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April 7, 2006

The Hon. Randall Tobias
U.S. Director of Foreign Assistance and Administrator
United States Agency for International Development
Ronald Reagan Building
1300 Pennsylvania Avenue, N.W.
Washington, D.C. 20523-1000

Dear Mr. Ambassador:

Congratulations on your confirmation to your new position. I look forward to working with you on matters of mutual interest.

On October 6, 2005, I sent a letter (attached) to USAID seeking information regarding your agency's funding of the pro-prostitution non-governmental organization called Sampada Grameen Mahila Sanstha [SANGRAM] in apparent violation of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 [Public Law 108-25]. On February 6, 2006, I sent you a letter (attached) concerning disturbing findings that contradicted earlier USAID assertions on this matter.

On December 13, 2005, a large briefing team from the Department of State and USAID met with staff from the Subcommittee I chair concerning this matter, in order to demonstrate ownership of the problem and to lay out corrective measures being taken. To my dismay and astonishment, the briefers were not prepared to discuss (and exhibited little knowledge of) the pass-through entity known as Avert that USAID established and which served as the mechanism whereby NGOs in India were monitored and financed with American tax dollars. Subcommittee staff knew more than the State / USAID briefing team about this matter thanks to Google searches on the web for critical documents that had not been provided to the Subcommittee by the Administration.

At that meeting, USAID was requested by Subcommittee staff to establish an electronic registry for grantees and sub-grantees to facilitate oversight by USAID/Washington (as well as Congress) and ensure compliance with Federal law. Has that request been honored? If so, what is the status? What is the level of compliance by recipient organizations?

Some of USAID's sister agencies already have such a system in place, and to initiate a transparency program like this would benefit U.S. diplomatic efforts by demonstrating to everyone on Earth with internet access the generosity and commitment of the American people to improving the lives of people living in distant lands.

In the months since that December 13 appeal was made for an electronic registry, the Subcommittee request has inspired two pieces of legislation: S. 2590, introduced by Senators Coburn, Obama, Carper, and McCain; and H.R. 5060, introduced by Majority Whip Blunt and Chairman of the Government Reform Committee Davis. I have enclosed a background memo on H.R. 5060 provided by the office of Majority Whip Blunt, and pages S3239-S3240 of the *Congressional Record* explaining the purposes of S. 2590. Note that both bills intend, for example, to publicly disclose the awarding of grants to organizations like the pro-prostitution SANGRAM.

I ask you to provide the Subcommittee staff technical advice from USAID attorneys on whether or not S. 2590 and H.R. 5060 as drafted would capture all USAID grantees and subgrantees. Is there additional information that should be disclosed that is not in the legislation, such as whether grantees receiving PEPFAR money must also post a copy of their statement against sex-trafficking and the legalization of prostitution?

Thank you in advance for your assistance. I request that the Subcommittee receive your response no later than April 25, 2006.

Sincerely,

Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy and Human Resources
Government Reform Committee

cc: The Hon. Clay Johnson

Attachments

The Grants Database

-- An Important Tool Enabling Congress, the Public, and the Media to Eliminate Wasteful Spending and Ensure Compliance with the Law and Lobbying Restrictions --

H.R. 5060 introduced by Majority Whip Roy Blunt and Government Reform Chairman Tom Davis requires the Office of Management and Budget to establish a searchable website listing all recipients of federal financial assistance such as loans and grants. This site will provide an invaluable tool enabling Congress, the public, and the media to easily determine who is receiving taxpayer funds. This information will be critical in uncovering wasteful spending and in ensuring compliance with existing federal laws, including the 1995 Lobbying Disclosure Act. Currently, there is no central database of all entities receiving federal funds, including the nearly 30,000 organizations receiving nearly $300 billion in federal grants each year. In fact, different agencies have taken different approaches to making public information about grantees and often little to no information is available online.

