

BURMESE FREEDOM AND DEMOCRACY ACT OF 2003

—————
JULY 11, 2003.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed
—————

Mr. SENSENBRENNER, from the Committee on Judiciary,
submitted the following

R E P O R T

[To accompany H.R. 2330]

[Including cost estimate of the Congressional Budget Office]

The Committee on the Judiciary, to whom was referred the bill (H.R. 2330) to sanction the ruling Burmese military junta, to strengthen Burma's democratic forces and support and recognize the National League of Democracy as the legitimate representative of the Burmese people, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill do pass.

The amendment adopted by this committee is identical to the text reported by the Committee on International Relations shown in their report filed June 17, 2003 (Rept. 108-159, Part 1).

CONTENTS

	Page
Purpose and Summary	1
Background and Need for the Legislation	2
Hearings	2
Committee Consideration	2
Vote of the Committee	2
Committee Oversight Findings	2
New Budget Authority and Tax Expenditures	3
Congressional Budget Office Cost Estimate	3
Performance Goals and Objectives	6
Constitutional Authority Statement	6
Section-by-Section Analysis and Discussion	6
Changes in Existing Law Made by the Bill, as Reported	6
Markup Transcript	7

PURPOSE AND SUMMARY

The Committee on the Judiciary received a secondary referral of H.R. 2330 to consider the immigration provisions in section 6 of the

bill. The purpose of section 6 of H.R. 2330 is to expand the current ban prohibiting Burmese leaders from receiving U.S. visas. For the purpose and summary of other sections of H.R. 2330, see H. Rept. 108–159, Part I, filed by the Committee on International Relations, which had the primary referral of the bill.

BACKGROUND AND NEED FOR THE LEGISLATION

PROCEDURAL BACKGROUND

H.R. 2330 was introduced on June 4, 2003, and referred to the Committee on International Relations, and in addition to the Committees on Ways and Means, Financial Services, and the Judiciary, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. The Committee on International Relations reported the bill by voice vote on June 12, 2003, and filed its Committee report (H. Rept. 108–159, Part I) on June 17, 2003.

The Committees on Ways and Means, Financial Services, and the Judiciary were each granted an extension for further consideration of such provisions as fall within the jurisdiction of the committee concerned ending not later than July 11, 2003.

NEED FOR LEGISLATION

Burma is ruled by a military junta that seized power by force in 1988 and currently calls itself the State Peace and Development Council (SPDC). Although the National League for Democracy (NLD) won the majority of National Assembly seats in a free and fair election in 1990, the junta nullified the results and imprisoned NLD leaders. The military regime has committed numerous other human rights abuses, such as large-scale forced labor and the reported use of rape as a weapon against insurgencies by ethnic minorities. Section 6 of H.R. 2330 would ban current and former leaders of the SPDC from obtaining a U.S. visa or entry into the U.S.

HEARINGS

No hearings were held in the Committee on the Judiciary on H.R. 2330.

COMMITTEE CONSIDERATION

On July 9, 2003, the Committee met in open session and ordered favorably reported the bill HR. 2330, with an amendment, by voice vote, a quorum being present. The amendment consists of the text of the bill as reported by the Committee on International Relations.

VOTE OF THE COMMITTEE

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the Committee notes that there were no recorded votes during the committee consideration of H.R. 2330.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee reports that the findings and recommendations of the Committee, based on oversight activi-

ties under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives is inapplicable because section 6 of this legislation does not provide new budgetary authority or increased tax expenditures.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

In compliance with clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the Committee sets forth, with respect to section 6 of the bill, H.R. 2330, the following estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974:

JULY 11, 2003.

Hon. F. JAMES SENSENBRENNER, Jr.,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2330, the Burmese Freedom and Democracy Act of 2003.

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

Sincerely,

DOUGLAS HOLTZ-EAKIN,
Director.

Enclosure.

H.R. 2330—Burmese Freedom and Democracy Act of 2003

Summary: H.R. 2330 would ban all imports from Burma until the State Peace and Development Council (SPDC), the military regime of Burma, has made substantial and measurable progress to end violations of human rights, implement a democratic government, and meet its obligations under international counter-narcotics agreements. Under the bill, the President may terminate the restrictions upon the request of a democratically elected government in Burma or waive them in the national interest. By reducing net imports, and thus reducing federal tax receipts from duties on such imports, CBO estimates that enacting H.R. 2330 would reduce federal revenues by \$2 million in 2003, by \$60 million over the 2003–2008 period, and by \$123 million over the 2003–2013 period, net of income and payroll tax offsets.

