

PAYMENT OF ANNUITIES

SEC. 506. Part C of title VIII of such Act is further amended by adding the following new section at the end thereof:

"PAYMENT OF ANNUITY

"SEC. 822. (a) Except as otherwise provided, the annuity of a former participant who has met the eligibility requirements for annuity shall commence on the day after separation from the Service or on the day after pay ceases. The annuity of a former participant who is entitled to a deferred annuity under section 834 or under any other section of this Act shall begin on the day he or she reaches age sixty.

other section of this Act shall begin on the day he or she reaches age sixty. "(b) The annuity to a survivor shall become effective as otherwise specified but shall not be paid until the survivor submits an application therefor supported by such proof of eligibility as the Secretary may require. If such application or proof of eligibility is not submitted during an otherwise eligible person's lifetime, no annuity shall be due or payable to his or her estate. "(c) An individual entitled to annuity from the Fund may decline to accent all or any part of the annuity by submitting a signed waiver

"(c) An individual entitled to annuity from the Fund may decline to accept all or any part of the annuity by submitting a signed waiver to the Secretary. The waiver may be revoked in writing at any time. Payment of the annuity waived may not be made for the period during which the waiver was in effect. "(d) Recovery of overpayments under this title may not be made from an individual when, in the judgment of the Secretary, the indi-vidual is without fault and recovery would be against equity and good conscience or administratively infeasible.".

DISABILITY ANNUITIES

SEC. 507. Section 831 of such Act is amended-

(1) in subsection (a) thereof by striking out "that is credited in accordance with provisions of section 851 or 852(a) (2)";
(2) in subsection (c) thereof by striking out "(a)" following

"section 841";

(3) by amending subsection (d) thereof to read as follows: "(d) No participant shall be entitled to receive an annuity under this Act and compensation for injury or disability to himself or her-self under subchapter I of chapter 81, title 5, United States Code, covering the same period of time except that a participant may simul-taneously receive both an annuity under this section and scheduled disability payments under section 8107 of title 5, United States Code. This provision shall not bar the right of any claimant to the greater benefit conferred by either this Act or such subchapter for any part of the same period of time. Neither this provision nor any provision of such subchapter shall be so construed as to deny the right of any or such subchapter shall be so construed as to deny the right of any participant to receive an annuity under this Act and to receive con-currently any payment under such subchapter by reason of the death of any other person."; and (4) in subsection (e) thereof by striking out "section 14 of the Act of September 16, 1916, as amended" and inserting in heu thereof "section 8135 of title 5, United States Code".

DEATH IN SERVICE

SEC. 508. (a) Section 832 of such Act is amended by amending subsections (a), (b), (c), and (d) to read as follows: "(a) If a participant dies and no claim for annuity is payable under

the provisions of this Act, the lump-sum credit shall be paid in accordance with section 841.

"(b) If a participant who has at least eighteen months of civilian service credit toward retirement under the system dies before separation or retirement from the Service and is survived by a spouse, such surviving spouse shall be entitled to an annuity equal to 55 per centum of the annuity computed in accordance with the provisions of subsec-tion (e) of this section and of section 821(a) and if the participant had less than three years creditable civilian service at the time of death, the survivor annuity shall be computed on the basis of the average salary for the entire period of such service. "(c) If a participant who has at least eighteen months of civilian

service credit toward retirement under the system dies before separation or retirement from the Service and is survived by a wife or a husband and a child or children, each surviving child shall be entitled to an annuity computed in accordance with subsections (c) (1) and (d) of section 821. "(d) If a participant who has at least eighteen months of civilian

service credit toward retirement under the system dies before separation or retirement from the Service and is not survived by a wife or husband, but by a child or children, each surviving child shall be entitled to an annuity computed in accordance with subsections (c)(2) and (d) of section 821.". (b) Section 832 of this Act is further amended by adding the following new subsections at the end:
"(f) If an annuitant who elected a reduced annuity dies in service