Eliminate Wasteful Spending: While there are numerous examples of wasteful government grants – such as millions of dollars spent by the National Institutes of Mental Health to study what makes a meaningful day for college students or to study how college students decorate their dorm rooms – the lack of a central database of federal grantees makes it difficult to systematically review federal spending. Often waste is only uncovered by the Inspector Generals from the various agencies – such as the discovery in 2003 that the EPA spent $700,000 on a grant without any knowledge of what work the recipient was going to perform. The Blunt bill will empower everyone with access to the internet to begin reviewing federal grants and other forms of taxpayer assistance to look for waste, fraud, and abuse.

Ensure Compliance with Federal Law: Federal law often imposes various restrictions or requirements on federal grantees. For example, Congress has required that entities receiving funds under our Global AIDS programs have a firm policy opposing prostitution and sex trafficking. Yet last year, the Government Reform Subcommittee on Criminal Justice, Drug Policy, and Human Resources uncovered that a USAID grantee was subgranting taxpayer funds to a pro-prostitution organization. H.R. 5060 requires grantees to also disclose their subgrantees thus making it easier to ensure compliance with important federal policies like those applicable to the Global AIDS program.

Ensure Compliance with Lobbying Restrictions: The 1995 Lobbying Disclosure Act prohibits 501(c)(4) organizations that receive federal grants from lobbying even with their own funds. The restriction can however, be difficult to enforce. The Inspector General for the EPA determined in 2004 for example that for five years the Consumer Federation of America had spent some of the $5 million it received in federal grants to lobby the government. A central database of entities receiving federal grants would provide an important tool to ensure compliance with the law.

A proposal similar to H.R. 5060 was offered as an amendment to the Lobbying Reform bill in the Senate by Senators Coburn and Obama, but was ultimately ruled non-germane.

(B) by inserting ", State, local, or tribal" after "Federal" each place it appears; and

(C) in the second sentence, by striking "repositories" and inserting "a repository or infrastructure activity";

(2) in subsection (b), by striking ", and may include terms and conditions permitted by law"; and

(3) by adding at the end the following:

"(c) FAILURE TO GRANT AUTHORIZATION.—An agency or officer that fails to grant authorization by the date that is 1 year after the date of receipt of an application or request from the Secretary subject to subsection (a) shall submit to Congress a written report that explains the reason for not meeting that deadline or rejecting the application or request.

"(d) TREATMENT OF ACTIONS.—For the purpose of applying any Federal, State, local, or tribal law or requirement, the taking of an action relating to a repository or an infrastructure activity shall be considered to be—

"(1) beneficial, and not detrimental, to the public interest and interstate commerce; and

"(2) consistent with the public convenience and necessity.".

SEC. 5. NUCLEAR WASTE FUND.

(a) CREDITING FEES.—Beginning on October 1, 2007, and continuing through the end of the fiscal year during which construction is completed for the Nevada rail line and surface facilities for the fully operational repository described in the license application, fees collected by the Secretary and deposited in the Nuclear Waste Fund established by section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) shall be credited to the Nuclear Waste Fund as discretionary offsetting collections each year in amounts not to exceed the amounts appropriated from the Nuclear Waste Fund for that year.

(b) FUND USES.—Section 302(d)(4) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(d)(4)) is amended by inserting after "with" the following: "infrastructure activities that the Secretary determines to be necessary or appropriate to support construction or operation of a repository at the Yucca Mountain site or transportation to the Yucca Mountain site of spent nuclear fuel and high-level radioactive waste, and".

SEC. 6. REGULATORY REQUIREMENTS.

(a) MATERIAL REQUIREMENTS.—Notwithstanding any other provision of law, no Federal, State, interstate, or local requirement, either substantive or procedural, that is referred to in section 6001(a) of the Solid Waste Disposal Act (42 U.S.C. 6961(a)), applies to—

(1) any material owned by the Secretary, if the material is transported or stored in a package, cask, or other container that the Commission has certified for transportation or storage of that type of material; or

(2) any material located at the Yucca Mountain site for disposal, if the management and disposal of the material is subject to a license issued by the Commission.

(b) PERMITS.—

(1) IN GENERAL.—The Environmental Protection Agency shall be the permitting agency for purposes of issuing, administering, or enforcing any new or existing air quality permit or requirement applicable to a Federal facility or activity relating to the Withdrawal that is subject to the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.).