The bill also would require the Secretary of Treasury to freeze the assets of members of the ruling party of Burma and would require the Secretary of State to deny visas to the same. Based on information from those agencies, CBO estimates that enacting H.R. 2330 would not significantly affect federal spending.

By banning all importers from Burma and freezing certain Burmese funds and assets held by U.S. financial institutions, H.R. 2330 would impose private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Due to the lack of information on the value of lost profits to importers resulting from the ban,

CBO cannot determine whether the aggregate direct cost of the mandates would exceed the annual threshold for private-sector mandates established in UMRA (\$117 million in 2003, adjusted annually for inflation) in any of the first five years the mandates would be in effect.

H.R. 2330 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 2330 is shown in the following table. CBO assumes that H.R. 2330 will be enacted by August 1, 2003.

	By fiscal year, in millions of dollars—										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	CHANGES IN REVENUES ¹										
Estimated revenues	-2	-11	-11	-12	-12	-12	-12	-12	-13	-13	-13

¹ CBO also estimates that enacting H.R. 2330 would have no significant impact on federal spending.

Basis of estimate

Revenues

H.R. 2330 would ban all U.S. imports from Burma until the President of the United States has determined that certain conditions outlined in the bill have been met by the SPDC. The President would have the authority to lift or waive the ban imposed by H.R. 2330; however, CBO assumes that the President would not exercise this authority before 2013. Based on data from the U.S. International Trade Commission on recent U.S. imports from Burma, information from several government agencies, and CBO's most recent forecast of total U.S. imports, CBO estimates that enacting H.R. 2330 would reduce federal revenues by \$2 million in 2003, by \$60 million over the 2003–2008 period, and by \$123 million over the 2003–2013 period, net of income and payroll tax offsets.

In recent years, over half of all U.S. imports from Burma 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, roughly 80 percent of duties collected on these imports came from knitted and crocheted articles.

CBO assumes that a portion of the banned imports would be replaced with imports from other countries, especially in southeast Asia, which face similar duty rates, while the remaining portion would be displaced by duty-free goods or not replaced at all. Substitution of apparel imports would be partially limited because of existing quotas on imports from other countries. These quotas on countries in the World Trade Organization are set to expire at the end of 2004. CBO assumes, even if H.R. 2330 is not enacted, that Burma's share of U.S. imports would decrease significantly after that date.

CBO estimates that over the 2003–2013 period, enacting H.R. 2330 would decrease the dutiable value of U.S. imports by about \$1 billion. Assuming an average duty rate of about 16 percent, the United States would forgo about \$160 million in customs duties

over the period. This gross revenue loss would be partially offset by higher revenues from income and payroll taxes.

The President could remove the ban on imports upon the request of a democratically elected government in Burma or he could waive them if he determines and notifies Congress that to do so is in the national interest. Should the ban be lifted, U.S. companies would be allowed to resume importation of goods produced, manufactured, grown, or assembled in Burma. It is unclear whether or when the President would exercise the authority to lift or waive the ban on imports from Burma. If such an action were taken during the 2003–2013 period, then the impact on federal revenues would be reduced accordingly.

Federal spending

The bill also would require the Secretary of Treasury to freeze the assets of members of the ruling party of Burma and would require the Secretary of State to deny visas to the same. Based on information from those two agencies, CBO estimates implementing H.R. 2330 would not significantly affect spending by those departments.

The United States provides some assistance to the people of Burma, about \$7 million a year in grants to nongovernmental organizations to support HIV/AIDS prevention and democracy programs in Burma. The bill would not affect those programs.

Estimated impact on the private sector: By banning all Burmese imports and freezing certain Burmese assets held by U.S. financial institutions, H.R. 2330 would impose private-sector mandates as defined in UMRA; however, CBO cannot determine the aggregate direct cost of the mandates.

Specifically, the bill would ban all imports from Burma. The U.S. International Trade Commission estimates the value of U.S. imports from Burma in 2002 at approximately \$360 million. CBO expects that importers would substitute goods from other countries, mostly within the region, to compensate for a portion of the trade loss with Burma. For the portion of trade loss that is not made up through substitution, importers would bear a cost of lost profits. Due to a lack of information on the value of lost profits, CBO cannot determine the cost of the mandate.