"(f) If an annuitant who elected a reduced annuity dies in service after being recalled under section 520(b) and is survived by a spouse entitled to a survivor annuity based on such an election, such survivor annuity shall be computed as if the recall service had otherwise terminated on the day of death and the deceased's annuity had been resumed in accordance with section 871. If such a death occurs after the annuitant had completed sufficient recall service to attain eligibility for a supplemental annuity, a surviving spouse, in addition to any other benefits, shall be entitled to elect, in lieu of a refund of retirement contributions made during the recall service, a supplemental survivor annuity computed and paid under section 821(i) as if the recall service had otherwise terminated. If the annuitant had completed sufficient recall service to attain eligibility to have his or her annuity determined anew, a surviving spouse may elect, in lieu of any other benefit under this title, to have the annuitant's rights redetermined and to receive a survivor annuity computed under subsection (b) of this section on the basis of the annuitant's total service.

"(g) Annuities that become payable under this section shall commence, terminate, and be resumed in accordance with subsection (b) (2), (e), or (h) of section 821, as appropriate.".

DISCONTINUED SERVICE-TECHNICAL CHANGE

SEC. 509. Section 834 of such Act is amended (1) by striking out "(a)" immediately following "SEC. 834."; (2) by striking out "that is credited in accordance with the provisions of section 851 or 852(a) (2)" in subsection (a) thereof; and (3) by striking out subsection (b) thereof.

LUMP-SUM PAYMENTS

SEC. 510. Part E of title VIII of such Act is amended to read as

follows:

"PART E-LUMP-SUM PAYMENTS

"SEC. 841. (a) 'Lump-sum credit' as used in this title means the compulsory and special contributions to a participant's or former participant's credit in the Fund plus interest thereon compounded at 4 per centum per annum to the date of separation or December 31, 1976, whichever is earlier, and after such date for a participant who separates from the Service after completing at least one year of civilian service and before completing five years of such service, at the rate of 3 per centum per annum to the date of separation. Interest shall not be paid for a fractional part of a month in the total service or on compulsory and special contributions from an annuitant for recall service or other service performed after the date of separation which forms the basis for annuity.

forms the basis for annuity. "(b) Whenever a participant becomes separated from the Service without becoming eligible for an annuity or a deferred annuity in accordance with the provisions of this Act, the lump-sum credit shall be paid to the participant.

"(c) Whenever an annuitant becomes separated from the Service following a period of recall service without becoming eligible for a supplemental or recomputed annuity under section 871, the annuitant's compulsory contributions to the Fund for such service together with

any special contributions the annuitant may have made for other service performed after the date of separation from the Service which forms the basis for annuity, shall be returned. "(d) If all annuity rights under this title based on the service of

a deceased participant or annuitant terminate before the total annuity paid equals the lump-sum credit, the difference shall be paid in the order of precedence shown in subsection (g) of this section.

"(e) If a participant or former participant dies and is not survived by a person eligible for an annuity under this title or by such a person or persons all of whose annuity rights terminate before a claim for survivor annuity is filed, the lump-sum credit shall be paid in accordance with subsection (g) of this section.

"(f) If an annuitant who was a former participant dies, annuity accrued and unpaid, shall be paid in accordance with subsection (g) of this section.

(g) Payments authorized in subsections (d) through (f) of this section shall be paid in the following order of precedence to such person or persons surviving the participant and alive on the date entitlement to the payment arises, upon the establishment of a valid claim therefor, and such payment shall be a bar to recovery by any other person:

"(1) to the beneficiary or beneficiaries last designated by the participant before or after retirement in a signed and witnessed writing received by the Secretary prior to the participant's death, for which purpose a designation, change, or cancellation of bene-ficiary in a will or other document not so executed and filed shall have no force or effect;

"(2) if there be no such beneficiary, to the surviving wife or husband of such participant;

"(3) if none of the above, to the child or children of such participant (including adopted and natural children but not step-

children) and descendants of deceased children by representation; "(4) if none of the above, to the parents of such participant or the survivor of them; "(5) if none of the above, to the duly appointed executor or

administrator of the estate of such participant; and

"(6) if none of the above, to other next of kin of such partic-ipant as may be determined in the judgment of the Secretary to be legally entitled thereto, except that no payment shall be made pursuant to this paragraph (6) until after the expiration of thirty days from the death of the participant or annuitant.