(2) STATE AND LOCAL ACTIVITY.—A State or unit of local government shall not issue, administer, or enforce a new or existing air quality permit or requirement affecting a Federal facility or activity that is—

(A) located on the land covered by the Withdrawal; and

(B) subject to the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.).

SEC. 7. TRANSPORTATION.

The Nuclear Waste Policy Act of 1982 is amended by inserting after section 180 (42 U.S.C. 10175) the following:

"SEC. 181. TRANSPORTATION.

"(a) IN GENERAL.—The Secretary may determine the extent to which any transportation required to carry out the duties of the Secretary under this Act that is regulated under the Hazardous Materials Transportation Authorization Act of 1994 (title I of Public Law 103–311; 108 Stat. 1673) and amendments made by that Act shall instead be regulated exclusively under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).

"(b) DETERMINATION OF PREEMPTION.—On request by the Secretary, the Secretary of Transportation may determine, pursuant to section 5125 of title 49, United States Code, that any requirement of a State, political subdivision of a State, or Indian tribe regarding transportation carried out by or on behalf of the Secretary in carrying out this Act is preempted, regardless of whether the transportation otherwise is or would be subject to regulation under the Hazardous Materials Transportation Authorization Act of 1994 (title I of Public Law 103–311; 108 Stat. 1673).".

SEC. 8. CONSIDERATION OF EFFECT OF ACQUISITION OF WATER RIGHTS.

Section 124 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10144) is amended—

(1) by striking the section heading and all that follows through "The Secretary" and inserting the following:

"SEC. 124. CONSIDERATION OF EFFECT OF ACQUISITION OF WATER RIGHTS.

"(a) WATER RIGHTS ACQUISITION EFFECT.—The Secretary"; and

(2) by adding at the end the following:

"(b) BENEFICIAL USE OF WATER.—

"(1) IN GENERAL.—Notwithstanding any other Federal, State, or local law, the use of water from any source in quantities sufficient to accomplish the purposes of this Act and to carry out functions of the Department under this Act shall be considered to be a use that—

"(A) is beneficial to interstate commerce; and

"(B) does not threaten to prove detrimental to the public interest.

"(2) CONFLICTING STATE LAWS.—A State shall not enact or apply a law that discriminates against a use described in paragraph (1).

"(3) ACQUISITION OF WATER RIGHTS.—The Secretary, through purchase or other means, may obtain water rights necessary to carry out functions of the Department under this Act.".

SEC. 9. CONFIDENCE IN AVAILABILITY OF WASTE DISPOSAL.

Notwithstanding any other provision of law, in deciding whether to permit the construction or operation of a nuclear reactor or any related facilities, the Commission shall deem, without further consideration, that sufficient capacity will be available in a timely manner to dispose of the spent nuclear fuel and high-level radioactive waste resulting from the operation of the reactor and related facilities.

By Mr. COBURN (for himself, Mr. OBAMA, Mr. CARPER, and Mr. MCCAIN):

S. 2590. A bill to require full disclosure of all entities and organizations receiving Federal funds; to the Committee on Homeland Security and Governmental Affairs.

Mr. COBURN. Mr. President, today, along with Senators BARACK OBAMA, THOMAS CARPER, and JOHN MCCAIN, I introduced legislation to create an online public database that itemizes Federal funding.

The bill ensures that the taxpayers will now know how their money is being spent. Every citizen in this country, after all, should have the right to know what organizations and activities are being funded with their hard-earned tax dollars.

The Federal Government awards roughly $300 billion in grants annually to 30,000 different organizations across the United States, according to the General Services Administration.

This bill would require the Office of Management and Budget, OMB, to establish and maintain a single public Web site that lists all entities receiving Federal funds, including the name of each entity, the amount of Federal funds the entity has received annually by program, and the location of the entity. All Federal assistance must be posted within 30 days of such funding being awarded to an organization.

This would be an important tool to make Federal funding more accountable and transparent. It would also help to reduce fraud, abuse, and misallocation of Federal funds by requiring greater accounting of Federal expenditures. According to OMB, Federal agencies reported $37.3 billion in improper payments for fiscal year 2005 alone. Better tracking of Federal funds would ensure that agencies and taxpayers know where resources are being spent and likely reduce the number of improper payments by Federal agencies.