In addition, H.R. 2330 would direct the Treasury Department to freeze the assets of the Burmese regime held by U.S. financial institutions after the institutions report such holdings to the Office of Foreign Assets Control. Based on information from government sources indicating that an insignificant amount of assets would be affected, if any at all, CBO expects U.S. financial institutions would incur minimal costs as a result of the mandate.

Estimated impact on state, local, and tribal governments: H.R. 2330 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Previous CBO estimate: On June 19, 2003, CBO transmitted a cost estimate for H.R. 2330, the Burmese Freedom and Democracy Act of 2003, as reported by the House Committee on International Relations on June 17, 2003. The two versions of the bill are identical, as are the two cost estimates.

Estimate prepared by: Federal revenues: Annabelle Bartsch; Federal costs: Joseph C. Whitehill; impact on state, local, and tribal

governments: Melissa Merrell; impact on the private sector: Paine Piper/Bach.

Estimate approved by: G. Thomas Woodward, Assistant Director for Tax Analysis; Robert A. Sunshine, Assistant Director for Budget Analysis.

PERFORMANCE GOALS AND OBJECTIVES

Section 6 of H.R. 2330 does not authorize funding. Therefore, clause 3(c)(4) of rule XIII of the Rules of the House of Representatives is inapplicable.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds the authority for section 6 of this legislation in article I, section 8, of the Constitution.

SECTION-BY-SECTION ANALYSIS AND DISCUSSION

The following section-by-section analysis addresses section 6 of the bill on which the Committee on the Judiciary received its referral.

Sec. 6. Expansion of visa ban

Section 6(a) authorizes the President to deny visas and entry to the former and present leadership of the State Peace and Development Council (SPDC) or the Union Solidarity Development Association (USDA), the political arm of the SPDC. The President currently has such authority to deny entry to Burma's regime leaders under an October 3, 1996, Presidential proclamation signed by President Clinton. That proclamation, as authorized by section 212(f) of the Immigration and Nationality Act, is still in effect and is currently being implemented by the Secretary of State pursuant to the proclamation. Neither the proclamation nor the Secretary of State's implementation of the proclamation would be undermined by section 6(a) of H.R. 2330. Rather section 6(a) would codify that proclamation's policy to ensure that visas for such political leaders continue to be barred.

Section 6(a) also requires the Secretary of State to coordinate on a biannual basis with European Union representatives to ensure coordination of lists of individuals banned from obtaining a European Union visa because of SPDC or USDA leadership and those banned from receiving a U.S. visa for the same reason. Section 6(b) requires the Secretary of State to post on the State Department's web site the names of individuals whose entry into the U.S. is banned.

CHANGES IN EXISTING LAW BY THE BILL, AS REPORTED

The bill was referred to this committee for consideration of such provisions of the bill and amendment as fall within the jurisdiction of this committee pursuant to clause 1(k) of rule X of the rules of the House of Representatives. The changes made to existing law by the amendment reported by the Committee on International Relations are shown in the report filed by that committee (H. Rept. 108-159, Part 1). In compliance with clause 3(e) of rule XIII of the

Rules of the House of Representatives, the Committee notes section 6 of H.R. 2330 makes no changes to existing law.

MARKUP TRANSCRIPT
BUSINESS MEETING

WEDNESDAY, JULY 9, 2003

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

Chairman SENSENBRENNER. Pursuant to notice, I now call up the bill H.R. 2330, the Burmese and Freedom and Democracy Act of 2003 for purposes of markup and move its favorable recommendation to the House. Without the objection, the bill will be considered as read, considered as the original text for purposes of amendment and open for amendment at any point.

[H.R. 2330 follows:]

[COMMITTEE PRINT]**[Showing H.R. 2330 as Reported by the Committee on
International Relations]**108TH CONGRESS
1ST SESSION**H. R. 2330****[Report No. 108-159]**

To sanction the ruling Burmese military junta, to strengthen Burma's democratic forces and support and recognize the National League of Democracy as the legitimate representative of the Burmese people, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 2003

