

TRAVEL RESTRICTION REFORM AND EXPORT
ENHANCEMENT ACT

SEPTEMBER 29, 2010.—Ordered to be printed

Mr. PETERSON, from the Committee on Agriculture,
submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 4645]

[Including cost estimate of the Congressional Budget Office]

The Committee on Agriculture, to whom was referred the bill (H.R. 4645) to remove obstacles to legal sales of United States agricultural commodities to Cuba and to end travel restrictions on all Americans to Cuba, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

BRIEF EXPLANATION

The Travel Restriction Reform and Export Enhancement Act prohibits the President from: (1) regulating or prohibiting travel to or from Cuba by U.S. citizens or lawful permanent residents or any transactions incident to such travel; and (2) restricting direct transfers from a Cuban financial institution to a U.S. financial institution executed in payment for a product authorized for sale under the Trade Sanctions Reform and Export Enhancement Act of 2000.

The bill also amends the Trade Sanctions Reform and Export Enhancement Act of 2000 to define “payment of cash in advance” as the payment by the purchaser of an agricultural commodity or product and the receipt of such payment by the seller prior to: (1) the transfer of title of such commodity or product to the purchaser; and (2) the release of control of such commodity or product to the purchaser.

PURPOSE AND NEED

Cuba relies on imports for most of its food needs and, between 2000 and 2006, Cuba's food and agricultural imports nearly doubled. In 2008, Cuba imported about \$1.8 billion in agricultural products, compared to \$550 million in 2000, with the U.S. share of these imports averaging about 35 percent annually. In 2008, due to higher food prices and natural disasters in Cuba, U.S. agricultural sales to Cuba reached \$708 million, consisting mostly of wheat, corn, poultry, and animal feed. In the first 10 months of 2009, however, U.S. exports to Cuba were valued at \$449 million, 25% lower than the same time period in 2008.

Other trading partners have dramatically increased their exports to Cuba. Brazil's exports to Cuba have tripled since 2005. Exports from Canada and New Zealand have each doubled. Agricultural producers in the United States are well positioned to benefit from additional trade in Cuba—U.S. suppliers can reach the three major Cuban ports in a matter of one day or less, compared to 25 days from Brazil. However, even though U.S. firms offer reliable trading partners, quality products, and competitive prices, current U.S. policy hampers their ability to supply the Cuban market.

U.S. agricultural exports to Cuba are allowed, but with numerous restrictions and licensing requirements. In 2000, Congress passed the Trade Sanctions Reform and Export Enhancement Act of 2000 (TSRA—PL 106–387), which allows for one-year export licenses for selling agricultural commodities. TSRA denies exporters access to U.S. private commercial financing or credit; all transactions must be conducted in cash in advance of shipment or with financing from third countries.

In 2005, the Treasury Department's Office of Foreign Assets Control (OFAC) clarified that TSRA's term of "payment of cash in advance" means that the payment is received by the seller or the seller's agent prior to the shipment of the goods from the port at which they are loaded. Since then, producers have been able to export agricultural products to Cuba so long as they received cash payment in advance of shipment and went through a third party country's bank to complete the transaction. According to the International Trade Commission, following this decision, the value of Cuban agricultural imports from the United States dropped by 10% in 2005 and a further 4% in 2006.

U.S. regulations, such as those requiring the Cuban government to pay for U.S. agriculture products in cash or through letters of credit drawn on third-country banks, raise the cost of U.S. goods for Cubans and appear to limit U.S. sales.

In December 2009, language was included in the FY2010 Omnibus (PL 111–117) to clarify that "payment in advance" means payment prior to the transfer of title to the Cuban purchaser. However, this provision is a single-year provision and will expire at the end of the fiscal year.

During a hearing held by this Committee in March 2010, agricultural producers testified as to the effect of removing both these restrictions and lifting the ban on travel. Rice producers in the United States have been the most negatively affected by the regulatory restrictions. In 2004, Cuba purchased approximately \$64 million in U.S. rice. However, since that time, exports of U.S. rice

to Cuba fell to zero in 2009. National Association of Wheat Growers president Jerry McReynolds stated that the U.S. should have close to an 85% share of the Cuban market similar to the U.S. share of the rest of the Caribbean market. Unfortunately, due to our export restrictions, that share is down to 38%. If H.R. 4645 were to pass, U.S. wheat producers could gain close to \$100 million.

With regard to dairy, it was estimated that eliminating all of the financing and travel restrictions on U.S. agricultural exports to Cuba would have boosted 2008 dairy sales to Cuba from \$13 million to between \$39 and \$87 million and increased U.S. market share that year from 6 percent to 18 to 42 percent.

Soy producers pointed out that the inherent advantages due to the United States' proximity to Cuba mean that U.S. producers should be able to expand beyond the current 282,000 metric tons of soybeans, soybean meal, and soybean oil that they shipped to Cuba in 2008.