Over the past year, the Senate Federal Financial Management Subcommittee, which I chair along with ranking member CARPER, has uncovered tens of billions of dollars in fraud, abuse and wasteful spending, ranging from expensive leasing schemes to corporate welfare to bloated bureaucracy. This database would ensure that such spending is better tracked and the public can hold policymakers and Government agencies accountable for questionable spending decisions.

The Web site required by this bill would not be difficult to develop. In fact, one such site already exists for some Federal funds provided by agencies within the Department of Health and Human Services, HHS. The CRISP, Computer Retrieval of Information on Scientific Projects, is a searchable database of federally funded biomedical research projects conducted at universities, hospitals, and other research institutions. The database, maintained by the Office of Extramural Research at the National Institutes of Health, includes projects funded by the National Institutes of Health, Substance Abuse and Mental Health Services, Health Resources and Services Administration, Food and Drug Administration, Centers for Disease Control and Prevention, CDC, Agency for Health Care Research and Quality, and Office of Assistant Secretary of Health. The CRISP database contains current and

historical awards dating from 1972 to the present.

This type of information should be available for all Federal contracts, grants, loans, and assistance provided by all Federal agencies and departments.

It often takes agencies months to verify or to determine an organization's funding when requested by Congress. There are numerous examples of Federal agencies or entities receiving Federal funds actually trying to camouflage how Federal dollars are being spent or distributing public funds in violation of Federal laws.

In October 2005, the House Government Reform Committee's Subcommittee on Criminal Justice, Drug Policy and Human Resources questioned the U.S. Agency for International Development, USAID, assistant administrator to determine if the agency was funding a proprostitution nongovernmental organization called Sampada Grameen Mahila Sanstha, SANGRAM, in apparent violation of Public Law 108–25. This law prohibits funds from being used "to promote or advocate the legalization or practice of prostitution or sex trafficking," and organizations seeking Federal funding for HIV/AIDS work must have a policy "explicitly opposing prostitution and sex trafficking."

According to an unclassified State Department memorandum, Restore International, an antitrafficking organization working in India, was "confronted by a USAID-funded NGO, SANGRAM while the former attempted to rescue and provide long-term care for child victims of sex trafficking. The confrontation led to the release of 17 minor girls—victims of trafficking—into the hands of traffickers and trafficking accomplices." According to this memorandum, SANGRAM "allowed a brothel keeper into a shelter to pressure the girls not to cooperate with counselors. The girls are now back in the brothels, being subjected to rape for profit."

On November 16, 2005, a USAID briefer asserted to subcommittee staff that USAID had "nothing to do with" the grant to the proprostitution SANGRAM and that the subcommittee's inquiries were "destructive." Nonetheless, congressional investigators continued to pursue this matter and eventually proved that USAID money financed the proprostitution SANGRAM through a second organization named Avert, which was established with the assistance of four USAID employees as a passthrough entity. USAID has held the ex-officio vice chairmanship of Avert since inception. According to documents obtained by the subcommittee, the USAID board member of Avert voted twice to award funding to SANGRAM—July 27, 2002 and again on December 3, 2004—the last time being some 18 months after the provisions of Public Law 108–25 prohibited taxpayer funding of proprostitution groups like SANGRAM.

Last August, HHS sponsored a conference in Utah entitled the "First National Conference on Methamphetamine, HIV and Hepatitis" that promoted illegal drug abuse and dangerous sexual behavior. Conference sessions included: "We Don't Need a 'War' on Methamphetamine"; "You Don't Have to Be Clean & Sober. Or Even Want to Be!"; "Tweaking Tips for Party Boys"; "Barebacking: A Harm Reduction Approach"; and "Without condoms: Harm Reduction, Unprotected Sex, Gay Men and Barebacking." "Tweaking" is a street term for the most dangerous stage of meth abuse. A "tweaker" is a term for a meth addict who probably has not slept in days, or weeks, and is irritable and paranoid. Likewise, "party boy" is slang for an individual who abuses drugs, or "parties." "Barebacking" is a slang term for sexual intercourse without the use of a condom.