Mr. LANTOS (for himself, Mr. KING of New York, Mr. HYDE, Mr. SMITH of New Jersey, Mr. RANGEL, Ms. ROS-LEHTINEN, Mr. MENENDEZ, Mr. ROHRABACHER, Mr. FALEOMAVAEGA, Mr. PITTS, Mr. LEVIN, Mr. SOUDER, Mr. ACKERMAN, Mr. SHERMAN, Mr. GEORGE MILLER of California, Mr. CROWLEY, Mr. HOFFEL, Mr. BROWN of Ohio, Mr. ENGEL, Mr. BLUMENAUER, Mr. SCHIFF, Mr. ANDREWS, Mr. MCGOVERN, Mr. OLVER, Mr. FARR, Mr. EVANS, and Mr. ABERCROMBIE) introduced the following bill; which was referred to the Committee on International Relations, and in addition to the Committees on Ways and Means, Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

JUNE 17, 2003

Reported from the Committee on International Relations with an amendment

[For text of introduced bill, see copy of bill as introduced on June 4, 2003]

A BILL

To sanction the ruling Burmese military junta, to strengthen Burma's democratic forces and support and recognize the National League of Democracy as the legitimate representative of the Burmese people, and for other purposes.

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the "Burmese Freedom and
3 Democracy Act of 2003".

4 **SEC. 2. FINDINGS.**

5 Congress makes the following findings:

6 (1) The State Peace and Development Council
7 (SPDC) has failed to transfer power to the National
8 League for Democracy (NLD) whose parliamentar-
9 ians won an overwhelming victory in the 1990 elec-
10 tions in Burma.

11 (2) The SPDC has failed to enter into meaning-
12 ful, political dialogue with the NLD and ethnic mi-
13 norities and has dismissed the efforts of United Na-
14 tions Special Envoy Razali bin Ismail to further
15 such dialogue.

16 (3) According to the State Department's "Re-
17 port to the Congress Regarding Conditions in

1 Burma and U.S. Policy Toward Burma” dated
2 March 28, 2003, the SPDC has become “more
3 confrontational” in its exchanges with the NLD.

4 (4) On May 30, 2003, the SPDC, threatened by
5 continued support for the NLD throughout Burma,
6 brutally attacked NLD supporters, killed and in-
7 jured scores of civilians, and arrested democracy ad-
8 vocate Aung San Suu Kyi and other activists.

9 (5) The SPDC continues egregious human
10 rights violations against Burmese citizens, uses rape
11 as a weapon of intimidation and torture against
12 women, and forcibly conscripts child-soldiers for the
13 use in fighting indigenous ethnic groups.

14 (6) The SPDC is engaged in ethnic cleansing
15 against minorities within Burma, including the
16 Karen, Karenni, and Shan people, which constitutes
17 a crime against humanity and has directly led to
18 more than 600,000 internally displaced people living
19 within Burma and more than 130,000 people from
20 Burma living in refugee camps along the Thai-
21 Burma border.

22 (7) The ethnic cleansing campaign of the SPDC
23 is in sharp contrast to the traditional peaceful coex-
24 istence in Burma of Buddhists, Muslims, Christians,
25 and people of traditional beliefs.

1 (8) The SPDC has demonstrably failed to co-
2 operate with the United States in stopping the flood
3 of heroin and methamphetamines being grown, re-
4 fined, manufactured, and transported in areas under
5 the control of the SPDC serving to flood the region
6 and much of the world with these illicit drugs.

7 (9) The SPDC provides safety, security, and
8 engages in business dealings with narcotics traf-
9 fickers under indictment by United States authori-
10 ties, and other producers and traffickers of nar-
11 cotics.

12 (10) The International Labor Organization
13 (ILO), for the first time in its 82-year history,
14 adopted in 2000, a resolution recommending that
15 governments, employers, and workers organizations
16 take appropriate measures to ensure that their rela-
17 tions with the SPDC do not abet the government-
18 sponsored system of forced, compulsory, or slave
19 labor in Burma, and that other international bodies
20 reconsider any cooperation they may be engaged in
21 with Burma and, if appropriate, cease as soon as
22 possible any activity that could abet the practice of
23 forced, compulsory, or slave labor.

24 (11) The SPDC has integrated the Burmese
25 military and its surrogates into all facets of the

1 economy effectively destroying any free enterprise
2 system.

3 (12) Investment in Burmese companies and
4 purchases from them serve to provide the SPDC
5 with currency that is used to finance its instruments
6 of terror and repression against the Burmese people.

7 (13) On April 15, 2003, the American Apparel
8 and Footwear Association expressed its “strong sup-
9 port for a full and immediate ban on U.S. textiles,
10 apparel and footwear imports from Burma” and
11 called upon the United States Government to “im-
12 pose an outright ban on U.S. imports” of these
13 items until Burma demonstrates respect for basic
14 human and labor rights of its citizens.

