

104TH CONGRESS
1ST SESSION

H. R. 1960

To govern relations between the United States and the Palestine Liberation Organization (PLO), to enforce PLO compliance with standards of international conduct, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 1995

Mr. FORBES introduced the following bill; which was referred to the Committee on International Relations, and in addition to the Committee on Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To govern relations between the United States and the Palestine Liberation Organization (PLO), to enforce PLO compliance with standards of international conduct, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Middle East Peace
5 Compliance Act of 1995”.

6 **SEC. 2. DEFINITIONS.**

7 For the purposes of this Act—

1 (1) the term “Palestine Liberation Organization
2 (PLO)” shall be defined as a membership organiza-
3 tion encompassing all constituent groups that belong
4 to the Palestine National Council and all individuals
5 that have or continue to publicly demonstrate their
6 allegiance to the Palestine Liberation Organization,
7 or receive funds, directly or indirectly from sources
8 controlled by the PLO. Its legal status is defined by
9 United States law pursuant to title X of Public Law
10 100–204, section 1002;

11 (2) for the purpose of this section, the term
12 “foreign assistance” shall be the same as that used
13 under section 634(b) of the Foreign Assistance Act
14 of 1961 (Public Law 87–195); and

15 (3) the term “Palestinian Authority” shall be
16 defined as the administrative entity established in
17 the self-rule areas of Gaza and the West Bank in ac-
18 cordance with the Declaration of Principles signed in
19 Washington, D.C. September 13, 1993, between Is-
20 rael and the Palestine Liberation Organization
21 (PLO).

22 **SEC. 3. POLICY.**

23 It is the policy and interest of the United States—

24 (1) to contribute to the advancement of peace
25 and security in the Middle East by supporting ef-

1 forts by Israel and the Palestine Liberation Organi-
2 zation (PLO) to reach a nonviolent resolution of
3 their conflict under the terms of the Declaration of
4 Principles on Interim Self-Government Arrangement
5 signed in Washington, D.C., September 13, 1993;

6 (2) to ensure that both Israel and the PLO
7 fully and meaningfully comply with the terms and
8 conditions of all agreements made between them;

9 (3) to demonstrate firm, consistent, and unam-
10 biguous opposition to terrorism by insisting that Is-
11 rael and the Palestine Liberation Organization take
12 significant, material, and timely steps to preempt
13 tourist attacks;

14 (4) to ensure that the Palestinian Authority
15 fully accounts for basic human needs and infrastruc-
16 ture development funds expended by the United
17 States in Gaza and Jericho in accordance with
18 standard commercial principles and practices;

19 (5) to ensure that Israel and the Palestine Lib-
20 eration Organization cooperate fully with United
21 States law enforcement agencies to apprehend, pros-
22 ecute, and convict all individuals involved in the
23 criminal injury or death of United States citizens or
24 the willful damaging of United States property;

1 (6) to hold the PLO and its administrative au-
2 thority in Gaza and Jericho accountable for unlawful
3 acts carried out within its jurisdiction or emanating
4 from territory under its administrative control;

5 (7) to ensure that all recipients of United
6 States foreign assistance evidence a clear commit-
7 ment to democracy, justice, and the rule of law and
8 conform to established standards of financial man-
9 agement and accountability; and

10 (8) to contribute to the long-term security, sta-
11 bility, and economic health of the State of Israel
12 through the maintenance of close bilateral ties and,
13 to the greatest extent possible, to provide such levels
14 of assistance to Israel as are necessary and suffi-
15 cient to achieve these objectives, irrespective of the
16 success or failure of the agreements between Israel
17 and the PLO.

18 **SEC. 4. FINDINGS AND DETERMINATIONS.**

19 (a) Pursuant to the commitments between Israel and
20 the PLO described in section 6 of this Act, the Congress
21 makes the following findings:

22 (1) After decades of conflict, Israel and the
23 PLO have entered a new era which presents an his-
24 toric opportunity for peaceful coexistence and a sta-
25 ble democratic future for themselves and the region.

1 (2) The basis for this new relationship between
2 Israel and the PLO is the set of agreements to
3 which both parties are signatories and which ema-
4 nate from the Declaration of Principles on Interim
5 Self-Government Arrangements, signed in Washing-
6 ton, D.C., on September 13, 1993.

7 (3) The United States agrees to serve as a
8 partner in the effort to bring about a lasting rec-
9 onciliation and understanding between Israel and the
10 PLO.

11 (4) The United States recognizes all of the
12 agreements referred to in section 6 of this Act are
13 legally binding on Israel and the PLO, that they
14 were entered into freely and in good faith and that
15 Israel and the PLO are committed to their complete
16 fulfillment.