While HHS initially denied sponsoring the conference, it was later learned that thousands of dollars of a CDC grant were used to, in fact, sponsor this conference and CDC sent six employees to participate. In a letter dated October 28, 2005, CDC Director Dr. Julie Gerberding admitted that "Although CDC was not listed as a sponsor, a portion of CDC's cooperative agreement with Utah, $13,500, was used to support the conference. While Utah informed a CDC project officer that Utah and the Harm Reduction Coalition were sponsoring the conference and shared a draft agenda with the project officer, Utah did not inform the project officer about the particular source of the funding for the conference."

Previously, the CDC was questioned about its financial support for a number of dubious HIV prevention workshops, including "flirting classes" and "Booty Call," orchestrated by the Stop AIDS Foundation of San Francisco. While CDC repeatedly denied to both Congress and the public that taxpayer funds were used to finance these programs, a Stop AIDS Project official eventually admitted in August 2001 to using Federal funds for the programs. An HHS Office of Inspector General, OIG, investigation also concluded in November 2001 that Federal funds were used to finance the programs and that the programs themselves contained content that may violate Federal laws and Federal guidelines were not followed. The OIG found that the activity under review "did not fully comply with the cooperative agreement and other CDC guidance," that the CDC requirement for review of materials by a local review panel was not followed, and characterized some of the project activities as "inappropriate." Finally, the OIG concluded that "CDC funding was used to support all [Stop AIDS] Project activities." The Stop AIDS Project received approximately $700,000 a year from the CDC but no longer receives Federal funding.

These are just a few recent examples from only a couple agencies uncovered due to aggressive congressional oversight. While the public, whose taxes finance these groups and programs, watchdog organizations, and the media can file Freedom of Information Act, FOIA, requests for this same information, such requests can take months to receive answers and often go completely ignored.

If enacted, this legislation will finally ensure true accountability and transparency in how the Government spends our money, which will hopefully lead to more fiscal responsibility by the Federal Government.

By Mr. HARKIN (for himself, Mr. SPECTER, Mr. BINGAMAN, Ms. MURKOWSKI, Mr. DURBIN, Mr. CHAFEE, and Mrs. CLINTON):

S. 2592. A bill to amend the Child Nutrition Act of 1966 to improve the nutrition and health of schoolchildren by updating the definition of "food of minimal nutritional value" to conform to current nutrition science and to protect the Federal investment in the national school lunch and breakfast programs; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. HARKIN. Mr. President, our Nation faces a public health crisis of the first order. Poor diet and physical inactivity are contributing to growing rates of chronic disease in the U.S. These problems do not just affect adults, but increasingly affect the health of our children as well. Research suggests that one-third of American children born today will develop type II diabetes at some point. For some minority children, the numbers are even more shocking, as high as 50 percent. At the same time, rates of overweight among children are skyrocketing: tripling among children ages 6–11, and doubling among children ages 2 to 5 and ages 12–19 over the past three decades. Indeed, just this week the Journal of the American Medical Association released a new study that found that, in just the past 5 years, rates of childhood overweight and obesity rose very significantly.

There are many reasons for this public health crisis, and accordingly, addressing the crisis will require multiple solutions as well. One place where we can start is with our schools, which have been inundated with foods and drinks having little or no positive nutritional value. A recent study from the Government Accountability office found that 99 percent of high schools, 97 percent of middle schools, and 83 percent of elementary schools sell foods from vending machines, school stores, or a-la-carte lines in the cafeteria. And it is not fresh fruits and vegetables and other healthy foods that are being sold. No, the vast majority of the foods being sold in our schools outside of Federal meal programs are foods that contribute nothing to the health and development of our children and are actually detrimental to them.

Not only does the over consumption of these foods take a toll on the health

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BERNARD SANDERS, VERMONT,
INDEPENDENT

February 6, 2006

The Hon. Randall Tobias
United States Global AIDS Coordinator
United States Department of State
Washington, D.C. 20520

Dear Mr. Ambassador:

First, let me congratulate you on your nomination to be the Administrator of the U.S. Agency for International Development (USAID). It will be a job filled with many rewards and challenges.