15 (14) The policy of the United States, as articu-
16 lated by the President on April 24, 2003, is to offi-
17 cially recognize the NLD as the legitimate represent-
18 ative of the Burmese people as determined by the
19 1990 election.

20 (15) The United States must work closely with
21 other nations, including Thailand, a close ally of the
22 United States, to highlight attention to the SPDC’s
23 systematic abuses of human rights in Burma, to en-
24 sure that nongovernmental organizations promoting
25 human rights and political freedom in Burma are al-

1 lowed to operate freely and without harassment, and
2 to craft a multilateral sanctions regime against
3 Burma in order to pressure the SPDC to meet the
4 conditions identified in section 3(a)(3) of this Act.

5 **SEC. 3. BAN AGAINST TRADE THAT SUPPORTS THE MILI-**
6 **TARY REGIME OF BURMA.**

7 (a) GENERAL BAN.—

8 (1) IN GENERAL.—Notwithstanding any other
9 provision of law, until such time as the President de-
10 termines and certifies to Congress that Burma has
11 met the conditions described in paragraph (3), no
12 article may be imported into the United States that
13 is produced, mined, manufactured, grown, or assem-
14 bled in Burma.

15 (2) BAN ON IMPORTS FROM CERTAIN COMPA-
16 NIES.—The import restrictions contained in para-
17 graph (1) shall apply to, among other entities—

18 (A) the SPDC, any ministry of the SPDC,
19 a member of the SPDC or an immediate family
20 member of such member;

21 (B) known narcotics traffickers from
22 Burma or an immediate family member of such
23 narcotics trafficker;

24 (C) the Union of Myanmar Economics
25 Holdings Incorporated (UMEHI) or any com-

1 pany in which the UMEHI has a fiduciary in-
2 terest;

3 (D) the Myanmar Economic Corporation
4 (MEC) or any company in which the MEC has
5 a fiduciary interest;

6 (E) the Union Solidarity and Development
7 Association (USDA); and

8 (F) any successor entity for the SPDC,
9 UMEHI, MEC, or USDA.

10 (3) CONDITIONS DESCRIBED.—The conditions
11 described in this paragraph are the following:

12 (A) The SPDC has made substantial and
13 measurable progress to end violations of inter-
14 nationally recognized human rights including
15 rape, and the Secretary of State, after consulta-
16 tion with the ILO Secretary General and rel-
17 evant nongovernmental organizations, reports to
18 the appropriate congressional committees that
19 the SPDC no longer systematically violates
20 workers rights, including the use of forced and
21 child labor, and conscription of child-soldiers.

22 (B) The SPDC has made measurable and
23 substantial progress toward implementing a
24 democratic government including—

25 (i) releasing all political prisoners;

1 (ii) allowing freedom of speech and
2 the press;

3 (iii) allowing freedom of association;

4 (iv) permitting the peaceful exercise of
5 religion; and

6 (v) bringing to a conclusion an agree-
7 ment between the SPDC and the demo-
8 cratic forces led by the NLD and Burma's
9 ethnic nationalities on the transfer of
10 power to a civilian government accountable
11 to the Burmese people through democratic
12 elections under the rule of law.

13 (C) Pursuant to section 706(2) of the For-
14 eign Relations Authorization Act, Fiscal Year
15 2003 (Public Law 107-228), Burma has not
16 been designated as a country that has failed de-
17 monstrably to make substantial efforts to ad-
18 here to its obligations under international coun-
19 ternarcotics agreements and to take other effec-
20 tive counternarcotics measures, including, but
21 not limited to (i) the arrest and extradition of
22 all individuals under indictment in the United
23 States for narcotics trafficking, (ii) concrete
24 and measurable actions to stem the flow of il-
25 licit drug money into Burma's banking system

1 and economic enterprises, and (iii) actions to
2 stop the manufacture and export of
3 methamphetamines.

4 (4) APPROPRIATE CONGRESSIONAL COMMIT-
5 TEES.—In this subsection, the term “appropriate
6 congressional committees” means the Committees on
7 Foreign Relations and Appropriations of the Senate
8 and the Committees on International Relations and
9 Appropriations of the House of Representatives.

