News From Nick Rahall

WEST VIRGINIA-4th DISTRICT

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RAHALL MOVES FOR TIGHTER CONTROL ON FOREIGN AID

WASHINGTON, D.C. - Citing unaccountability in foreign aid as a major problem, U.S. Rep. Nick Rahall (D-W.Va.) today announced that he will be an original sponsor of a bill in the upcoming Congress that would place tighter rules on what nations can do with money they receive from the United States.

The Foreign Assistance Accountability Act would make it illegal for anyone to divert foreign aid funds to any purpose other than those established by law. It would establish civil and criminal penalties for violators and would require the Secretary of State to develop a comprehensive accounting system to track the funds.

Rahall cited a report this month by the General Accounting Office in saying some aid to the Contras in Nicaragua could have been pocketed.

"In a recent report, the G.A.O. said nearly half of the \$27 million of humanitarian aid Congress voted for the Nicaraguan Contras in 1985 was not accountable," Rahall said. "It makes one wonder where the other \$14 and a half million went. Did it go into someone's pocket?"

"I'm fighting in Congress to save programs such as the Appalachian Regional Commission and Economic Development Authority because the administration contends there is not enough money to fund it," Rahall said. "While I am fighting to save our own people, there are funds being given as foreign aid to countries who may never receive the money or who use it in a manner not designated by the Congress. The Foreign Assistance Accountability Act would clamp down on those misuses."

Rahall also believes the new bill could prevent future Iran-Contra situations and the recent developments are indication that such a measure is needed.

"The ongoing revelations that U.S. government officials have supervised a secret sale of U.S. weapons to Iran and the siphoning of excess profits into a contra aid slush fund further emphasize the need for a means to assure that Congress' foreign aid directives are followed," Rahall said.