Second, I want to raise a serious matter for your consideration with respect to necessary personnel and management changes at USAID.

On October 6, 2005, I sent a letter (attached) to the responsible USAID Assistant Administrator seeking information on USAID funding of the pro-prostitution non-governmental organization called Sampada Grameen Mahila Sanstha [SANGRAM] in apparent violation of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 [Public Law 108-25]. As you know, Public Law 108-25 prohibits funds from being used "to promote or advocate the legalization or practice of prostitution or sex trafficking," and organizations seeking federal funding for HIV/AIDS work must have a policy "explicitly opposing prostitution and sex trafficking."

According to an unclassified State Department memorandum, Restore International, an anti-trafficking organization working in India, was "confronted by a USAID-funded NGO [SANGRAM] while the former attempted to rescue and provide long-term care for child victims of sex trafficking. The confrontation led to the release of 17 minor girls – victims of trafficking – into the hands of traffickers and trafficking accomplices." According to this memorandum, SANGRAM "allowed a brothel keeper into a shelter to pressure the girls not to cooperate with counselors. The girls are now back in the brothels, being subjected to rape for profit."

On November 16, 2005, a USAID briefer asserted to Government Reform Committee staff that USAID had "nothing to do with" the grant to the pro-prostitution SANGRAM, and that the Committee's inquiries were "destructive." Nonetheless, we continue to pursue this matter to ensure that USAID is fully in compliance with Public Law 108-25.

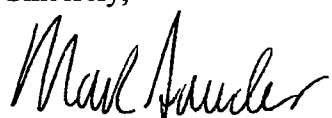
The Subcommittee is now in possession of documents that demonstrate that USAID must provide a revised briefing to Congress on its true role.

These documents prove that USAID money financed the pro-prostitution SANGRAM through a second organization named Avert, which was established with the assistance of four USAID employees as a pass-through entity. USAID has held the ex-officio Vice Chairmanship of Avert since inception.

According to these documents, the USAID board member of Avert voted twice to award funding to SANGRAM (July 27, 2002 and again on December 3, 2004), the last time being some 18 months after the provisions of Public Law 108-25 prohibited taxpayer funding of pro-prostitution groups like SANGRAM.

Upon your confirmation as USAID Administrator, I request that the SANGRAM matter be addressed with unambiguous personnel and management changes to prevent such an outrage from occurring again.

Sincerely,



Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy and Human Resources
Government Reform Committee

Attachment: October 6, 2005 letter to The Honorable James Kunder, USAID

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ELEANOR HOLMES NORTON, DISTRICT OF COLUMBIA

BERNARD SANDERS, VERMONT,
INDEPENDENT

October 6, 2005

The Honorable James Kunder
Assistant Administrator, Asia and Near East Bureau
United States Agency for International Development
Ronald Reagan Building
1300 Pennsylvania Avenue, N.W.
Washington, D.C. 20523-1000

Dear Mr. Kunder:

Since October 22, 2004, the Subcommittee on Criminal Justice, Drug Policy, and Human Resources has been seeking information from the Administration -- with limited success -- on the management of grants awarded under the authority of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 [Public Law 108-25]. As you know, Public Law 108-25 prohibits funds from being used "to promote or advocate the legalization or practice of prostitution or sex trafficking,"and organizations seeking federal funding for HIV/AIDS work must have a policy "explicitly opposing prostitution and sex trafficking."

On September 15 of this year, you testified before a subcommittee of the Senate Foreign Relations Committee that in India, "Over the next two years USAID will finance skills training and job placement services for thousands of vulnerable women and youth."[1]

Do placement services include those of sex traffickers?

Just the week before your testimony, USAID funding was finally cut off from a non-governmental organization called Sampada Grameen Mahila Sanstha [SANGRAM][2] that had retrafficked women back into a brothel after they had been rescued by a State Department-financed group.