10 (b) WAIVER AUTHORITIES.—The President may
11 waive the prohibitions described in this section for any or
12 all products imported from Burma to the United States
13 if the President determines and notifies the Committees
14 on Appropriations and Foreign Relations of the Senate
15 and the Committees on Appropriations, International Re-
16 lations, and Ways and Means of the House of Representa-
17 tives that to do so is in the national interest of the United
18 States.

19 (c) DURATION OF TRADE BAN.—The President may
20 terminate the restrictions contained in this Act upon the
21 request of a democratically elected government in Burma,
22 provided that all the conditions in subsection (a)(3) have
23 been met.

1 **SEC. 4. FREEZING ASSETS OF THE BURMESE REGIME IN**
2 **THE UNITED STATES.**

3 Not later than 60 days after the date of enactment
4 of this Act, the Secretary of the Treasury shall direct, and
5 promulgate regulations to the same, that any United
6 States financial institution holding funds belonging to the
7 SPDC or the assets of those individuals who hold senior
8 positions in the SPDC or its political arm, the Union Soli-
9 darity Development Association, shall promptly report
10 those assets to the Office of Foreign Assets Control. The
11 Secretary of the Treasury may take such action as may
12 be necessary to secure such assets or funds.

13 **SEC. 5. LOANS AT INTERNATIONAL FINANCIAL INSTITU-**
14 **TIONS.**

15 The Secretary of the Treasury shall instruct the
16 United States executive director to each appropriate inter-
17 national financial institution in which the United States
18 participates, to oppose, and vote against the extension by
19 such institution of any loan or financial or technical assist-
20 ance to Burma until such time as the conditions described
21 in section 3(a)(3) are met.

22 **SEC. 6. EXPANSION OF VISA BAN.**

23 (a) IN GENERAL.—

24 (1) VISA BAN.—The President is authorized to
25 deny visas and entry to the former and present lead-

1 ership of the SPDC or the Union Solidarity Develop-
2 ment Association.

3 (2) UPDATES.—The Secretary of State shall co-
4 ordinate on a biannual basis with representatives of
5 the European Union to allow officials of the United
6 States and the European Union to ensure a high de-
7 gree of coordination of lists of individuals banned
8 from obtaining a visa by the European Union for the
9 reason described in paragraph (1) and those banned
10 from receiving a visa from the United States.

11 (b) PUBLICATION.—The Secretary of State shall post
12 on the Department of State’s website the names of individ-
13 uals whose entry into the United States is banned under
14 subsection (a).

15 **SEC. 7. CONDEMNATION OF THE REGIME AND DISSEMINA-**
16 **TION OF INFORMATION.**

17 Congress encourages the Secretary of State to high-
18 light the abysmal record of the SPDC to the international
19 community and use all appropriate fora, including the As-
20 sociation of Southeast Asian Nations Regional Forum and
21 Asian Nations Regional Forum, to encourage other states
22 to restrict financial resources to the SPDC and Burmese
23 companies while offering political recognition and support
24 to Burma’s democratic movement including the National
25 League for Democracy and Burma’s ethnic groups.

1 **SEC. 8. SUPPORT DEMOCRACY ACTIVISTS IN BURMA.**

2 (a) IN GENERAL.—The President is authorized to
3 use all available resources to assist Burmese democracy
4 activists dedicated to nonviolent opposition to the regime
5 in their efforts to promote freedom, democracy, and
6 human rights in Burma, including a listing of constraints
7 on such programming.

8 (b) REPORTS.—

9 (1) FIRST REPORT.—Not later than 3 months
10 after the date of enactment of this Act, the Sec-
11 retary of State shall provide the Committees on Ap-
12 propriations and Foreign Relations of the Senate
13 and the Committees on Appropriations and Inter-
14 national Relations of the House of Representatives
15 a comprehensive report on its short- and long-term
16 programs and activities to support democracy activ-
17 ists in Burma, including a list of constraints on such
18 programming.

19 (2) REPORT ON RESOURCES.—Not later than 6
20 months after the date of enactment of this Act, the
21 Secretary of State shall provide the Committees on
22 Appropriations and Foreign Relations of the Senate
23 and the Committees on Appropriations and Inter-
24 national Relations of the House of Representatives
25 a report identifying resources that will be necessary

1 for the reconstruction of Burma, after the SPDC is
2 removed from power, including—

3 (A) the formation of democratic institu-
4 tions;

5 (B) establishing the rule of law;

6 (C) establishing freedom of the press;

7 (D) providing for the successful reintegra-
8 tion of military officers and personnel into Bur-
9 mese society; and

10 (E) providing health, educational, and eco-
11 nomic development.