17 (5) The United States is relying upon Israel
18 and the PLO to honor their commitments to elected
19 representatives and officials of the United States
20 Government prior to and following the signing of the
21 Declaration of Principles, including the promise of
22 the PLO to halt terrorism emanating from areas
23 under its control.

24 (6) The United States is committed to provid-
25 ing funding for infrastructure development and basic

1 human needs in Gaza and Jericho, but not through
2 any institution or entity of the PLO or the Palestin-
3 ian Authority and only where Israel and the PLO
4 have demonstrated that they have taken substantial,
5 timely, and meaningful steps toward full compliance
6 under their respective agreements.

7 (7) The United States is resolute in its deter-
8 mination to ensure that in providing assistance to
9 Palestinians living under the administrative control
10 of the Palestinian Authority or elsewhere, the bene-
11 ficiaries of such assistance shall be held to the same
12 standard of financial accountability and manage-
13 ment control as any other recipient of United States
14 foreign assistance.

15 (8) Since the signing of the Declaration of
16 Principles, the United States has had sufficient time
17 to evaluate the sincerity, commitment, and effective-
18 ness with which Israel and the PLO have complied
19 with both the spirit and the letter of the joint agree-
20 ments to which they are signatories.

21 (b) DETERMINATIONS.—Therefore, the Congress de-
22 termines the following:

23 (1) The PLO continues to demonstrate wide-
24 spread and systematic disregard for both the spirit
25 and the letter of the understandings reached in a

1 succession of agreements between it and the State of
2 Israel.

3 (2) Information provided by the President on
4 the compliance of the PLO with its agreements is
5 often ambiguous, insufficient, at variance with the
6 assessments of independent monitoring groups and
7 falls short of the standards of accountability ex-
8 pected of other recipients of United States foreign
9 assistance.

10 (3) The PLO specifically has failed to take sub-
11 stantial, timely, and meaningful steps to fulfill its
12 legal obligations in the following areas:

13 (A) AMENDING THE PLO COVENANT.—In
14 violation of commitments made by the PLO in
15 the letter of September 9, 1993, between the
16 PLO leader and the Prime Minister of Israel,
17 1993, the PLO has failed to repeal the provi-
18 sions of its charter which declare Israel to be il-
19 legitimate and call for its elimination through
20 armed struggle.

21 (B) PREVENTING TERRORISM.—In viola-
22 tion of the terms agreed to in the Gaza-Jericho
23 Agreement, annex III, article I, section 5 and
24 the letters of September 9, 1993, between the
25 PLO leader and the Prime Minister of Israel

1 and between the PLO leader and the Foreign
2 Minister of Norway, the PLO has not legally
3 banned terrorist organizations such as Hamas
4 and Islamic Jihad and has done little to dis-
5 cipline them. In the 19 months before the Dec-
6 laration of Principles there were 318 casualties
7 from terrorism in Israel and the territories (68
8 people were killed and 250 injured). This is in
9 contrast to the 19 months following the signing
10 of the Declaration of Principles, there were 651
11 casualties from terrorism in Israel and the ter-
12 ritories (134 people were killed and 517 in-
13 jured), an increase of nearly 100 percent.

14 (C) PROSECUTING TERRORISTS.—In viola-
15 tion of the terms agreed to in the Gaza-Jericho
16 Agreement, annex III, article I, section 5 and
17 the letters of September 9, 1993, between the
18 PLO leader and the Prime Minister of Israel
19 and between the PLO leader and the Foreign
20 Minister of Norway, the PLO has failed to in-
21 vestigate terrorist incidents, prosecute terrorists
22 according to the rule of law, or ensure that the
23 sentences imposed for terrorist acts are more
24 than perfunctory. The PLO repeatedly has de-
25 clared that it considers terrorist organizations

1 such as Hamas and Islamic Jihad as legitimate
2 opposition groups with whom they are prepared
3 to conduct a dialog. The PLO has not legally
4 banned extremist organizations and instead,
5 employs Hamas sympathizers in its administra-
6 tion in Gaza.

7 (D) PREVENTING INCITEMENT TO VIO-
8 LENCE.—In violation of the terms agreed to in
9 the Gaza-Jericho Agreement, article XII, para-
10 graph 1 and the letters of September 9, 1993,
11 between the PLO leader and the Prime Min-
12 ister of Israel and between the PLO leader and
13 the Foreign Minister of Norway, PLO officials
14 continue to advocate holy war (jihad) against
15 Israel, glorify suicide bombers, lend support and
16 comfort to terrorist groups, and issue propa-
17 ganda delegitimizing Israeli sovereignty even
18 within its pre-1967 borders.