"(h) Annuity accrued and unpaid on the death of a survivor annui-tant shall be paid in the following order of precedence, and the payment bars recovery by any other person: First, to the duly appointed executor or administrator of the estate of the survivor annuitant; second, if there is no such executor or administrator, payment may be made, after the expiration of thirty days from the date of death of such survivor annuitant, to such person as may be determined by the Secretary to be entitled under the laws of the survivor annuitant's domicile at the time of death.

(i) Amounts deducted and withheld from basic salary of a partici-(1) Anothers deduced and withherd from basic satary of a partici-pant under section 811 from the beginning of the first pay period after the participant has completed thirty-five years of service computed under sections 851 and 853, but excluding service credit for unused sick leave under subsection (b) of section 851, together with interest on the amounts at the rate of 3 per centum a year compounded annually from the determined to the determined to be determined to be from the date of the deduction to the date of retirement or death, shall be applied toward any special contribution due under subsection (d)

of section 811, and any balance not so required shall be refunded in a lump sum to the participant after separation or, in the event of a death in service, to a beneficiary in the order of precedence specified in subsection (g) of this section.".

CREDITABLE SERVICE

SEC. 511. (a) The heading of section 851 of such Act is amended to read as follows: "CREDITABLE SERVICE".

(b) Subsection (a) of section 851 of such Act is amended to read as follows: "(a) Except as otherwise specified by law, all periods of civilian

"(a) Except as otherwise specified by law, all periods of civilian and military and naval service and periods of absence and separation therefrom completed by a participant through the date of final separation from the Service that would be creditable, as determined by the Secretary, under section 8332 of title 5, United States Code, toward retirement under the Civil Service Retirement and Disability System, if performed by an employee under that system, shall be creditable for purposes of this title. Conversely, any such service performed after December 31, 1976, that is not creditable under specified conditions under section 8332 of title 5, United States Code, shall be excluded under this title under the same conditions.".

(c) Section 851 of such Act is further amended by adding the following new subsections at the end thereof:

"(c) (1) A participant who enters on approved leave without pay to serve as a full-time officer or employee of an organization composed primarily of Government employees may, within sixty days after entering on that leave without pay, file with the employing agency an election to receive full retirement credit for such periods of leave without pay and arrange to pay concurrently into the Fund through the employing agency, amounts equal to the retirement deductions and agency contributions on the Foreign Service salary rate that would be applicable if the participant were in a pay status. If the election and all payments provided by this subsection are not made for the periods of such leave without pay occurring after the effective date of this subsection, the participant may not receive any credit for such periods of leave without pay occurring after such date.

periods of leave without pay occurring after such date. "(2) A participant may make a special contribution for any period or periods of approved leave without pay while serving, before the effective date of this subsection, as a full-time officer or employee of an organization composed primarily of Government employees. Any such contribution shall be based upon the suspended Foreign Service salary rate, and shall be computed in accordance with section 811. A participant who makes such a contribution shall be allowed full retirement credit for the period or periods of leave without pay. If this contribution is not made, up to six months' retirement credit shall be allowed for such periods of leave without pay each calendar year.

"(d) A participant who has received a refund of retirement contributions (which has not been repaid) under this or any other retirement system for Government employees covering service which may be creditable may make a special contribution for such service pursuant to section 811. Credit may not be allowed for service covered by the refund unless the special contribution is made.