In addition to these direct benefits for bulk commodities, some commodities will also benefit from the increased demand expected for meat and value-added products. The National Corn Growers expect that U.S. chicken exports would double with the trade and travel restrictions eased. These additional 277,000 metric tons of poultry would require almost 22 million bushels of corn to grow.

Almost all sectors of U.S. agriculture have benefited and could benefit more from increased trade with Cuba. The United States has exported pork, cattle, dried beans and peas, fresh and dry fruits including apples, grapes, and pears to Cuba.

The Travel Restriction Reform and Export Enhancement Act (H.R. 4645) would expand agricultural trade to Cuba by addressing some of the trade restrictions put in place on agricultural sales. The legislation would do the following:

- (1) Eliminate the need to go through banks in other countries to conduct agricultural trades, along with the accompanying fees those banks charge. (Direct payment provision);
- (2) Require agricultural exports to Cuba to meet the same payment requirements as exports to other countries by requiring payment when the title of the shipment changes hands. (Payment in advance provision); and
- (3) Allow U.S. citizens to travel to Cuba, reducing the bureaucratic red tape currently required for agricultural associations, agribusinesses, and others to make agricultural sales in the country and creating increased demand for agricultural exports to feed the increased number of American visitors.

The U.S. International Trade Commission reports that if these restrictions were lifted, agricultural exports could increase by \$216–478 million annually. Additionally, a study by Texas A&M University found that with passage of this legislation, the United States could export over \$350 million worth of commodities more than currently and create over 6,000 new jobs.

SECTION-BY-SECTION ANALYSIS

Section 1 provides the short title of the bill.

Section 2 provides that the President may not regulate or prohibit travel to or from Cuba by lawful U.S. citizens or permanent residents. The President currently has authority to license travel in

12 broad categories set forth in the Cuban Assets Control Regulations, but may not permit licensing for tourist activities.

Section 3 of the bill clarifies current law provisions governing payment terms for sales of agricultural commodities or products to Cuba. Under the Omnibus Appropriations Act 2010, vessels carrying U.S. agricultural products to Cuba can leave U.S. ports before payment is confirmed, so long as payment is confirmed before title and control are given to the buyer. The appropriations provision is valid only for fiscal year 2010. Section 3 of the bill would make the policy in the appropriations language permanent. Under prior law, vessels could leave U.S. ports only after payment was confirmed, and it was unclear whether the goods would be vulnerable to seizure for unrelated claims while still at the U.S. port.

Section 4 authorizes direct transfers from Cuban to U.S. banks in payment for agricultural and medical products under the Trade Sanctions Reform and Export Enhancement Act of 2000.

COMMITTEE CONSIDERATION

I. HEARINGS

The Committee on Agriculture held a hearing on March 20, 2010 to review U.S. Agricultural sales to Cuba. Testimony was received from several individuals representing commodities, including the American Farm Bureau and the National Farmers Union.

II. FULL COMMITTEE CONSIDERATION

On June 30, 2010 the Committee on Agriculture met, pursuant to notice, with a quorum present to consider H.R. 4645 and other pending business. Mr. Peterson offered an opening statement, as did Ranking Member Lucas.

The bill, H.R. 4645 was placed before the Committee for consideration and without objection a first reading of the bill was waived and it was opened for amendment at any point. Counsel was recognized for a brief explanation of the bill.

Mr. Baca and Mr. Rooney offered a joint amendment that would strike Section 2 which pertains to Cuba travel. Mr. Holden raised a point of order to the amendment stating that the section proposed to be stricken contains subject matter within the Rule X jurisdiction of another committee and striking such section would violate the terms of the Speaker's referral, pursuant to clause 2 of Rule XII. Chairman Peterson ruled that the amendment was not in order. Mr. Rooney appealed the ruling of the Chair. The Chairman moved to table the motion to appeal the ruling of the Chair. By voice vote, the motion to table the appeal was agreed to. Mr. Lucas asked for a recorded vote on the motion to table the appeal to the point of order on the Rooney/Baca amendment. The results of the recorded vote were: 28 yeas, 17 nays, 1 not voting. The motion to table the appeal was adopted and the ruling of the Chair was sustained. (See Roll Call #1).

Mr. Conaway offered an amendment that would not allow section 2 to take effect until a transition government in Cuba is in power. Mr. Holden raised a point of order to the amendment because it related to subject matter within the Rule X jurisdiction of another committee and amending such section would violate the terms of the Speaker's referral, pursuant to clause 2 of Rule XII. Chairman

Peterson ruled that the amendment was not in order. Mr. Conaway appealed the ruling of the Chair. Mr. Holden moved to table the motion to appeal the ruling of the Chair. By voice vote, the motion to table the appeal was agreed to. Mr. Conaway asked for a recorded vote on the motion to table the appeal to the point of order on the Conaway amendment. The results of the recorded vote were: 29 yeas, 16 nays, 1 not voting. The motion to table the appeal was adopted and the ruling of the Chair was sustained. (See Roll Call #2).