19 (E) BARRING UNAUTHORIZED FORCES.—
20 In violation of the terms agreed to in the Gaza-
21 Jericho Agreement, article IX, section 2, the
22 PLO continues to permit illegal military and
23 paramilitary groups to conduct terrorist oper-
24 ations against Israel from administrative areas
25 under its control.

1 (F) CONFISCATING UNAUTHORIZED WEAP-
2 ONS.—In violation of the terms agreed to in the
3 Gaza-Jericho Agreement, annex I, article VIII,
4 section 8, the PLO has failed to fulfill its com-
5 mitment made to the United States Vice Presi-
6 dent on March 24, 1995, to take significant
7 steps to disarm military and paramilitary
8 groups under its administrative control, to li-
9 cense weapons, or to substantially enforce, by
10 judicial means, individual violations.

11 (G) EXCLUDING TERRORISTS FROM SECU-
12 RITY SERVICES.—In violation of the terms
13 agreed to in the Gaza-Jericho Agreement,
14 annex I, article III, section 4(b), the PLO con-
15 tinues to employ policemen who have been con-
16 victed of serious crimes.

17 (H) EXTRADITING TERRORISTS.—In viola-
18 tion of the terms agreed to in annex III, article
19 II, section 7, the PLO consistently refuses to
20 extradite individuals suspected in terrorist
21 crimes against Israeli citizens and has not com-
22 plied with earlier demands of the United States
23 Government to extradite individuals suspected
24 of crimes against Americans to the United
25 States.

1 (I) PROHIBITING THE LOCATION OF INSTI-
2 TUTIONS OF THE PALESTINIAN AUTHORITY
3 OUTSIDE OF GAZA AND JERICHO.—Under arti-
4 cle V of the Gaza-Jericho Agreement, the Pal-
5 estinian Authority has attempted to extend its
6 authority beyond the boundaries of Gaza and
7 Jericho. It has failed to live up to its commit-
8 ment not to operate offices in Jerusalem and
9 has opened at least 7 institutions in and around
10 the city.

11 (J) FACILITATING THE RELEASE OF IS-
12 RAELI POWS/MIAS.—The PLO has failed to pro-
13 vide Israel with information it possesses on the
14 condition and possible whereabouts of at least
15 one Israeli MIA.

16 (K) AVOIDING AND PUNISHING THE ILLE-
17 GAL TRANSFER OF FUNDS.—In violation of the
18 spirit of the Gaza-Jericho Agreement and
19 standard international principles and practices
20 of financial accountability, administrative au-
21 thorities in Gaza have diverted substantial
22 amounts of development assistance to activities
23 of the PLO both inside and outside of Gaza and
24 Jericho.

1 (L) PREVENTING INFILTRATIONS.—In vio-
2 lation of the terms agreed to in the Gaza-Jeri-
3 cho Agreement, article IV(2)(c), the Palestinian
4 Police authorities has failed to halt infiltrations
5 from Egypt to Gaza and from Gaza to Israel.

6 **SEC. 5. GENERAL RESTRICTIONS ON ASSISTANCE.**

7 Notwithstanding any other provision of law, the fol-
8 lowing restrictions shall apply with regard to all assistance
9 provided by the United States and intended to benefit Pal-
10 estinians living in areas controlled by the PLO or the Pal-
11 estinian Authority:

12 (1) All funds made available to areas under the
13 administrative control of the Palestinian Authority
14 shall be provided only through agencies or entities of
15 the United States Government or private voluntary
16 organizations designated by the Secretary of State
17 and registered in the United States: *Provided*, That
18 no funds shall be obligated or expended for any
19 projects or activities of the Palestinian Authority in
20 Jerusalem or that benefit Palestinians living in
21 Jerusalem.

22 (2) Under no circumstances and notwithstand-
23 ing any other provision of law, none of the funds au-
24 thorized or appropriated under this or any other Act
25 shall be made available, directly or indirectly, to ben-

1 efit the Palestine Liberation Organization (PLO), its
2 agents, entities, projects, programs, institutions, or
3 activities under its control, or directly or indirectly,
4 to benefit the operation of the Palestinian Authority
5 in Gaza, Jericho, or any other area it may control.

6 (3) Funds authorized or appropriated under
7 this or any other Act shall only be made available
8 for humanitarian assistance, economic development,
9 and basic human needs infrastructure projects or ac-
10 tivities which directly benefit Palestinians in areas
11 under the administrative control of the Palestinian
12 Authority.