"(e) No credit in annuity computation shall be allowed for any period of civilian service for which a participant made retirement contributions to another retirement system for Government employees unless (1) the right to any annuity under the other system which is

based on such service is waived, and (2) a special contribution is made covering such service pursuant to section 811. "(f) A participant who during the period of a war, or of a national

"(f) A participant who during the period of a war, or of a national emergency as proclaimed by the President or declared by the Congress, leaves the Service to enter the military service is deemed, for the purpose of this title, as not separated from the Service unless the participant applies for and receives a lump-sum payment under section 841. However, the participant is deemed to be separated from the Service after the expiration of five years of such military service.".

FUNDING NORMAL COST

SEC. 512. Section 865 of such Act is amended (1) by inserting "(a)" immediately after "SEC. 865.", and (2) by adding the following new subsection at the end thereof: "(b) There is authorized to be appropriated to the Fund for each

"(b) There is authorized to be appropriated to the Fund for each fiscal year an amount equal to the amount of the Foreign Service normal cost for that year which is not met by contributions to the Fund under section 811(a).".

ANNUITY ADJUSTMENT FOR RECALL SERVICE

SEC. 513. Section 871 of such Act is amended to read as follows:

"ANNUITY ADJUSTMENT FOR RECALL SERVICE

"SEC. 871. Any annuitant recalled to duty in the Service in accordance with the provisions of section 520(b) shall, while so serving, be entitled in lieu of annuity to the full salary of the class in which serving. During such service, the recalled annuitant shall make contributions to the Fund in accordance with the provisions of section 811. On the day following termination of the recall service, the former annuity shall be resumed adjusted by any cost-of-living increases under section 882 that became effective during the recall period. If the recall service lasts less than one year, the annuitant's contributions to the Fund during recall service shall be refunded in accordance with section 841. If the recall service lasts more than one year, the annuitant may, in lieu of such refund, elect a supplemental annuity computed under section 821 on the basis of service credit and average salary earned during the recall period irrespective of the number of years of service credit previously earned. If the recall service continues for at least five years, the annuitant may elect to have his or her annuity determined anew under section 821 in lieu of any other benefits under this section. Any annuitant who is recalled under section 520(b) may, upon written application, count as recall service any prior service that is creditable under section 851 that was performed after the separation upon which his or her annuity is based.".

VOLUNTARY CONTRIBUTIONS

SEC. 514. (a) Section 881(a) of such Act is amended by striking out that portion of such section which precedes paragraph (1) and inserting in lieu thereof the following: "(a) The Voluntary contribution account shall be the sum of unre-

"(a) The Voluntary contribution account shall be the sum of unrefunded amounts heretofore voluntarily contributed by any participant or former participant under this section or under a prior corresponding provision of law, plus interest compounded at the rate of 3 per centum per annum to date of separation from the Service or in case of a participant or former participant separated with entitlement to

a deferred annuity to the date the voluntary contribution account is claimed, or to the commencing date fixed for the deferred annuity or to the date of death, whichever is earlier. A participant's or former participant's account shall, effective on the date the participant becomes eligible for an annuity or a deferred annuity and at the participant's election, be—".

(b) Section 881 of such Act is further amended by striking out subsections (c) and (d) thereof and by inserting in lieu thereof the following:

"(c) A voluntary contribution account shall be paid in a lump sum following receipt of an application therefor from a present or former participant provided application is filed prior to payment of any additional annuity. If not sooner paid, the account shall be paid at such time as the participant separates from the Service for any reason without entitlement to an annuity, or a deferred annuity or at such time as a former participant dies or withdraws compulsory contributions to the Fund. In case of death, the account shall be paid in the order of precedence specified in section 841(g)."

COST-OF-LIVING ADJUSTMENTS

SEC. 515. (a) Subsections (a), (b), and (c) of section 882 of such Act are amended to read as follows:

"(a) A cost-of-living annuity increase shall become effective under this section on the effective date of each such increase under section 8340(b) of title 5, United States Code. Each such increase shall be applied to each annuity payable from the Fund which has a commencing date not later than the effective date of the increase. "(b) The first annuity increase under this section after the effective date of this paragraph shall equal the per centum rise in the price index, adjusted to the neurost one touch of 1 neuroscient.