Mr. Conaway was then recognized to offer and explain another amendment that was a sense of Congress expressing that U.S. government should immediately implement both the U.S.-Columbia and U.S.-Panama Free Trade Agreements. Mr. Holden raised a point of order to the amendment as the section of bill proposed to be amended contains subject matter within the Rule X jurisdiction of another committee and amending such section would violate the terms of the Speaker's referral, pursuant to clause 2 of Rule X. Chairman Peterson ruled that the amendment was not in order. Mr. Conaway appealed the ruling of the Chair. Mr. Holden moved to table the motion to appeal the ruling of the Chair. By voice vote, the motion to table the appeal was agreed to. Mrs. Schmidt asked for a recorded vote on the motion to table the appeal to the point of order on the Conaway amendment. The results of the recorded vote were: 26 yeas, 19 nays, 1 not voting. The motion to table the appeal was adopted and the ruling of the Chair was sustained. (See Roll Call #3).

Mr. Lucas was recognized to offer and explain an amendment that would add Section 5 to the bill that would delay implementation until the pending free trade agreements with Columbia, Panama, and Korea are implemented. Mr. Holden raised a point of order to the amendment as it is not germane because it conditions the effectiveness on further legislative action that is unrelated to the provisions of the bill and also conditions the effectiveness of provisions that are within the Rule X jurisdiction of another committee. Chairman Peterson ruled that the amendment was not in order. Mr. Lucas appealed the ruling of the Chair. Mr. Holden moved to table the motion to appeal the ruling of the Chair. By voice vote, the motion to table the appeal was agreed to. Mrs. Schmidt asked for a recorded vote on the motion to table the appeal to the point of order on the Lucas amendment. The results of the recorded vote were: 28 yeas, 17 nays, 1 not voting. The motion to table the appeal was adopted and the ruling of the Chair was sustained. (See Roll Call #4).

Mr. Rooney was recognized to offer and explain an amendment that would delay the enactment of this act until the pre-Castro property rights of individuals in Cuba have been reinstated. Mr. Holden raised a point of order that the amendment is not germane because it conditions the effectiveness on further legislative action that is unrelated to the provisions of the bill and also conditions the effectiveness of provisions that are within the Rule X jurisdiction of another committee. Chairman Peterson ruled that the amendment was not in order.

Mr. Goodlatte was recognized to make a motion to report the bill favorably as to sections 1, 3, and 4 and report it unfavorably as to section 2. Discussion occurred and the Chairman ruled that the

motion was out of order as the bill can either be reported favorably, unfavorably, or without recommendation. Discussion occurred and Mr. Goodlatte then moved that the bill be reported without recommendation. Mr. Costa moved to table the motion. By voice vote, the Chairman ruled that the Costa motion to table the Goodlatte motion to report the bill without recommendation passed. Mr. Goodlatte asked for a recorded vote. The results of the recorded vote were: 21 yeas, 24 nays, 1 not voting. (See Roll Call #5).

The motion to table the motion failed. Mr. Conaway further pressed the Goodlatte motion. The Chairman recommended that the Committee not support the Goodlatte motion. By voice vote, the Goodlatte motion failed. A recorded vote was requested. The results of the recorded vote were: 3 yeas, 42 nays, 1 not voting. The motion to report H.R. 4645 without recommendation failed. (See Roll Call Vote #6).

Mr. Kratovil offered a draft of dissenting views that other Members of the Committee could sign on to, and that he would like to be filed with the report.

Mr. Holden moved that the bill, H.R. 4645, be reported favorably to the House with recommendation that it do pass. By voice vote, the motion to report the bill favorably passed. Mr. Goodlatte requested a recorded vote. The results of the recorded vote were: 25 yeas, 20 nays, 1 not voting. (See Roll Call Vote #7).

Chairman Peterson informed Committee Members who wish to file supplemental, minority, or additional views to any of the measures before the Committee to transmit them to the Counsel's Office.

Without objection, staff was given permission to make any necessary clerical, technical or conforming changes to reflect the intent of the Committee.

Chairman Peterson thanked all the Members and adjourned the meeting subject to the call of the chair.

REPORTING THE BILL—ROLL CALL VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the Committee sets forth the record of the following roll call votes taken with respect to H.R. 4645.

Roll Call #1

Summary: Holden motion to table the appeal to the point of order on the Rooney/Baca amendment.

Results: 28 yeas, 17 nays, 1 not voting.