13 (4) The total amount of United States assist-
14 ance benefiting the Palestinians resident in areas
15 under the administrative control of the PLO and the
16 Palestinian Authority for any single year shall not
17 exceed the largest total contribution by a member of
18 the Arab League to the Palestinian Authority in the
19 previous full calendar year.

20 (5) None of the funds authorized or appro-
21 priated under this or any other Act shall be made
22 available to benefit, directly or indirectly, Palestin-
23 ians living under the administrative control of the
24 Palestinian Authority until the PLO substantially,

1 materially, and in a timely fashion complies with the
2 provisions of section 7 of this Act.

3 (6) No funds made available by this or any
4 other Act and intended to benefit Palestinians living
5 in areas controlled by the PLO or the Palestinian
6 Authority shall be used for the purchase, lease, or
7 acquisition by any means of lethal equipment, sup-
8 plies, or infrastructure to support that equipment or
9 its use in military or paramilitary operations or
10 training.

11 (7) No funds shall be made available under this
12 or any other Act to benefit Palestinians living in
13 areas controlled by the PLO or the Palestinian Au-
14 thority should the PLO conclude a formal or infor-
15 mal arrangement with Hamas, Islamic Jihad, or any
16 other group practicing or supporting terrorism under
17 which the terrorist activities of these groups, either
18 inside or outside of Gaza and Jericho, will be al-
19 lowed to continue or be tolerated in any respect.

20 (8) As set forth in section 585 of the Foreign
21 Operations, Export Financing, and Related Pro-
22 grams 1995 Appropriations and 1994 Supplemental
23 Appropriations Act (Public Law 103-306):

24 (A) None of the funds made available
25 under this or any other Act shall be obligated

1 or expended to create in any part of Jerusalem
2 a new office of any department or agency of the
3 United States Government for the purpose of
4 conducting official United States Government
5 business with the Palestinian Authority over
6 Gaza and Jericho or any successor Palestinian
7 governing entity provided for in the Israel-PLO
8 Declaration of Principles: *Provided*, That this
9 restriction shall not apply to the acquisition of
10 additional space for the existing Consulate Gen-
11 eral in Jerusalem.

12 (B) Meetings between officers and employ-
13 ees of the United States and officials of the
14 Palestinian Authority, or any successor Pal-
15 estinian governing entity provided for in the Is-
16 rael-PLO Declaration of Principles, for the pur-
17 pose of conducting official United States Gov-
18 ernment business with such authority should
19 continue to take place in locations other than
20 Jerusalem. As has been true in the past, offi-
21 cers and employees of the United States Gov-
22 ernment may continue to meet in Jerusalem on
23 other subjects with Palestinians (including
24 those who now occupy positions in the Palestin-

1 ian Authority), have social contacts, and have
2 incidental discussions.

3 (9) No funds made available under this or any
4 other Act shall be used to benefit any individual who
5 has directly participated in, or conspired in, or was
6 an accessory to, the planning or execution of a ter-
7 rorist activity which resulted in the death, injury or
8 kidnaping of an American citizen.

9 **SEC. 6. PLO-ISRAEL COMMITMENTS DESCRIBED.**

10 The commitments referred to under this Act and rec-
11 ognized by the United States are the legally binding com-
12 mitments made by the Palestine Liberation Organization
13 and Israel in the following declarations:

14 (1) The PLO letter of September 9, 1993, to
15 the Prime Minister of Israel.

16 (2) The PLO letter of September 9, 1993, to
17 the Foreign Minister of Norway.

18 (3) The Declaration of Principles on Interim
19 Self-Government Arrangements signed in Washing-
20 ton, D.C. on September 13, 1993.

21 (4) The Agreement between Israel and the PLO
22 signed in Cairo on May 4, 1994.

23 (5) The Joint Communiqué between Israel and
24 the PLO issued at Blair House, in Washington,
25 D.C., February 12, 1995.

1 **SEC. 7. REQUIREMENTS FOR THE TRANSFER OF FUNDS.**

2 IN GENERAL.—Notwithstanding any other provision
3 of law, none of the funds authorized or appropriated under
4 this or any other Act shall be made available, directly or
5 indirectly, to benefit Palestinians living under the adminis-
6 trative control of the PLO or the Palestinian Authority
7 in Gaza, Jericho or any other area it may control, until
8 the following requirements set forth in this section are
9 fully met and certified to Congress by the President of
10 the United States.