Chairman SENSENBRENNER. The Chair notes that this bill was referred to this committee because of its jurisdiction over immigration provisions at Section 6, and amendments should be limited to that section. The Chair recognizes the gentleman from Indiana, Mr. Hostettler, the Chairman of the Subcommittee on Immigration for a brief 5 minutes to explain Section 6, and would ask members to be brief because I would like to get this bill out of here while a reporting quorum is present and before we vote. Gentleman from Indiana.

Mr. HOSTETTLER. Thank you, Mr. Chairman. Mr. Chairman, H.R. 2330, the Burmese Freedom and Democracy Act is a bipartisan bill with the purpose of sanctioning the ruling Burmese military junta in recognizing the National League of Democracy as the legitimate representative of the Burmese people. This committee has jurisdiction over Section 6 of the bill, as the Chairman stated.

Section 6 of H.R. 2330 authorizes the President to deny visas and entry to the former and present leadership of the State Peace and Development Council, or SPDC, formerly known as the State Law and Order Restoration Council or SLORC, or its political arm, the Union Solidarity Development Association, otherwise known as USDA. It requires the Secretary of State to coordinate on a biannual basis with European Union representatives to ensure a coordination of lists of individuals banned from obtaining a European visa because of SPDC or USDA leadership, and those banned from receiving a U.S. visa for the same reason.

Finally, Section 6 requires the Secretary of State to post on the state Department's website the names of individuals whose entry into the U.S. is banned. For decades Burma has been ruled by a highly authoritarian repressive military regime that has operated through the use of arrests detention and intimidation of political opponents. The junta has continued to prevent the parliament elected in 1990 from convening. Leaders and former leaders of such a regime should not be permitted to enter the United States.

I ask committee members to support this section of the bill and yield back the balance of my time.

Ms. LOFGREN. Would the gentleman yield?

Mr. HOSTETTLER. I yield to the gentlelady.

Mr. LOFGREN. For a question. I mean I don't object to what we're trying to accomplish here—

Chairman SENSENBRENNER. The gentlewoman from California.

Ms. LOFGREN. Should I move to strike the last word?

Chairman SENSENBRENNER. The gentlewoman's reorganized.

Ms. LOFGREN. I do think, however, that this section is superfluous because the President already has the authority to deny visas through his Secretary of State. He doesn't need additional authority to do that, whereas, you know, it doesn't look like we're requiring—perhaps we are requiring the publication of the bad guys' names on the Secretary's website—

Chairman SENSENBRENNER. Will the gentlewoman yield?

Ms. LOFGREN [continuing]. But they have the ability to do that without a law.

Chairman SENSENBRENNER. Would the gentlewoman yield? I agree with what the gentlewoman has said. However, this bill was referred to us on a sequential that expires on Friday. I don't see why this Section 6 needs to have any amendments. I don't see why

it was put in there originally by the Committee on International Relations, but because they did put it in there and because visas are under our jurisdiction, we have the sequential, and I would just suggest that we report this bill out and file a committee report and we've done our duty.

Ms. LOFGREN. Reclaiming my time, I'm not going to vote against this, but I do think it would be important in the committee report to note that the authority provided to the President and Secretary of State under Section 6 exists without this bill. I don't want to undercut the authority of the President and the Secretary of State to make these judgments by presuming or setting a precedent that we would need to pass a law, and I would make that recommendation.

Chairman SENSENBRENNER. If the gentlewoman will yield further, the Chair will direct the staff to put that disclaimer within the committee report, that we will file in a timely manner.

Ms. LOFGREN. Thank you.

Chairman SENSENBRENNER. Without objection, opening statements of other members will be included in the record at this point.

OPENING STATEMENT OF CONGRESSMAN STEVE KING

Thank you, Chairman Sensenbrenner. Ask anyone what the foundation of democracy is and they will tell you the freedom to elect your leaders. The people of Burma held elections in 1990 to remove The State Peace and Development Council (SPDC), however, SPDC refused to transfer power to the National League for Democracy (NLD) forcing the people of Burma to live under 13 more years of a corrupt and oppressive regime.

The United States should not reward the illegitimate government of Burma any longer. We must do all we can to ensure that the elected National League for Democracy takes control of Burma to ensure that the human rights of the Burmese people are once again restored.

I urge you to vote for this bill. Thank you, Chairman Sensenbrenner.