"(b) The first annuity increase under this section after the effective date of this paragraph shall equal the per centum rise in the price index, adjusted to the nearest one-tenth of 1 per centum, between the month last used to establish an increase under this section and the base month used to establish the concurrent increase under section 8340(b) of title 5, United States Code. Each subsequent annuity increase under this section shall be identical to the corresponding percentage increase under section 8340(b) of title 5, United States Code.

"(c) Eligibility for an annuity increase under this section shall be governed by the commencing date of each annuity payable from the Fund as of the effective date of an increase except as follows:

"(1) An annuity, except a deferred annuity under section 834 or any other section of this Act, payable from the Fund to a participant who retires and receives an immediate annuity, or to a surviving spouse of a deceased participant who dies in service or who dies after being separated under the provisions of section 634(b)(2), which has a commencing date after the effective date of the then last preceding general annuity increase under this section shall not be less than the annuity which would have been payable if the commencing date of such annuity had been the effective date of such last preceding increase. In the administration of this paragraph, the number of days of unused sick leave to an employee's or deceased employee's credit on the effective date of the then last preceding general annuity increase under this section shall be deemed to be equal to the number of days of unused sick leave to his or her credit on the day of separation from the Service.

"(2) Effective from its commencing date, an annuity payable from the Fund to an annuitant's survivor, except a child entitled

under section 821(c) or 832 (c) or (d), shall be increased by the total per centum increase the annuitant was receiving under this

section at death. "(3) For purposes of computing or recomputing an annuity to a child under section 821 (c) or (d) or 832 (c) or (d), the items \$900, \$1,080, \$2,700 and \$3,240 appearing in section 821 (c) shall be increased by the total per centum increases by which corre-sponding amounts are being increased under section 8340 of title 5, United States Code, on the date the child's annuity becomes effective."

(b) Section 882 of such Act is further amended by adding the

following new subsection at the end thereof: "(f) Effective the first day of the second month which begins after the effective date of the Foreign Service Retirement Amendments of 1976 or on the commencing date of an annuity, whichever is later, the annuity of each surviving spouse whose entitlement to annuity resulted from the death-

"(1) before the effective date of the Foreign Service Retirement Amendments of 1976, of (A) a participant, or (B) a former participant entitled to benefits under section 634(b); or

"(2) of an annuitant who, prior to the effective date of the Foreign Service Retirement Amendments of 1976, elected a reduced annuity under this or any other Act in order to provide a spouse's survivor annuity;

shall be increased by 10 per centum.".

REPEALS

SEC. 516. Sections 833, 852, and 854 of such Act are repealed.

RECALL

SEC. 517. (a) The caption of section 520 of such Act is amended to read "REAPPOINTMENT AND RECALL'

(b) Subsection (b) of section 520 of such Act is amended to read as follows

as follows: "(b) Whenever the Secretary determines it to be in the public interest, any retired officer or employee of the Service may be recalled for active duty on a temporary or limited basis to any appropriate class in his or her former category, except that a retired Foreign Service officer may not be recalled to a class higher than he or she held it the time of estimated provided to the higher class by the at the time of retirement unless appointed to the higher class by the President by and with the advice and consent of the Senate.".

RETIREMENT OF CAREER AMBASSADORS

SEC. 518. Section 631 and the heading thereto of such Act are amended to read as follows:

"FOREIGN SERVICE OFFICERS WHO ARE CAREER AMBASSADORS

"SEC. 631. Any Foreign Service officer who is a career ambassador, "SEC. 631. Any Foreign Service officer who is a career ambassador, other than one occupying a position as chief of mission or any other position to which appointed by the President, by and with the advice and consent of the Senate, shall be retired from the Service at the end of the month in which the officer reaches age sixty-five and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest, such an officer may be retained on active service for a period

not to exceed five years. Any such officer who completes a period of authorized service after reaching age sixty-five shall be retired at the end of the month in which such service is completed.".