11 (1) SUBSTANTIAL, MATERIAL AND TIMELY COM-
12 PLIANCE.—That the PLO and the Palestinian Au-
13 thority have made substantial, material and timely
14 progress in meeting their legal obligations as set
15 forth in the agreements between the PLO and Israel
16 and as enumerated in section 6 of this Act. The
17 President shall submit to the relevant congressional
18 committees a quarterly report that—

19 (A) comprehensively evaluates the compli-
20 ance record of the PLO according to each spe-
21 cific commitment set forth in its agreements
22 with Israel;

23 (B) establishes, as appropriate, both objec-
24 tive and subjective measures to assess PLO
25 compliance; and

1 (C) measures PLO compliance against
2 each previous quarterly assessment and dem-
3 onstrates significant and continual improvement
4 each quarter.

5 (2) FINANCIAL ACCOUNTABILITY.—Sixty days
6 following the enactment of this Act and every 180
7 days thereafter, the President of the United States
8 shall submit to the relevant congressional commit-
9 tees a financial audit carried out by the General Ac-
10 counting Office (GAO), which provides a full ac-
11 counting of all United States assistance which bene-
12 fits, directly or indirectly, the projects, programs or
13 activities of the Palestinian Authority in Gaza, Jeri-
14 cho or any other area it may control, since Septem-
15 ber 13, 1993, including, but not limited to, the fol-
16 lowing)—

17 (A) the obligation and disbursement of all
18 funds, by project, activity, and date, as well as
19 by prime contractor, all subcontractors, and
20 their countr(ies) of origin;

21 (B) the organization(s) or individual(s) re-
22 sponsible for the receipt and obligation of U.S.
23 assistance;

24 (C) the amount of both private and inter-
25 national donor funds that benefit the PLO or

1 the Palestinian Authority in Gaza, Jericho or
2 any other area it may control, and to which the
3 United States may be a contributor; and

4 (D) the ultimate beneficiaries of the assist-
5 ance.

6 (3) REPORT ON THE POSSIBLE MISUSE OF
7 FUNDS.—Pursuant to section 7(a), the President
8 shall also provide the relevant congressional commit-
9 tees with a comprehensive accounting of all United
10 States and International donor funds, credits, guar-
11 antees, insurance, in-kind assistance and other re-
12 source transfers to the PLO, the Palestinian Author-
13 ity or other associated entities under their control
14 which the General Accounting Office believes may
15 have been misused, diverted or illegally converted for
16 purposes other than those originally intended by the
17 donors and shall include a discussion of—

18 (A) the possible reasons for the diversion
19 of resources and the likely use toward which
20 they were put;

21 (B) the manner and mechanism(s) by
22 which the resources were misdirected;

23 (C) the person(s) and institution likely re-
24 sponsible for the misdirection of the resources;
25 and

1 (D) the efforts being made by the Palestin-
2 ian Authority, the President and the inter-
3 national community to account for and recover
4 the misdirected resources.

5 (4) PENALTIES AND DEDUCTIONS.—Not less
6 than thirty (30) days following the issuance to Con-
7 gress of the findings set forth in section 7(2) the
8 President shall deduct one dollar from the amount
9 of funds or other resources appropriated to benefit
10 Palestinians living in areas controlled by the Pal-
11 estinian Authority for each dollar which the General
12 Accounting Office is able to demonstrate may have
13 been diverted by Palestinians for purposes other
14 than what they were originally intended.

15 (5) ACCOUNTABILITY FOR PAST TERRORISM.—
16 The President shall certify to the relevant congres-
17 sional committees that the Palestine Liberation Or-
18 ganization has taken substantial, material and time-
19 ly steps to provide information to United States law
20 enforcement agencies leading to the arrest and ex-
21 tradition to the United States for prosecution of in-
22 dividuals connected directly or indirectly with the
23 Palestine Liberation Organization and alleged to
24 have been responsible for terrorist attacks on Amer-

1 ican citizens or property since 1964 to include, but
2 not be limited to, the kidnapping, or murders of—

3 (A) David Berger, in Munich, Germany,
4 September, 1972;

5 (B) Cleo A. Noel, Jr., United States Am-
6 bassador to the Sudan, and G. Curtis Moore,
7 U.S. Diplomat, in Khartoum, March 2, 1973;

8 (C) Gail Rubin, in Israel, March 11, 1978;

9 (D) Leon Klinghoffer on the cruise ship
10 Achille Lauro, October 8, 1985; and

11 (E) Gail Klein, in Jerusalem, October 15,
12 1986.