Mr. WATT. Mr. Chairman.

Chairman SENSENBRENNER. Are there amendments?

Mr. WATT. Mr. Chairman.

Chairman SENSENBRENNER. Gentleman from North Carolina.

Mr. WATT. I move to strike the last word.

Chairman SENSENBRENNER. The gentleman is recognized for 5 minutes.

Mr. WATT. Mr. Chairman. I know the Chairman wants to move this bill quickly, and I'm not trying to delay the movement of it. I actually want to just call to the attention of the Chairman a provision that really is not under the jurisdiction of our committee, but in hopes that the Chairman will advise the committee that has jurisdiction over this, that there are some substantial adverse impacts on North Carolina, and I'm sure Mr. Coble will join me in this.

In Section 3 of the bill, talking about items that are grown in Burma, 80 percent of the world's teak is grown in Burma. It is an import that the furniture industry in North Carolina finds imperative, and the furniture industry in North Carolina is now in the process of, seems to be in the process of following the same down-

hill slide that the textile and apparel industry in North Carolina followed over the last 10 to 20 years, which is to say if you look at the amount of furniture purchased in this country that was produced elsewhere in the world. It has grown from under 10 percent in 1990 to over 45 percent in 2002, and because North Carolina is the—was the furniture manufacturing capital of the world, that has had a substantial impact on our economy and on employment in North Carolina, and plants are closing. If we take away the ability of furniture manufacturers in North Carolina to use the teak wood that is grown in Burma and can't be really grown effectively anywhere else, we are going to have an added devastating impact.

So I just hope the Chairman will—and this could really be addressed by changing one word in the bill. That word happens not to be under our jurisdiction and we can't do anything about it here, but I hope the Chairman will help me and Mr. Coble deliver that message to whoever the leadership is so that they might consider the impact on—

Chairman SENSENBRENNER. If the gentleman will yield, I agree with the gentleman's concern, and I certainly would be supportive of such an amendment on the floor and also in the Rules Committee in making that amendment an order.

Mr. WATT. I thank the Chairman and I yield back the balance of my time.

Chairman SENSENBRENNER. Are there amendments to Section 6 of the bill?

Ms. JACKSON LEE. Mr. Chairman.

Chairman SENSENBRENNER. Gentlewoman from Texas, Ms. Jackson Lee.

Ms. JACKSON LEE. Mr. Chairman, and I did not hear the complete statement of the distinguished Chairman of the Subcommittee on Immigration and Claims, but I was looking at a provision in the legislation that deals with the listing of those that the European Union would deny visas to, and it seems that this language is asking to coordinate with the State Department a list of names as well, requires the Secretary of State to post on the State Department's website the names of individuals whose entry into the United States is banned.

I'm trying to determine is there going to be oversight on this list? Is this list then to be transferred to the Homeland Security? What is the basis of them being banned? What is the ultimate results of this gathering of this information? I'm not sure if Mr. Hostettler knows about this provision in particular dealing with the visas?

Mr. HOSTETTLER. If the gentlelady will yield?

Ms. JACKSON LEE. I'll be happy to yield.

Mr. HOSTETTLER. This is, my understanding, an unprecedented but necessary requirement that this part individuals who have been a part of this regime be known in a more public fashion as to being denied entry into the United States.

Ms. JACKSON LEE. So this is just a listing procedure at this time?

Mr. HOSTETTLER. Yes.

Ms. JACKSON LEE. And I thank the—reclaiming my time, one of the issues that comes up when you begin to establish lists, and certainly I believe that there is great question with the leadership in Burma and great concern, is the oversight on the list, who's on the list, who's not on the list, and the utilization of this list in coordi-

nation with the European Union, not knowing the basis upon which they list these individuals, whether they are listing only government officials, whether they are listing activists, whether they're listing academicians. And so I would raise a question about this provision and would want to look further on it, and may ultimately have an amendment on this particular point. I yield back.

Chairman SENSENBRENNER. Are there amendments?

[No response.]

Chairman SENSENBRENNER. There are no amendments. A reporting quorum is present. The question is on the motion to report the bill, H.R. 2330 favorably. Those in favor will say aye.

Opposed, no.

The ayes have it. The motion to report favorably is agreed to. Without objection, the Chairman is authorized to move to go to conference pursuant to House rules. Without objection, the staff is directed to make any technical and conforming changes. And all members will be given two days as provided by House rules in which to submit additional dissenting, supplemental or minority views.