YEAS

- | | |
|------------------------|---------------------|
| 1. Mr. Holden | 15. Mrs. Halvorson |
| 2. Mr. McIntyre | 16. Mrs. Dahlkemper |
| 3. Mr. Boswell | 17. Mr. Bright |
| 4. Mr. Baca | 18. Ms. Markey |
| 5. Mr. Cardoza | 19. Mr. Kratovil |
| 6. Mr. Scott | 20. Mr. Boccieri |
| 7. Mr. Marshall | 21. Mr. Murphy |
| 8. Ms. Herseth Sandlin | 22. Mr. Owens |
| 9. Mr. Cuellar | 23. Mr. Pomeroy |
| 10. Mr. Costa | 24. Mr. Childers |

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|-------------------|------------------|
| 11. Mr. Ellsworth | 25. Mr. Minnick |
| 12. Mr. Walz | 26. Mr. Moran |
| 13. Mr. Kagen | 27. Mr. Johnson |
| 14. Mr. Schrader | 28. Mr. Peterson |

NAYS

- | | |
|--------------------|---------------------|
| 1. Mr. Schauer | 10. Mrs. Schmidt |
| 2. Mr. Lucas | 11. Mr. Smith |
| 3. Mr. Goodlatte | 12. Mr. Roe |
| 4. Mr. Graves | 13. Mr. Luetkemeyer |
| 5. Mr. Rogers | 14. Mr. Thompson |
| 6. Mr. King | 15. Mr. Cassidy |
| 7. Mr. Neugebauer | 16. Mrs. Lummis |
| 8. Mr. Conaway | 17. Mr. Rooney |
| 9. Mr. Fortenberry | |

NOT VOTING

1. Mr. Kissell

Roll Call #2

Summary: Holden motion to table the appeal to the point of order on the Conaway #1 amendment.

Results: 29 yeas, 16 nays, 1 not voting.

YEAS

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|------------------------|---------------------|
| 1. Mr. Holden | 16. Mrs. Dahlkemper |
| 2. Mr. McIntyre | 17. Mr. Bright |
| 3. Mr. Boswell | 18. Ms. Markey |
| 4. Mr. Baca | 19. Mr. Kratovil |
| 5. Mr. Cardoza | 20. Mr. Schauer |
| 6. Mr. Scott | 21. Mr. Boccieri |
| 7. Mr. Marshall | 22. Mr. Murphy |
| 8. Ms. Herseth Sandlin | 23. Mr. Owens |
| 9. Mr. Cuellar | 24. Mr. Pomeroy |
| 10. Mr. Costa | 25. Mr. Childers |
| 11. Mr. Ellsworth | 26. Mr. Minnick |
| 12. Mr. Walz | 27. Mr. Moran |
| 13. Mr. Kagen | 28. Mr. Johnson |
| 14. Mr. Schrader | 29. Mr. Peterson |
| 15. Mrs. Halvorson | |

NAYS

- | | |
|--------------------|---------------------|
| 1. Mr. Lucas | 9. Mrs. Schmidt |
| 2. Mr. Goodlatte | 10. Mr. Smith |
| 3. Mr. Graves | 11. Mr. Roe |
| 4. Mr. Rogers | 12. Mr. Luetkemeyer |
| 5. Mr. King | 13. Mr. Thompson |
| 6. Mr. Neugebauer | 14. Mr. Cassidy |
| 7. Mr. Conaway | 15. Mrs. Lummis |
| 8. Mr. Fortenberry | 16. Mr. Rooney |

NOT VOTING

1. Mr. Kissell

Roll Call #3

Summary: Holden motion to table the appeal to the point of order on the Conaway #2 amendment.

Results: 26 yeas, 19 nays, 1 not voting.

YEAS

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|------------------------|---------------------|
| 1. Mr. Holden | 14. Mr. Schrader |
| 2. Mr. McIntyre | 15. Mrs. Halvorson |
| 3. Mr. Boswell | 16. Mrs. Dahlkemper |
| 4. Mr. Baca | 17. Ms. Markey |
| 5. Mr. Cardoza | 18. Mr. Kratovil |
| 6. Mr. Scott | 19. Mr. Schauer |
| 7. Mr. Marshall | 20. Mr. Boccieri |
| 8. Ms. Herseth Sandlin | 21. Mr. Murphy |
| 9. Mr. Cuellar | 22. Mr. Owens |
| 10. Mr. Costa | 23. Mr. Pomeroy |
| 11. Mr. Ellsworth | 24. Mr. Childers |
| 12. Mr. Walz | 25. Mr. Minnick |
| 13. Mr. Kagen | 26. Mr. Peterson |

NAYS

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|-------------------|---------------------|
| 1. Mr. Bright | 11. Mr. Fortenberry |
| 2. Mr. Lucas | 12. Mrs. Schmidt |
| 3. Mr. Goodlatte | 13. Mr. Smith |
| 4. Mr. Moran | 14. Mr. Roe |
| 5. Mr. Johnson | 15. Mr. Luetkemeyer |
| 6. Mr. Graves | 16. Mr. Thompson |
| 7. Mr. Rogers | 17. Mr. Cassidy |
| 8. Mr. King | 18. Mrs. Lummis |
| 9. Mr. Neugebauer | 19. Mr. Rooney |
| 10. Mr. Conaway | |

NOT VOTING

1. Mr. Kissell

Roll Call #4

Summary: Holden motion to table the appeal to the point of order on the Lucas amendment.

