over time to be an effective means of creating strong bonds between the United States and the future leadership of developing countries and, at the same time, assists countries substantially in their development efforts;

(3) study in United States institutions by foreign students enhances trade and economic relationships by providing strong English language skills and establishing professional and business contacts;

(4) students from families of limited financial means have, in the past, largely not had the opportunity to study in the United States, and scholarship programs sponsored by the United States have made no provision for identifying, preparing, or supporting such students for study in the United States;

(5) it is essential that the United States citizenry develop its knowledge and understanding of the developing countries and their languages, cultures, and socioeconomic composition as these areas assume an ever larger role in the world community;

(6) an undergraduate scholarship program for students of limited financial means from developing countries to study in the United States would complement current assistance efforts in the areas of advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities;

(7) the National Bipartisan Commission on Central America has recommended a program of 10,000 United States Government-sponsored scholarships to bring Central American students to the United States, which program would involve careful targeting to encourage participation by young people from all social and economic classes, would maintain existing admission standards by providing intensive English and other training, and would encourage graduates to return to their home countries after completing their education; and

(8) it is also in the interest of the United States, as well as peaceful cooperation in the Western Hemisphere, that particular attention be given to the students of the Caribbean region.

(Pub. L. 99-93, title VI, §602, Aug. 16, 1985, 99 Stat. 439; Pub. L. 103-199, title III, §305, Dec. 17, 1993, 107 Stat. 2324.)

#### Amendments

1993—Pars. (6) to (10). Pub. L. 103–199 redesignated pars. (8) to (10) as (6) to (8), respectively, and struck out former pars. (6) and (7) which read as follows:

"(6) the number of United States Government-sponsored scholarships for students in developing countries has been exceeded as much as twelve times in a given year by the number of scholarships offered by Sovietbloc governments to students in developing countries, and this disparity entails the serious long-run cost of having so many of the potential future leaders of the developing world educated in Soviet-bloc countries;

"(7) from 1972 through 1982 the Soviet Union and Eastern European governments collectively increased their education exchange programs to Latin America and the Caribbean by 205 percent while those of the United States declined by 52 percent;".

# §4703. Scholarship program authority

# (a) In general

The President, acting through the United States Information Agency, shall provide scholarships (including partial assistance) for undergraduate study at United States institutions of higher education by citizens and nationals of developing countries who have completed their secondary education and who would not otherwise have an opportunity to study in the United States due to financial limitations.

# (b) Form of scholarship; forgiveness of loan repayment

To encourage students to use their training in their countries of origin, each scholarship pursuant to this section shall be in the form of a loan with all repayment to be forgiven upon the student's prompt return to his or her country of origin for a period which is at least one year longer than the period spent studying in the United States. If the student is granted asylum in the United States pursuant to section 1158 of title 8 or is admitted to the United States as a refugee pursuant to section 1157 of title 8, half of the repayment shall be forgiven.

## (c) Consultation

Before allocating any of the funds made available to carry out this chapter, the President shall consult with United States institutions of higher education, educational exchange organizations, United States missions in developing countries, and the governments of participating countries on how to implement the guidelines specified in section 4704 of this title.

# (d) "Institution of higher education" defined

For purposes of this chapter, the term "institution of higher education" has the same meaning as given to such term by section 1001 of title 20.

(Pub. L. 99-93, title VI, §603, Aug. 16, 1985, 99 Stat. 440; Pub. L. 105-244, title I, §102(a)(7)(D), Oct. 7, 1998, 112 Stat. 1619.)

## Amendments

1998—Subsec. (d). Pub. L. 105–244 substituted "section 1001" for "section 1141(a)".

#### EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see section 3 of Pub. L. 105-244, set out as a note under section 1001 of Title 20, Education.

#### TRANSFER OF FUNCTIONS

United States Information Agency (other than Broadcasting Board of Governors and International Broadcasting Bureau) abolished and functions transferred to Secretary of State, see sections 6531 and 6532 of this title.

## § 4704. Guidelines

The scholarship program under this chapter shall be carried out in accordance with the following guidelines:

(1) Consistent with section  $2460(b)^1$  of this title, all programs created pursuant to this chapter shall be nonpolitical and balanced,

<sup>&</sup>lt;sup>1</sup>See References in Text note below.