RETIREMENT OF PARTICIPANTS WHO ARE NOT CAREER AMBASSADORS

SEC. 519. Section 632 of such Act is amended to read as follows:

"PARTICIPANTS IN THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM WHO ARE NOT CAREER AMBASSADORS

"SEC. 632. Any participant in the Foreign Service Retirement and Disability System, other than one occupying a position as chief of mission or any other position to which appointed by the President, by and with the advice and consent of the Senate, who is not a career ambassador shall be retired from the Service at the end of the month in which the participant reaches age sixty and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest such the Secretary shall determine it to be in the public interest, such a participant may be retained on active service for a period not to exceed five years. Any such participant who completes a period of authorized service after reaching age sixty shall be retired at the end of the month in which such service is completed.".

SELECTION-OUT BENEFITS

SEC. 520. Section 634(b)(2) of such Act is amended by striking out— (1) ", with interest" after the words "Disability Fund" the

(1) ", with interest after the words "Disability Fund" the first time the latter appears;
(2) "(a)" after "section 841" the first time the latter appears;
(3) "that is credited in accordance with the provisions of section 851 or 852(a)" after "naval service";
(4) ", with interest as provided in section 841(a)", after "Disability Fund" the last time the latter appears; and
(5) "(b)" after "section 841" the last time the latter appears.

SEPARATION FOR CAUSE

SEC. 521. (a) Section 637 of such Act is amended by striking from

SEC. 321. (a) Section 637 of such Act is amended by striking from the first sentence of subsection (b) thereof—

(1) ", with interest" after "Disability Fund";
(2) "(a)" after "section 841"; and
(3) "that is credited in accordance with the provisions of section 851 or 852(a)" after "naval service".
(b) Such subsection (b) is further amended by striking out the last sentence thereof

sentence thereof.

CONVERSION TO FOREIGN SERVICE RETIREMENT SYSTEM

SEC. 522. (a) In accordance with such regulations as the President may prescribe, all Foreign Service staff officers and employees with unlimited appointments who (1) have been appointed by the Secretary of State or the Director, United States Information Agency, and (2) are participants in the Civil Service Retirement and Disability System on the effective date of this section, shall be transferred to the Foreign Service Retirement and Disability System effective on such date. Their retirement contributions shall be transferred in accordance with sec-tion 811 of the Foreign Service Act of 1946, as amended by this title. (b) Mandatory retirement at age sixty as prescribed in section 632

of the Foreign Service Act of 1946, as amended by this title, shall not apply to any Foreign Service staff officer or employee who becomes a participant in the Foreign Service Retirement and Disability System pursuant to subsection (a) of this section until such officer or employee completes ten years of continuous service in the Foreign Service exclusive of military service, in the Department of State or ten years of such continuous service in the United States Information Agency.

(c) Any Foreign Service staff officer or employee who becomes a participant in the Foreign Service Retirement and Disability System pursuant to subsection (a) of this section who is age fifty-seven or over on the effective date of this section may retire voluntarily at any time prior to mandatory retirement and receive retirement benefits under section 821 of the Foreign Service Act of 1946, as amended by this title.

(d) Section 9(b) of the Act of August 20, 1968 (82 Stat. 812), is repealed on the effective date of this section.

GRANTS TO CERTAIN WIDOWS AND SURVIVOR ANNUITY ELECTIONS

SEC. 523. (a) A Foreign Service annuitant who was married at the time of retirement, whose service terminated prior to October 16, 1960, and who has not elected any survivor benefit, may, within one hundred and twenty days after the effective date of this title, elect a reduction in his or her annuity of \$300 per annum and provide a survivor benefit of \$2,400 per annum payable to the annuitant's surviving spouse provided the marriage had been in effect for at least two years at the time of death or resulted in the birth of a child. The survivor annuity shall be treated in all respects as if it had been elected under section 821(b) of the Foreign Service Act of 1946, as amended by this title.