I note with dismay that USAID funding for SANGRAM was terminated only after a concentrated effort by the State Department's Trafficking in Persons office. According to the

[1] James Kunder, testimony before the Subcommittee on East Asian and Pacific Affairs, Committee on Foreign Relations, U.S. Senate, September 15, 2005, available at http://www.usaid.gov/press/speeches/2005/ty050915.html. (last visited October 6, 2005).

[2] Rema Nagarajan, "US Accuses NGO of 'Trafficking,'" *Hindustan Times*, September 29, 2005, available at http://www.hindustantimes.com/2005/Sep/30/181_1504660,00050001.htm. (last visited October 6, 2005).

Hindustan Times, as many as five organizations in India are under investigation and could lose USAID funding for violating U.S. policies on trafficking.[3]

According to an unclassified State Department memorandum,[4] Restore International, an anti-trafficking non-governmental organization [NGO] funded by the State Department, was "confronted by a USAID-funded NGO [SANGRAM] while the former attempted to rescue and provide long-term care for child victims of sex trafficking. The confrontation led to the release of 17 minor girls – victims of trafficking – into the hands of traffickers and trafficking accomplices." According to this memorandum, SANGRAM "allowed a brothel keeper into a shelter to pressure the girls not to cooperate with counselors. The girls are now back in the brothels, being subjected to rape for profit."

That SANGRAM was a high-risk candidate for not complying with Public Law 108-25 and National Security Presidential Directive [NSPD]-22[5] should not have been a surprise to USAID. SANGRAM was a cosigner, along with many other high-risk candidates, of a May 18, 2005 letter to President Bush opposing the anti-prostitution pledge. USAID Administrator Andrew Natsios is listed in the letter as having received a copy.[6] Additionally, posted on a USAID-sponsored website,[7] a five-year old report from SANGRAM clearly states,

> *We believe that when involuntary initiation into prostitution occurs, a process of socialization within the institution of prostitution exists, whereby the involuntary nature of the business changes increasingly into one of active acceptance, not necessarily with resignation. This is not a coercive process.*[8]

I agree with President Bush that "It takes a special kind of depravity to exploit and hurt the most vulnerable members of society. Human traffickers rob children of their innocence; they expose them to the worst of life before they have seen much of life. Traffickers tear families apart. They treat their victims as nothing more than goods and commodities for sale to the highest bidder."[9] It is inconceivable that an organization like SANGRAM could have received funding from the American

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[3] Ibid.

[4] "Reported Trafficking Complicity of USAID-funded Indian NGO 'SANGRAM,'" August 22, 2005. On file with the Subcommittee.

[5] NSPD-22, "Combating Trafficking in Persons," dated December 16, 2002. "Our Policy is based on an abolitionist approach to trafficking in persons, and our efforts must involve a comprehensive attack on such trafficking, which is modern-day slavery. In this regard, the United States Government opposes prostitution and any related activities, including pimping, pandering, or maintaining brothels as contributing to the phenomenon of trafficking in persons. These activities are inherently harmful and dehumanizing. The United States Government position is that these activities should not be regulated as a legitimate form of work for any human being."

[6] See http://hrw.org/campaigns/hivaids/hiv-aids-letter/ (last visited October 6, 2005). The controversial activities of cosigners Harm Reduction Coalition and Harm Reduction Project were referenced in a letter from the Subcommittee to Secretary of Health and Human Services Michael O. Leavitt on August 12, 2005, available at http://reform.house.gov/UploadedFiles/8.12%20letter%20to%20HHS%20on%20meth.pdf.

[7] See SANGRAM, "Of Veshyas, Vamps, Whores and Women," available at Synergy HIV/AIDS Resource Center website http://synergyaids.org/resources.asp?id=775 (last visited October 6, 2005).

[8] Ibid, page 27.

[9] "President Announces Initiatives to Combat Human Trafficking," available at http://www.whitehouse.gov/news/releases/2004/07/20040716-11.html (last visited October 6, 2005).

taxpayer had USAID put in place an adequate management system to carry out Public Law 108-25 and President Bush's NSPD-22.