Results: 28 yeas, 17 nays, 1 not voting.

YEAS

- | | |
|------------------------|---------------------|
| 1. Mr. Holden | 15. Mrs. Halvorson |
| 2. Mr. McIntyre | 16. Mrs. Dahlkemper |
| 3. Mr. Boswell | 17. Mr. Bright |
| 4. Mr. Baca | 18. Ms. Markey |
| 5. Mr. Cardoza | 19. Mr. Kratovil |
| 6. Mr. Scott | 20. Mr. Schauer |
| 7. Mr. Marshall | 21. Mr. Boccieri |
| 8. Ms. Herseth Sandlin | 22. Mr. Murphy |
| 9. Mr. Cuellar | 23. Mr. Owens |
| 10. Mr. Costa | 24. Mr. Pomeroy |
| 11. Mr. Ellsworth | 25. Mr. Childers |
| 12. Mr. Walz | 26. Mr. Minnick |

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| 13. Mr. Kagen | 27. Mr. Johnson |
| 14. Mr. Schrader | 28. Mr. Peterson |

NAYS

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|--------------------|---------------------|
| 1. Mr. Lucas | 10. Mrs. Schmidt |
| 2. Mr. Goodlatte | 11. Mr. Smith |
| 3. Mr. Moran | 12. Mr. Roe |
| 4. Mr. Graves | 13. Mr. Luetkemeyer |
| 5. Mr. Rogers | 14. Mr. Thompson |
| 6. Mr. King | 15. Mr. Cassidy |
| 7. Mr. Neugebauer | 16. Mrs. Lummis |
| 8. Mr. Conaway | 17. Mr. Rooney |
| 9. Mr. Fortenberry | |

NOT VOTING

1. Mr. Kissell

Roll Call #5

Summary: Costa motion to table the Goodlatte motion to report the bill without recommendation.

Results: 21 yeas, 24 nays, 1 not voting.

YEAS

- | | |
|------------------------|--------------------|
| 1. Mr. Holden | 12. Mr. Kagen |
| 2. Mr. McIntyre | 13. Mrs. Halvorson |
| 3. Mr. Boswell | 14. Mr. Bright |
| 4. Mr. Baca | 15. Ms. Markey |
| 5. Mr. Cardoza | 16. Mr. Owens |
| 6. Mr. Scott | 17. Mr. Pomeroy |
| 7. Ms. Herseth Sandlin | 18. Mr. Childers |
| 8. Mr. Cuellar | 19. Mr. Minnick |
| 9. Mr. Costa | 20. Mr. Johnson |
| 10. Mr. Ellsworth | 21. Mr. Peterson |
| 11. Mr. Walz | |

NAYS

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|--------------------|---------------------|
| 1. Mr. Marshall | 13. Mr. King |
| 2. Mr. Schrader | 14. Mr. Neugebauer |
| 3. Mrs. Dahlkemper | 15. Mr. Conaway |
| 4. Mr. Kratovil | 16. Mr. Fortenberry |
| 5. Mr. Schauer | 17. Mrs. Schmidt |
| 6. Mr. Boccieri | 18. Mr. Smith |
| 7. Mr. Murphy | 19. Mr. Roe |
| 8. Mr. Lucas | 20. Mr. Luetkemeyer |
| 9. Mr. Goodlatte | 21. Mr. Thompson |
| 10. Mr. Moran | 22. Mr. Cassidy |
| 11. Mr. Graves | 23. Mrs. Lummis |
| 12. Mr. Rogers | 24. Mr. Rooney |

NOT VOTING

1. Mr. Kissell

Roll Call #6

Summary: Goodlatte motion to report H.R. 4645 to the House without recommendation.

Results: 3 yeas, 42 nays, 1 not voting.