13 (6) REPORT TO THE CONGRESS.—Pursuant to
14 subsection (B) of this section, the President shall re-
15 port to the relevant congressional committees, in
16 both classified and unclassified form, no later than
17 September 1, 1995, and every 180 days thereafter,
18 on—

19 (A) the name, date, location, and cir-
20 cumstance of all Americans alleged to have been
21 killed or injured, directly or indirectly, by mem-
22 bers, agents, supporters or surrogates of the
23 Palestine Liberation Organization from 1964 to
24 the present;

1 (B) the name, date, precise location, and
2 circumstance of all violent incidents against Is-
3 raelis or others by any terrorist group, organi-
4 zation, entity or individual operating in Israel
5 or the territories controlled by Israel or the
6 PLO and to indicate—

7 (i) where the violent incident was
8 planned, organized and launched;

9 (ii) how and through what means the
10 violent incident was funded;

11 (iii) the source and type of any lethal
12 equipment used in any violent incident;
13 and

14 (iv) whether the United States has
15 been able to independently confirm infor-
16 mation provided by either Israel or the
17 PLO regarding violent incidents reported
18 under this subsection.

19 (C) the status of all warrants issued by
20 United States law enforcement agencies,
21 Interpol, or other international police authori-
22 ties, for the arrest of members of the Palestine
23 Liberation Organization, to include, but not be
24 limited to, the name of the individual, the date
25 and nature of the crime alleged to have been

1 committed, the statute under which prosecution
2 is being sought, and the level and nature of the
3 cooperation provided by the Palestine Libera-
4 tion Organization in the apprehension, prosecu-
5 tion and conviction of this individual(s);

6 (D) the disposition of all past and current
7 investigations into the criminal activities of the
8 Palestine Liberation Organization as well as the
9 warrants for the arrest of alleged members of
10 the Palestine Liberation Organization that have
11 been revoked or suspended by agencies or enti-
12 ties of the United States Government since
13 1964 and reason for the revocation or suspen-
14 sion; and

15 (E) the name of any individual who cur-
16 rently serves as an official or agent of the Pal-
17 estine Liberation Organization or the Palestin-
18 ian Authority who at any time has been subject
19 to a United States or international arrest war-
20 rant or has been placed on a United States
21 Government “watch list.”

22 (7) MATTERS TO BE CONSIDERED.—In deter-
23 mining whether to make the certification required by
24 subsection (4) of this section with respect to the
25 PLO, the President shall also consider and report,

1 in both classified and unclassified form, to the rel-
2 evant congressional committees the following:

3 (A) Have the actions of the PLO resulted
4 in the maximum reductions in terrorism carried
5 out by members or affiliates of the PLO? Has
6 the PLO leadership publicly, in Arabic, English
7 and Hebrew, and using all major print and elec-
8 tronic media outlets, strongly condemned acts
9 of terrorism against Israel and the West when
10 they occur?

11 (B) Has the PLO taken legal and law en-
12 forcement measures to enforce in areas under
13 its administrative control, to the maximum ex-
14 tent possible, the elimination of terrorist acts
15 and the suppression of criminal elements re-
16 sponsible for terrorism as evidenced by the sei-
17 zure of illegal weapons, the closure of offices
18 and training areas belonging to terrorist organi-
19 zations and the arrest and prosecution of viola-
20 tors involved in the incitement, recruitment,
21 training, planning, or conduct of terrorist oper-
22 ations affecting the United States, Israel or
23 other countries?

24 (C) Has the PLO taken the legal and law
25 enforcement steps necessary to eliminate, to the

1 maximum extent possible, the laundering of
2 profits derived from smuggling, narcotics traf-
3 ficking, illegal weapons transactions or other
4 criminal activity as evidenced by the enactment
5 and enforcement by the PLO of laws prohibit-
6 ing such conduct?

7 (D) Has the PLO taken the legal and law
8 enforcement steps necessary to eliminate, to the
9 maximum extent possible, bribery and other
10 forms of public corruption which facilitate the
11 execution of terrorist acts or which discourage
12 the investigation and prosecution of such acts,
13 as evidenced by the enactment and enforcement
14 of laws prohibiting such conduct?

15 (E) Has the PLO, as a matter of policy or
16 practice, encouraged or facilitated the continued
17 sponsorship of terrorist acts?

18 (F) Does any senior official of the PLO
19 engage in, encourage, or facilitate the incite-
20 ment, recruitment, training, planning, or con-
21 duct of terrorist operations affecting the United
22 States, Israel or other states or condone other
23 internationally recognized criminal activity?