(b) An annuitant who makes an election under subsection (a) of this section shall pay into the Foreign Service Retirement and Disability Fund an amount equal to \$25 times the number of full months between the commencing date of his or her annuity and the first of the month following receipt of notice of election by the Secretary of State. This amount may be paid into such Fund by deduction from annuity in multiples of \$25 per month. The annuity reduction under subsection (a) of the secretary of State. The deduction under this subsection shall commence effective the first of the month following receipt of notice of the election by the Secretary of notice of the election shall continue until the required amount has been paid into such Fund or until the annuitant's death, whichever occurs first; and if the latter, any remaining portion of such required amount shall be deemed to have been paid.

(c) If a Foreign Service annuitant who separated from the Foreign Service prior to October 16, 1960, died before the effective date of this title, or dies within one hundred and twenty days after such effective date leaving a spouse to whom married at retirement who is not entitled to receive a survivor annuity under the terms of section 8133 of title 5, United States Code, or any law authorizing payment from the Foreign Service Retirement and Disability Fund and who qualifies under section 821(h) of the Foreign Service Act of 1946, as amended by this title, the Secretary of State shall grant such surviving spouse, if not remarried prior to age sixty, an annuity, to be payable from such Fund in the amount of \$2,400 per annum adjusted by all cost-of-living increases received by widows granted annuities under section 4 of the Act of October 31, 1965 (79 Stat. 1130). An annuity to a surviving spouse who remarried prior to age sixty may be initiated or resumed under this subsection in accordance with the provisions of subsections

(b) and (h) of section 821 of the Foreign Service Act of 1946, as amended by this title, if such remarriage has terminated or terminates in the future.

EFFECTIVE DATES

SEC. 524. (a) Unless otherwise specified, this title shall be effective upon enactment or on October 1, 1976, whichever is later.

(b) Section 522 of this title and sections 803 and 881 of the Foreign Service Act of 1946, as amended by this title, shall be effective on the first day of the first pay period which begins more than ninety days after the effective date of this title.

(c) Effective on the last day of the first month which ends after the effective date of this title, all Foreign Service survivor annuities, including those then in effect, shall terminate on the last day of a month in accordance with the provisions of subsections (b) (2) (B), (e), and (f) of section 821 of the Foreign Service Act of 1946, as amended by this title.

(d) The amendment of section 804 of the Foreign Service Act of 1946 made by this title broadening eligibility for children's survivor annuities shall apply to all surviving children regardless of the date of death of the principal.

(e) Subsection (g) of section 821 of the Foreign Service Act of 1946, as added by this title, shall apply to both present and future Foreign Service annuitants. Any annuitant unmarried at retirement who married after retirement but prior to the effective date of this title may make an election under such subsection (g) if notice of the election is received by the Secretary of State within one year after such effective date.

(f) If an annuitant dies on or after January 8, 1971, who, prior to the effective date of this title, elected a reduced annuity with a benefit to a surviving spouse, and is survived by a spouse acquired after such election who qualifies under section 804(2) of the Foreign Service Act of 1946, as amended by this title, such surviving spouse shall be entitled to an annuity computed under the law in effect at the time of such election and in accordance with all other applicable statutes. Such an annuity shall be treated in all other respects in the same manner as an annuity payable under section 821(b) of the Foreign Service Act of 1946, as amended by this title. For purposes of section 882(c)(2) of the Foreign Service Act of 1946, as amended by this title, the death of an annuitant who has died before the effective date of this title shall be deemed to have occurred on such effective date.

(g) the restrictions on payment of survivor annuities in subsection (b) (2) (A) and subsection (h) of section 821 of such Act shall not apply to a supplemental survivor annuity provided under subsection (i) of section 821 or subsection (f) of section 832 of such Act if the restrictions do not apply to a basic survivor annuity elected prior to commencement of the recall service.