YEAS

- | | |
|-----------------|--------------------|
| 1. Mr. Marshall | 3. Mrs. Dahlkemper |
| 2. Mr. Schrader | |

NAYS

- | | |
|------------------------|---------------------|
| 1. Mr. Holden | 22. Mr. Childers |
| 2. Mr. McIntyre | 23. Mr. Minnick |
| 3. Mr. Boswell | 24. Mr. Lucas |
| 4. Mr. Baca | 25. Mr. Goodlatte |
| 5. Mr. Cardoza | 26. Mr. Moran |
| 6. Mr. Scott | 27. Mr. Johnson |
| 7. Ms. Herseth Sandlin | 28. Mr. Graves |
| 8. Mr. Cuellar | 29. Mr. Rogers |
| 9. Mr. Costa | 30. Mr. King |
| 10. Mr. Ellsworth | 31. Mr. Neugebauer |
| 11. Mr. Walz | 32. Mr. Conaway |
| 12. Mr. Kagen | 33. Mr. Fortenberry |
| 13. Mrs. Halvorson | 34. Mrs. Schmidt |
| 14. Mr. Bright | 35. Mr. Smith |
| 15. Ms. Markey | 36. Mr. Roe |
| 16. Mr. Kratovil | 37. Mr. Luetkemeyer |
| 17. Mr. Schauer | 38. Mr. Thompson |
| 18. Mr. Boccieri | 39. Mr. Cassidy |
| 19. Mr. Murphy | 40. Mrs. Lummis |
| 20. Mr. Owens | 41. Mr. Rooney |
| 21. Mr. Pomeroy | 42. Mr. Peterson |

NOT VOTING

1. Mr. Kissell

Roll Call #7

Summary: Holden motion to report H.R. 4645 favorably to the House.

Results: 25 yeas, 20 nays, 1 not voting

YEAS

- | | |
|------------------------|------------------|
| 1. Mr. Holden | 14. Mr. Kratovil |
| 2. Mr. Boswell | 15. Mr. Boccieri |
| 3. Mr. Cardoza | 16. Mr. Murphy |
| 4. Mr. Scott | 17. Mr. Owens |
| 5. Ms. Herseth Sandlin | 18. Mr. Pomeroy |
| 6. Mr. Cuellar | 19. Mr. Childers |
| 7. Mr. Costa | 20. Mr. Minnick |
| 8. Mr. Ellsworth | 21. Mr. Moran |
| 9. Mr. Walz | 22. Mr. Johnson |
| 10. Mr. Kagen | 23. Mr. Cassidy |
| 11. Mrs. Halvorson | 24. Mrs. Lummis |

- 12. Mr. Bright
- 13. Ms. Markey

- 25. Mr. Peterson

NAYS

- 1. Mr. McIntyre
- 2. Mr. Baca
- 3. Mr. Marshall
- 4. Mr. Schrader
- 5. Mrs. Dahlkemper
- 6. Mr. Schauer
- 7. Mr. Lucas
- 8. Mr. Goodlatte
- 9. Mr. Graves
- 10. Mr. Rogers

- 11. Mr. King
- 12. Mr. Neugebauer
- 13. Mr. Conaway
- 14. Mr. Fortenberry
- 15. Mrs. Schmidt
- 16. Mr. Smith
- 17. Mr. Roe
- 18. Mr. Luetkemeyer
- 19. Mr. Thompson
- 20. Mr. Rooney

NOT VOTING

- 1. Mr. Kissell

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Agriculture's oversight findings and recommendations are reflected in the body of this report.

BUDGET ACT COMPLIANCE (SECTIONS 308, 402, AND 423)

The provisions of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(1) of the Congressional Budget Act of 1974 (relating to estimates of new budget authority, new spending authority, new credit authority, or increased or decreased revenues or tax expenditures) are not considered applicable. The estimate and comparison required to be prepared by the Director of the Congressional Budget Office under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and sections 402 and 423 of the Congressional Budget Act of 1974 submitted to the Committee prior to the filing of this report are as follows:

JULY 12, 2010.

HON. COLLIN C. PETERSON,
Chairman, Committee on Agriculture,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4645, the Travel Restriction Reform and Export Enhancement Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

ROBERT A. SUNSHINE
 (For Douglas W. Elmendorf).

Enclosure.

H.R. 4645—Travel Restriction Reform and Export Enhancement Act

H.R. 4645 would prohibit, with a few specific exemptions, the federal government from regulating or restricting travel-related transactions between the United States and Cuba. (Travel to Cuba

is currently regulated by the Department of the Treasury's Office of Foreign Asset Control.) The legislation also would amend restrictions on financial transactions between the United States and Cuba related to the sale of specified goods. CBO estimates that enacting H.R. 4645 would reduce revenues by insignificant amounts each year.

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. Violations of the current travel restrictions to Cuba can result in civil and criminal fines. Hence, enacting H.R. 4645 would reduce the amount of fines currently collected. Collections of civil fines are recorded in the budget as revenues and deposited into the general fund of the Treasury. Criminal fines are also recorded in the budget as revenues, deposited in the Crime Victims Fund, and spent in subsequent years. Based on information from the Department of the Treasury, CBO estimates that allowing travel and travel-related transactions to Cuba would reduce the amount of fines collected by less than \$500,000 each year and in total over the 2010–2020 period.