The outrages perpetrated by the USAID-financed SANGRAM lead me to conclude that the ambiguous, incomplete, and overdue responses the Subcommittee has received from USAID with respect to compliance with Public Law 108-25 over the last year are due to USAID's weak management systems and lack of personal accountability. For example, in response to a July 15, 2005 inquiry (attached) concerning compliance with Public Law 108-25 by grantees, the State Department and the Department of Health and Human Services appear to have completed their response in a full and forthright manner. But what was submitted by USAID was grossly inadequate.[10]

I have clearly and repeatedly asked for compliance documents relating to Public Law 108-25 from USAID. With this letter, I once again request those compliance documents, but now I am asking for them directly from you for programs that operate in your region of responsibility.

Do not fob off this responsibility to the USAID Bureau of Global Health. Do not blame our embassies, do not blame the host governments, and do not blame the victims. You are responsible for producing the requested documents, and you will be held accountable.

The Subcommittee staff has asked that you brief them on your management system to comply with Public Law 108-25. I reiterate that request. I ask that you personally oversee the production and transmission of all relevant documents from your region requested on July 15, 2005.

There is a tragic irony in the fact that this Administration seeks to elevate women in the United States to some of the most important positions in the country, such as the President's cabinet and the Supreme Court of the United States; yet, USAID has funded groups outside the United States that promote the ultimate degradation of women. The lack of diligence by USAID in screening out pro-prostitution grantee candidates operating in lesser developed countries "has a whiff of sexism and a whiff of elitism."[11] We do not tolerate such exploitation of women within our borders; I am astounded that our government would finance the trafficking infrastructure outside of them.

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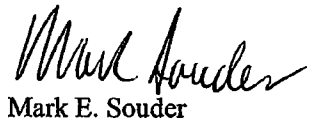
[10] Public Law 108-25 was not signed into law until May 27, 2003, yet USAID's response identifies some Non-Governmental Organizations as having received funding under this law as early as November 14, 1996. Under the category of "Compliance Confirmation," language such as "Received No FY05 Funds" is used. The only information that should be placed in that category is the date of compliance, or words to the effect that the NGO is not in compliance. Of all the USAID grantees identified, exactly three were based outside the United States.

[11] Peter Baker and Dan Balz, "Conservatives Confront Bush Aides: Anger Over Nomination of Miers Boils Over During Private Meetings," *The Washington Post*, October 6, 2005, A1, quoting White House envoy Ed Gillespie. Available at http://www.washingtonpost.com/wp-dyn/content/article/2005/10/05/AR2005100502200.html (last visited October 6, 2005).

If there are any questions, please contact Malia Holst, clerk of the Subcommittee, at 202-225-2577.

Sincerely,



Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy and Human Resources

Enclosure: July 15, 2005 document request

cc: The Honorable Condoleeza Rice

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INDEPENDENT

July 15, 2005

The Hon. Condoleezza Rice
Secretary of State
Department of State
2201 C Street, N.W.
Washington, D.C. 20520

Dear Madam Secretary:

On October 22, 2004, and again on February 11, 2005, the State Department was asked to provide the Subcommittee with information relating to grants awarded under the authority of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 [Public Law 108-25].

Now, nine months later, I find it necessary to file amendments on the State Department authorization bill with the House Rules Committee to provide your Department some additional incentives for its full cooperation with the oversight requests made by this subcommittee.

By August 22, 2005 (ten months to the day of my original request) I ask that the following information be provided to the Subcommittee (both paper and electronic copies): an Excel spreadsheet containing, in separate cells, the names and addresses, and points of contact of all Non-Governmental Organizations which, after the date of enactment of Public Law 108-25, received funding under authority of the President's Emergency Plan for AIDS Relief or the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003. The spreadsheet must include the dates on which funding was awarded, the date the identified Non-Governmental Organizations filed statements with the Federal government asserting the Non-Governmental Organization has a policy "explicitly opposing prostitution and sex trafficking," and paper and electronic copies of the statements of the Non-Governmental Organizations arranged alphabetically.

If there are any questions, please contact Malia Holst, clerk of the subcommittee, at 202-225-2577.

Sincerely,

Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy and Human Resources