

Rep. Sue Myrick (R-NC), Chairman
Neil Bradley, Executive Director

432 Cannon House Office Building
Washington, D.C. 20515

www.house.gov/burton/RSC

ph (202) 226-9717 • fax (202) 226-1633

Legislative Bulletin.....July 14, 2003

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H.Con.Res. 215—Honoring and congratulating chambers of commerce for their efforts that contribute to the improvement of communities and the strengthening of local and regional economies (Knollenberg)

<u>Order of Business</u>: The resolution is scheduled for consideration on Monday, July 14th, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: H.Con.Res. 215 resolves that Congress "honors and congratulates chambers of commerce for their efforts that contribute to the improvement of their communities and the strengthening of their local and regional economies."

The bill also includes a variety of findings regarding history and accomplishments of the Detroit Regional Chamber of Commerce.

<u>Committee Action</u>: The resolution was introduced on June 11 and referred to the Committee on Energy and Commerce. The Committee reported the bill by voice vote on July 9.

<u>Cost to Taxpayers</u>: The resolution authorizes no expenditure.

Does the Bill Create New Federal Programs or Rules?: No.

Staff Contact: Lisa Bos, lisa.bos@mail.house.gov, (202) 226-1630

H.Res. 296—Recognizing the 100th anniversary of the founding of the Harley-Davidson Motor Company, which has been a significant part of the social, economic, and cultural heritage of the United States and many other nations and a leading force for product and manufacturing innovation throughout the 20th century (*Kleczka*)

<u>Order of Business</u>: The resolution is scheduled to be considered on Monday, July 14, 2003, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: The resolution has 29 findings regarding the chronological history of the Harley-Davidson Motor Company, including that the company "supplied 17,000 motorcycles for dispatch and scouting use by the Allied armed forces, and the first Allied soldier to enter Germany after the signing of the Armistice was riding a Harley-Davidson motorcycle." Additionally, "President Ronald Reagan, President William J. Clinton, and President George W. Bush all have visited Harley-Davidson manufacturing facilities and extolled the example set by Harley Davidson through its practices."

H.Res. 296 resolves that the House of Representatives—

- "(1) recognizes the achievements of Harley-Davidson Motor Company, widely regarded as a tremendous American business success story and one of the top performing companies in America, as its employees, retirees, suppliers, dealers, customers, motorcycle enthusiasts, and friends worldwide commemorate and celebrate its 100th anniversary milestone;
- "(2) recognizes the great impact that Harley-Davidson has had on the business, social, and cultural landscape and lives of Americans and citizens of all nations, as a quintessential icon of Americana; and
- "(3) congratulates the Harley-Davidson Motor Company for this achievement and trusts that Harley-Davidson will have an even greater impact in the 21st century and beyond as a leading force for innovative business practices and products that will continue to provide enjoyment, transportation, and delight for generations to come."

<u>Committee Action</u>: The resolution was introduced on June 24, 2003 and referred to the House Committee on Energy and Commerce, which reported it favorably by voice vote on July 9, 2003.

Cost to Taxpayers: The resolution has no cost.

Does the Bill Create New Federal Programs or Rules?: No.

RSC Staff Contact: Sheila Moloney, Sheila.Moloney@mail.house.gov; (202)-226-9719

H.R. 2330—Burmese Freedom and Democracy Act (Lantos)

<u>Order of Business</u>: The bill is scheduled to be considered on Monday, July 14th, under a motion to suspend the rules and pass the bill. The Senate passed a virtually identical bill (S. 1215) on June 11, 2003, by a vote of 97-1

(http://www.senate.gov/legislative/LIS/roll_call_lists/roll_call_vote_cfm.cfm?congress=108&ses sion=1&vote=00220)

Background: The language of H.R. 2330 points out that the State Peace and Development Council (SPDC) has failed to transfer power to the National League for Democracy (NLD), whose parliamentarians won an overwhelming victory in the 1990 elections in Burma. On May 30, 2003, in keeping with escalating confrontations between the SPDC and the NLD as the NLD gains support nationwide, the SPDC violently attacked NLD supporters, killed and injured scores of civilians, and arrested democracy advocate Aung San Suu Kyi and other activists. [Legislation imposing an import sanctions ban was first proposed last Congress, but Congress did not act in large part because the Burmese regime released Aung Sang Suu Kyi from her longstanding house arrest.]

The bill also indicates that the SPDC continues to use rape as a weapon of intimidation and torture against women and to forcibly conscript child-soldiers for use in ethnic cleansing against minorities within Burma. There are no fewer than 600,000 internally displaced people living within Burma and more than 130,000 Burmese people living in refugee camps along the Thai-Burma border.

Additionally, the SPDC has failed to cooperate with the United States in stopping the flood of heroin and methamphetamines being grown, refined, manufactured, and transported in areas under the control of the SPDC. The regime provides safety, security, and engages in business dealings with narcotics traffickers under indictment by United States authorities.

H.R. 2330 also reports that the SPDC has integrated the Burmese military and its surrogates into all facets of the economy, effectively destroying any free enterprise system. Investment in Burmese companies and purchases from them serve to provide the SPDC with currency that is used to finance its instruments of terror and repression against the Burmese people.

<u>Summary</u>: H.R. 2330 would ban trade that supports the military regime of Burma, freeze the assets of the Burmese regime in the United States, support democracy activists in Burma, and take other steps to economically and politically isolate and weaken the regime.