H.R. 4645 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objections of this legislation are to remove obstacles to legal sales of United States agricultural commodities to Cuba and to end travel restrictions on all Americans to Cuba.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds the Constitutional authority for this legislation in Article I, clause 8, section 18, that grants Congress the power to make all laws necessary and proper for carrying out the powers vested by Congress in the Constitution of the United States or in any department or officer thereof.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(2) of rule XIII of the Rules of the House of Representatives, the Committee report incorporates the cost estimate prepared by the Director of the Congressional Budget Office pursuant to sections 402 and 423 of the Congressional Budget Act of 1974.

ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

FEDERAL MANDATES STATEMENT

The Committee adopted as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104–4).

EARMARK STATEMENT REQUIRED BY CLAUSE 9 OF RULE XXI OF THE RULES OF THE HOUSE OF REPRESENTATIVES

H.R. 4645 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House of Representatives.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT ACT OF 2000

TITLE IX—TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT

SEC. 901. SHORT TITLE.

This title may be cited as the “Trade Sanctions Reform and Export Enhancement Act of 2000”.

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SEC. 908. PROHIBITION ON UNITED STATES ASSISTANCE AND FINANCING.

(a) * * *

(b) PROHIBITION ON FINANCING OF AGRICULTURAL SALES TO CUBA.—

(1) * * *

* * * * *

(4) DEFINITIONS.—In this subsection—

(A) * * *

(B) the term “United States depository institution” means any entity (including its foreign branches or subsidiaries) organized under the laws of any jurisdiction within the United States, or any agency, office or branch located in the United States of a foreign entity, that is engaged primarily in the business of banking (including a bank, savings bank, savings association, credit union, trust company, or United States bank holding company); **[and]**

(C) the term “United States person” means the Federal Government, any State or local government, or any private person or entity of the United States [.]; and

(D) the term “payment of cash in advance” means, notwithstanding any other provision of law, the payment by the purchaser of an agricultural commodity or product and the receipt of such payment by the seller prior to—

(i) the transfer of title of such commodity or product to the purchaser; and

(ii) the release of control of such commodity or product to the purchaser.

* * * * *

DISSENTING VIEWS

I strongly support all reasonable efforts to expand U.S. agricultural exports and open up new markets to our domestic producers. Consequently, I am supportive of sections 3 and 4 of H.R. 4645, which will help increase agricultural exports to Cuba and generate new revenue for Michigan's family farmers. However, I strongly disapprove of section 2 of the legislation, which would lift the restrictions on Americans traveling to Cuba and put dollars in the pockets of the repressive Castro regime.

For nearly five decades, the Cuban government has committed countless human rights abuses, repressed free speech and political association among its own citizens, and wrongly detained thousands of political prisoners. Unfortunately, the regime's human rights record is showing no signs of improvement.

Lifting the travel restrictions will result in an economic windfall to the Cuban government, increasing their revenue by an estimated \$2 billion in the first year alone. While Congress can and should continue to debate the broader question of U.S. policy toward Cuba, any legislation in this area must be considered within the context of our overall foreign policy goals and with a full understanding of the entirety of our relationship with Cuba. It would be irresponsible and unwise for Congress to grant a major concession to the Cuban government by lifting the travel restrictions without first demanding meaningful and measurable improvements in the Castro government's human rights record.

While it was not within the Agriculture Committee's jurisdiction to remove the travel provisions from H.R. 4645 during the Committee's consideration of the bill, I am nonetheless displeased that these travel provisions remain included in what is otherwise an important agricultural bill. I want to clearly indicate to the Committee and to my colleagues that I do not believe that the travel provisions should be included in H.R. 4645, and I hope that this section will be struck or modified by the Foreign Affairs Committee in a manner that is consistent with our nation's respect for human rights and our foreign policy goals.

My objective is to pass a bill to help Michigan agriculture, not to see legislation die or not come up for a vote in the House. It is my opinion that a version of H.R. 4645 that includes lifting the travel ban to Cuba will not be enacted. That is why I will continue to work to amend H.R. 4645 so that it can pass and help Michigan farmers, Michigan jobs, and Michigan's economy.

MARK H. SCHAUER.

DISSENTING VIEWS

We strongly support all reasonable efforts to expand U.S. agricultural exports and open up new markets to our domestic producers. Consequently, we are supportive of the intent of H.R. 4645, to help increase agricultural exports to Cuba and generate new revenue for America's family farmers. However, we strongly oppose section 2 of the legislation, which would lift the restrictions on Americans traveling to Cuba.