24 (G) Has the PLO investigated aggressively
25 all cases in which any citizen of the United

1 States or member of the United States Govern-
2 ment has been the victim, since 1964, of acts
3 or threats of violence, inflicted by or with the
4 complicity of any agent of the PLO or any po-
5 litical subdivision or supporter thereof, and en-
6 ergetically sought to bring the perpetrators of
7 such offense or offenses to justice?

8 (H) Having been requested to do so by the
9 United States Government, does the PLO fail
10 to provide reasonable cooperation to lawful ac-
11 tivities of United States law enforcement
12 agents, including the refusal of permission to
13 such agents engaged in counterterrorism to
14 pursue suspected terrorists or other criminal
15 elements that may support terrorist activities
16 into areas or facilities it controls?

17 (I) Has the PLO or its administrative au-
18 thority in Gaza and Jericho adopted legal codes
19 in order to enable law enforcement officials to
20 move more effectively against terrorists, the
21 supporters of terrorism and other related crimi-
22 nal elements, such as effective conspiracy laws
23 and asset seizure laws?

24 (J) Has the PLO expeditiously processed
25 United States, Israeli, or other countries' extra-

1 dition requests relating to terrorism, narcotics
2 trafficking or other criminal offenses?

3 (K) Has the PLO refused to protect or
4 given haven to any known terrorist, drug traf-
5 ficker or other accused or convicted of a serious
6 criminal offense, and has it expeditiously proc-
7 essed extradition requests relating to acts of
8 terrorism or narcotics trafficking made by other
9 countries?

10 (L) Has the PLO cooperated, both publicly
11 and privately, with efforts undertaken by the
12 President of the United States to end the Arab
13 League boycott of Israel and if so, to what ex-
14 tent and to what practical effect?

15 (8) VICTIMS OF TERRORISM COMPENSATION.—
16 Pursuant to section 5570 of Public Law 99–399 no
17 funds shall be made available to benefit the PLO,
18 the Palestinian Authority, or any person or entity
19 under its control until the President certifies to the
20 relevant congressional committees that full and fair
21 compensation is provided by the Palestine Liberation
22 Organization to United States victims of PLO ter-
23 rorism after adjudication in a United States court of
24 law.

1 (9) PREEMPTION OF TERRORISM.—The Presi-
2 dent shall make available to Israel, equipment for
3 the state-of-the-art security examination of cargo
4 containers and vehicles: *Provided*, That this equip-
5 ment shall include automated, nonintrusive inspec-
6 tion technology, or technologies, for the direct detec-
7 tion and chemical elemental identification of contra-
8 band: *Provided further*, That some of this equipment
9 may be in the form of technology in the advanced
10 stages of development and suitable for field testing
11 and evaluation: *Provided further*, That not less than
12 \$40,000,000 is authorized to be appropriated in fis-
13 cal year 1996 for the purposes set forth in this sec-
14 tion from the funds made available by the United
15 States to support the agreements between Israel and
16 the PLO: *Provided further*, That the President shall
17 negotiate the transfer of this technology no later
18 than September 30, 1995, and prior to the obliga-
19 tion of not more than \$50,000,000 in United States
20 funds to benefit Palestinians living in Gaza, Jericho,
21 or any additional territories which might be adminis-
22 tered by the PLO: *Provided further*, That it is the
23 purpose of this section to enable the United States
24 to support efforts by both Israel and the PLO to
25 meet their compliance obligations and—

1 (A) to assist them in combating terrorism;

2 (B) to assist them in combating narcotics
3 smuggling and other contraband smuggling;
4 and

5 (C) to assist them in ensuring proper
6 manifesting and customs regulation compliance
7 and revenue collection.

8 (10) REVIEW OF LEGISLATION.—Prior to the
9 disbursement of any funds authorized under this or
10 any other Act for the benefit of the PLO, the Pal-
11 estinian Authority or any of its constituencies, ac-
12 tivities or projects, the President shall carry out,
13 and report to the relevant congressional committees,
14 a thorough review of pertinent legislation affecting
15 the status of the PLO to include, but not be limited
16 to, title X of Public Law 100–204 and shall rec-
17 ommend to Congress modifications consistent with
18 United States policy toward countering terrorism
19 and promoting peace in the Middle East.

20 (11) PRESIDENTIAL DISCLOSURE.—No later
21 than 60 days following the enactment of this Act,
22 the President shall disclose in a classified manner to
23 the relevant congressional committees, the substance
24 of any secret agreements, understandings, or prom-
25 ises, either formal or informal, between the United

1 States and Israel, and the United States and the
2 PLO, connected with the implementation of the Dec-
3 laration of Principles, that—

4 (A) commits the United States to any
5 course of action in its foreign, diplomatic or se-
6 curity policies;

7 (B) commits the United States to provide
8 funds or other forms of assistance for particu-
9 lar projects or activities;

10 (C) provides assurances to particular indi-
11 viduals who may or may not be targets of a
12 United States or international criminal inves-
13 tigation; and

14 (D) extends to particular individuals the
15 promise of protection or safety should future
16 circumstances warrant it.