<u>Trade Ban</u>. H.R. 2330 would prevent any article from being imported into the United States that is "produced, mined, manufactured, grown, or assembled" in Burma. Certain regime-related companies are highlighted in the ban, though the ban is not limited to items from these companies. The trade ban could be lifted temporarily or terminated permanently if the President certifies to Congress that:

- ➤ The SPDC has made "substantial and measurable" progress to end violations of internationally recognized human rights, including rape, forced child labor, and forced child military service (as verified by the Secretary of State and other relevant actors);
- ➤ The SPDC has made "measurable and substantial progress" toward implementing a democratic government, including:

- --releasing all political prisoners;
- --allowing freedom of speech and the press;
- -- allowing freedom of association;
- --permitting the peaceful exercise of religion; and
- --transferring power to a civilian government accountable to the Burmese people through democratic elections under the rule of law; and
- > Burma has not been designated as a country that has failed to make significant efforts to adhere to its obligations under international counternarcotics agreements and to take other effective counternarcotics measures.

The President could waive all or part of the trade ban if he certifies to Congress that doing so is in the American national interest

According to the Congressional Budget Office, over half of all U.S. imports from Burma in recent years have been knitted or crocheted clothing and apparel goods. The remaining imports include apparel items *not* knitted or crocheted, certain types of fish and crustaceans, goods made of wood, certain precious and semiprecious stones and metals, and woven fabrics and tapestries. In 2001 and 2002, about 80% of duties collected on these imports came from knitted and crocheted articles.

<u>Freezing Assets</u>. Within two months of enactment of this legislation, the Secretary of the Treasury would have to direct any U.S. financial institution holding funds belonging to the SPDC or the assets of those individuals who hold senior positions in the SPDC or its political arm, the Union Solidarity Development Association, to promptly report those assets to the Office of Foreign Assets Control to be frozen.

<u>Loans</u>. The Secretary of the Treasury would have to instruct the U.S. executive director to each appropriate international financial institution in which the U.S. participates to oppose and vote against any loan or financial or technical assistance to Burma until the conditions described above are met

<u>Visa Ban</u>. The President would be authorized to deny visas and entry into the U.S. to the former and present leadership of the SPDC or the Union Solidarity Development Association. The Secretary of State would be directed to coordinate with the European Union on the lists of individuals banned from receiving a visa by the European Union and those banned from receiving a visa from the United States. The Secretary of State would have to post on the State Department's website the names of banned individuals.

<u>International Encouragement</u>. The bill would encourage the Secretary of State to highlight the "abysmal" record of the SPDC to the international community and to use all appropriate fora to encourage other countries to restrict financial resources to the SPDC and Burmese companies and offer political recognition and support to the NLD and Burma's ethnic groups.

<u>Support for Democratic Activists</u>. The bill would authorize the President to "use all available resources to assist Burmese democracy activists dedicated to nonviolent opposition to the regime in their efforts to promote freedom, democracy, and human rights in Burma." Within three months of this bill's enactment, the State Department would have to report to Congress on its short- and long-term programs and activities to support democracy activists in Burma, including

a list of constraints on such programming. Within six months of this bill's enactment, the State Department would have to report to Congress on the resources that would be necessary for the reconstruction of Burma, after the SPDC is removed from power. Such reconstruction would include:

- forming democratic institutions;
- > establishing the rule of law;
- > establishing freedom of the press;
- > providing for the successful reintegration of military officers and personnel into Burmese society; and
- > providing health, educational, and economic development.

<u>Committee Action</u>: On June 10, 2003, the Subcommittee on Asia and the Pacific marked up and forwarded the bill to the full International Relations Committee. On June 12, 2003, the full Committee marked up and favorably reported the bill to the full House by voice vote. On July 9, 2003, the Judiciary Committee marked up and favorably reported the amended bill by voice vote.

<u>Administration Position</u>: The White House continues to officially recognize the NLD as the legitimate representative of the Burmese people, as determined by the 1990 election, and to call for an end to repression in Burma.

<u>Cost to Taxpayers</u>: CBO estimates that H.R. 2330 would reduce federal revenues (because of decreased import duties) by \$2 million in FY2003 and by \$48 million over the FY2003-2007, assuming continuation of the full trade ban. The International Relations Committee, however, estimates a revenue reduction of \$26 million in FY2004 and \$130 million over the FY2004-2008 period. Both CBO and the Committee agree that H.R. 2330 would have no significant impact on federal spending.

<u>Does the Bill Create New Federal Programs or Rules?</u>: The bill would implement a new trade ban on goods from Burma, freeze Burmese government assets, and take other such steps to isolate the Burmese regime.

<u>Constitutional Authority</u>: The International Relations Committee, in House Report 108-159 Part I, cites constitutional authority in Article I, Section 8, but does not cite a specific clause. [Clause 3 grants Congress the power to "regulate Commerce with foreign Nations…"]

<u>Outside Organizations</u>: The bill points out that on April 15, 2003, the American Apparel and Footwear Association expressed its "strong support for a full and immediate ban on U.S. textiles, apparel and footwear imports from Burma" and called upon the United States Government to "impose an outright ban on U.S. imports" of these items until Burma demonstrates respect for basic human and labor rights of its citizens.

RSC Staff Contact: Paul S. Teller, paul.teller@mail.house.gov, (202) 226-9718