For nearly five decades, the Cuban government has committed countless human rights abuses, wrongfully denied private property rights, repressed free speech and political association among its own citizens, and wrongfully detained thousands of political prisoners. Unfortunately, the regime's human rights record is showing no signs of improvement. In February, political activist Orlando Zapata Tamayo died in a Cuban prison after an 86-day hunger strike. Furthermore, the Cuban regime has been detaining an American citizen, Alan Gross, in a maximum security prison since December without charges or trial. Mr. Gross, a 60-year-old international development worker, was in Cuba on a USAID project helping to provide communications equipment and assistance to nonprofit Jewish community organizations on the island.

Lifting the travel restrictions would result in an economic windfall to the Cuban government, increasing their revenue by an estimated \$2 billion in the first year alone. While Congress can and should continue to debate the broader question of U.S. policy toward Cuba, any legislation in this area must be considered within the context of our overall foreign policy goals and with a full understanding of the entirety of our relationship with Cuba. It would be irresponsible and unwise for Congress to grant a major concession to the Cuban government by lifting the travel restrictions without first demanding meaningful and measurable improvements in the Castro government's human rights record, beginning with the release of Alan Gross.

Although Representatives Baca (D-CA) and Rooney (R-FL) offered an amendment to strike section 2, this amendment was ruled out of order. Consequently, Members did not have an opportunity to vote on this amendment and voice their displeasure with the inclusion of these travel provisions in what is otherwise an important agricultural bill. We want to clearly indicate to the Committee and to our colleagues that we do not believe that the travel provisions should be included in H.R. 4645, and we hope that this section will be struck or modified by the Foreign Affairs Committee in a manner that is consistent with our nation's respect for human rights and our foreign policy goals.

FRANK KRATOVIL, Jr.
KATHLEEN A. DAHLKEMPER.
FRANK D. LUCAS.
K. MICHAEL CONAWAY.
KURT SCHRADER.
GLENN THOMPSON.
HENRY CUELLAR.
STEVE KING.
THOMAS J. ROONEY.
BRAD ELLSWORTH.
LARRY KISELL.
JEAN SCHMIDT.
BLAINE LUETKEMEYER.
ADRIAN SMITH.
BOB GOODLATTE.
SAM GRAVES.
JOE BACA.
DEBORAH L. HALVORSON.
MIKE MCINTYRE.
MARK H. SCHAUER.
DAVID P. ROE.
RANDY NEUGEBAUER.
MIKE ROGERS.
JOHN A. BOCCIERI.

DISSENTING VIEWS

H.R. 4645 has two main themes included in its four sections. One is to increase American agriculture exports to Cuba. The other is to lift travel restrictions on Americans traveling to Cuba. We support increasing agriculture exports but strongly oppose the easing of travel restrictions. Because the travel provisions remained in the legislation and members were denied the opportunity to vote on amendments to improve the bill, the Committee's consideration of this legislation was contentious and H.R. 4645 was reported by a vote of 25–20. This did not have to be the case as legislation without the travel provisions likely would have passed the Committee by voice vote.

We believe we should continue to facilitate the shipment of food to Cuba, and streamlining that process is important. Section 2 of H.R. 4645, however, effectively repeals the embargo that the U.S. has had in place to prevent the enrichment of Castor's regime. Removing travel restrictions for tourism has nothing to do with removing technical barriers to exports.

Unfortunately, during the Committee's consideration of H.R. 4645, members were denied the opportunity to vote on a bi-partisan amendment to strike the travel provisions. Rep. Joe Baca (D-CA) and Rep. Tom Rooney (R-FL) offered an amendment to strike Section 2. This amendment was ruled out of order and the appeal of the Chair's ruling was tabled. This was a most unfortunate outcome, as it was clear a bi-partisan majority of the Committee supported the Baca-Rooney amendment.

Subsequent amendments to delay the implementation H.R. 4645 until Cuba moved toward a democratic government, made significant progress on human-rights and private property rights or until pending free trade agreements are implemented were also ruled out of order and subsequent appeals of the Chair's rulings tabled. Again, this was most unfortunate at these amendments likely enjoyed broad support in the Committee.

We are also gravely concerned that the committee process is being manipulated to move this legislation to the full-House without proper consideration by other committees of jurisdiction. Although H.R. 4645 was referred the Committee on Foreign Affairs and the Committee on Financial Services, it is unclear if either committee will act on the legislation. It is therefore possible this Committee's consideration of this legislation was the last opportunity to improve this bill by striking Section 2 before it is considered by the full House.

FRANK D. LUCAS.
K. MICHAEL CONAWAY.
BOB GOODLATTE.
DAVID P. ROE.
JEAN SCHMIDT.
THOMAS J. ROONEY.
JEFF FORTENBERRY.
RANDY NEUGEBAUER.
STEVE KING.
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MIKE ROGERS.
SAM GRAVES.
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ADRIAN SMITH.

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