17 (12) PROVISIONS THAT MAY BE SUSPENDED.—
18 Subject to the requirements of section 7 and the
19 prior approval of the Chairmen of the relevant com-
20 mittees of the Congress of the United States the
21 President may suspend only the following provisions
22 of law for a period not to extend beyond May 31,
23 1996:

24 (A) Section 307 of the Foreign Assistance
25 Act of 1961 (22 U.S.C. 2227) as it applies with

1 respect to the Palestine Liberation Organization
2 or entities associated with it.

3 (B) Section 114 of the Department of
4 State Authorization Act, fiscal years 1984 and
5 1985 (22 U.S.C. 287e note) as it applies with
6 respect to the Palestine Liberation Organization
7 or entities associated with it.

8 (C) Section 1003 of the Foreign Relations
9 Authorization Act, fiscal years 1988 and 1989
10 (22 U.S.C. 5202).

11 (D) Section 37 of the Bretton Woods
12 Agreement Act (22 U.S.C. 286w) as it applies
13 to the granting to the Palestine Liberation Or-
14 ganization of observer status or other official
15 status at any meeting sponsored by or associ-
16 ated with the International Monetary Fund. As
17 used in this paragraph, the term “other official
18 status” does not include membership in the
19 International Monetary Fund.

20 **SEC. 8. FINANCIAL DISCLOSURE.**

21 (a) Within thirty (30) days of the enactment of this
22 Act, the President shall request that both the Palestine
23 Liberation Organization and the Palestinian Authority
24 provide to the United States, comprehensive financial
25 statements of their assets and income for the prior year:

1 *Provided*, That in addition to these statements, the Presi-
2 dent shall certify to the Congress that—

3 (1) the United States Government has no
4 knowledge or information as to other further assets
5 or income of the Palestine Liberation Organization
6 or Palestinian Authority; and

7 (2) the Palestine Liberation Organization and
8 Palestinian Authority are spending and investing
9 substantially all of their respective assets and in-
10 come for the welfare and benefit of the Palestinian
11 people in the areas administered by the Palestinian
12 Authority and for purposes related exclusively to the
13 duties and functions of the Palestinian Authority as
14 authorized under agreements between Israel and the
15 PLO.

16 (b) No funds shall be obligated or expended for the
17 benefit of the Palestinian people in areas administered by
18 the Palestinian Authority until the President has delivered
19 to the relevant congressional committees the information
20 required in section 8(a).

21 (c) The President shall report to the relevant congres-
22 sional committees, in both classified and unclassified form,
23 no later than September 1, 1995, and every 180 days
24 thereafter, on all assistance provided by the international
25 community to the PLO and the Palestinian Authority, or

1 any affiliated organization or entity, both directly and in-
2 directly, to include—

3 (1) the amount of such assistance, by project,
4 and whether the assistance is provided in cash or in
5 kind;

6 (2) the organization or entity through which the
7 international assistance is disbursed;

8 (3) the use(s), by project, to which the inter-
9 national assistance is being put; and

10 (4) the ultimate beneficiaries of the assistance.

11 **SEC. 9. PROHIBITION ON FORMAL DIPLOMATIC REPRESENTATION.**
12

13 Notwithstanding any other provision of law, the
14 President of the United States shall make no commit-
15 ments and shall provide no funds for the obligation or ex-
16 penditure, for any activity leading to the establishment,
17 on either a temporary or permanent basis, of any United
18 States diplomatic post, to include an embassy, consulate
19 or interest section in any territory under the administra-
20 tive control of the PLO or the Palestinian Authority.

21 **SEC. 10. RELEVANT CONGRESSIONAL COMMITTEES**
22 **DEFINED.**

23 As used in this Act, the term “relevant congressional
24 committees” means—

1 (1) the Committee on International Relations,
2 the Committee on Banking and Financial Services,
3 and the Committee on Appropriations of the House
4 of Representatives; and

5 (2) the Committee on Foreign Relations, the
6 Committee on Appropriations, and the Committee on
7 Banking, Housing, and Urban Affairs of the Senate.

8 **SEC. 11. TERM OF THIS ACT.**

9 This Act shall become effective upon the day of enact-
10 ment and expire no earlier than May 31, 1996, unless
11 amended.

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