(1) of section 321 of subsection (1) of section 352 of such Act if the restrictions do not apply to a basic survivor annuity elected prior to commencement of the recall service.
(h) Subsection (a) of section 822 of the Foreign Service Act of 1946, as added by this title, shall be effective on the first day of the first month which begins on or after the effective date of this title.
(i) Subsection (a) of section 841 of the Foreign Service Act of 1946, as amended by this title, shall not apply to participants separated from the Foreign Service Act of 1946.

(i) Subsection (a) of section 841 of the Foreign Service Act of 1946, as amended by this title, shall not apply to participants separated from the Foreign Service prior to the effective date of this title nor to their survivors. All payments from the Foreign Service Retirement Fund that become due on and after such effective date shall be paid in the order of precedence specified in such section 841 irrespective of the date of separation.

(j) Subsection (c) of section 851 of the Foreign Service Act of 1946, as added by this title, shall be effective on the first day of the first pay period that begins more than thirty days after the effective first pay period that begins more than thirty days after the effective date of this title. A participant who is on approved leave without pay and is serving as a full-time officer or employee of an organization composed primarily of Government employees on the effective date of such section shall have sixty days from such date to file an election under subsection (c) of said section 851. (k) Subsection (f) of section 851 of the Foreign Service Act of 1946, as added by this title, shall apply, in addition to present par-ticipants, to former participants who separated from the Foreign Service to enter the Armed Forces within the five-year period immedi-ately preceding the effective date of this title and who are members of

ately preceding the effective date of this title and who are members of the Armed Forces on such date. (1) The annuity of a survivor who becomes immediately eligible for

an annuity under subsection (c) of section 523 of this title or subsection (d) or (f) of this section shall become effective the first day of the first month which begins on or after the effective date of this title. How ever, payment shall be made only after receipt by the Department of State of such application for annuity and such proof of eligibility as State of such application for annuity and such proof of eligibility as the Secretary may require. If such application and proof of eligibility are not submitted during an otherwise eligible person's lifetime, no annuity shall be due or payable to his or her estate. (m) The amendment of subsections (a) and (b) of section 882 of the Foreign Service Act of 1946 made by this title shall be effective on the fifteenth day of the third month which begins after the effec-tive date of this title

tive date of this title.

(n) Annuities which commenced between-

(A) the effective date of the last cost-of-living increase which became effective under section 882 of the Foreign Service Act of 1946 prior to the effective date of this title, and

(B) such effective date, shall be recomputed and, if necessary, adjusted retroactively to their commencing dates to apply the provisions of new subsections (c)(1) of section 882 of the Foreign Service Act of 1946, as added by section 515 of this title.

(o) Any Foreign Service officer who is or becomes a career minister and who is not occupying a position to which appointed by the President, by and with the advice and consent of the Senate, shall be mandatorily retired for age in accordance with the schedule below and receive benefits under section 821 of the Foreign Service Act of 1946, unless the Secretary determines it to be in the public interest to extend such officer's service for a period not to exceed five years:

Retirement Schedule

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(1) Any career minister who reaches age sixty-five during the month this title becomes effective shall be retired at the end of such

month this title becomes effective shall be retired at the end of such month.
(2) Other career ministers who are age sixty or over on such effective date shall be retired at the end of the month which contains the midpoint between the last day of the month of such effective date and the last day of the month during which the officer would reach age sixty-five, counting thirty days to the month.
(3) On the last day of the thirtieth month which ends after such effective date, all other career ministers who are age sixty or over shall be retired, and thereafter the amendments made by sections 518 and 519

be retired, and thereafter the amendments made by sections 518 and 519

shall be applicable in all cases. (4) Any career minister who completes a period of authorized serv-ice after he reaches mandatory retirement age as provided in the above schedule shall be retired at the end of the month in which the officer completes such service.

Speaker of the House of Representatives.

Vice President of the United States and President of the Senate.