

107TH CONGRESS
1ST SESSION

H. R. 1828

To require the President to report annually to the Congress on the effects of the imposition of unilateral economic sanctions by the United States.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 2001

Mr. SAWYER introduced the following bill; which was referred to the Committee on International Relations, and in addition to the Committees on Ways and Means, and Financial Services, 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

A BILL

To require the President to report annually to the Congress on the effects of the imposition of unilateral economic sanctions by the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Unilateral Sanction
5 Reporting Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

1 (1) in the face of a more politically complicated
2 and commercially integrated world in the post-cold
3 war era, the unilateral economic sanctions policy of
4 the United States must become a more sophisticated
5 tool in order to better serve the national interests of
6 the United States;

7 (2) Members of Congress need more detailed
8 and unbiased information that can be compared on
9 a yearly basis in order to evaluate accurately the
10 costs and benefits of unilateral economic sanctions;
11 and

12 (3) a comprehensive annual report to pertinent
13 congressional committees from the executive branch
14 on sanctions policy will allow the United States Gov-
15 ernment to view economic sanctions in a more effec-
16 tive, targeted, and flexible manner and better ana-
17 lyze the success of meeting foreign policy objectives.

18 **SEC. 3. ANNUAL REPORT TO CONGRESS BY THE PRESI-**
19 **DENT.**

20 (a) IN GENERAL.—The President shall, in consulta-
21 tion with the Secretaries of State, Commerce, Defense,
22 Agriculture, Energy, and Transportation, and the United
23 States Trade Representative, by not later than January
24 31 of each year, report to all committees of Congress with

1 jurisdiction affected by United States policies on unilateral
2 economic sanctions on—

3 (1) the costs and benefits within the United
4 States, and, to the extent possible, the economic im-
5 plications for the targeted foreign countries or enti-
6 ties concerned, of the imposition of unilateral eco-
7 nomic sanctions by the United States during the
8 preceding calendar year; and

9 (2) the policy goals intended to be achieved by
10 such sanctions, and the extent to which such goals
11 were achieved.

12 (b) SPECIFIC REPORTS.—

13 (1) SECRETARY OF STATE.—The Secretary of
14 State shall prepare and submit to the President an
15 annual report on the policy goals intended to be
16 achieved by unilateral economic sanctions imposed
17 by the United States, and the extent to which such
18 goals were achieved. The report shall cover the same
19 period as the report by the President under sub-
20 section (a) and shall be included with the President’s
21 report under subsection (a).

22 (2) ASSISTANT SECRETARY OF COMMERCE FOR
23 INFORMATION AND TECHNOLOGY.—The Assistant
24 Secretary of Commerce for Information and Tech-
25 nology shall prepare and submit to the President an

1 annual report on the costs and benefits on the infor-
2 mation and technology sectors within the United
3 States, and, to the extent possible, the implications
4 for the information and technology sectors in tar-
5 geted foreign countries or entities concerned, of the
6 imposition of unilateral economic sanctions by the
7 United States. The report shall cover the same pe-
8 riod as the report by the President under subsection
9 (a) and shall be included with the President's report
10 under subsection (a).

11 (3) SECURITIES AND EXCHANGE COMMIS-
12 SION.—The Securities and Exchange Commission
13 shall prepare and submit to the President an annual
14 report on the costs and benefits on securities mar-
15 kets within the United States, and, to the extent
16 possible, the implications for the securities markets
17 of targeted foreign countries or entities concerned,
18 of the imposition of unilateral economic sanctions by
19 the United States. The report shall cover the same
20 period as the report by the President under sub-
21 section (a) and shall be included with the President's
22 report under subsection (a).

23 (4) SMALL BUSINESS ADMINISTRATION.—The
24 Administrator of the Small Business Administration
25 shall prepare and submit to the President an annual

1 report on the costs and benefits on small business
2 concerns in the United States, and, to the extent
3 possible, the implications for small businesses of tar-
4 geted foreign countries or entities concerned, of the
5 imposition of unilateral economic sanctions by the
6 United States. The report shall cover the same pe-
7 riod as the report by the President under subsection
8 (a) and shall be included with the President's report
9 under subsection (a).

10 (c) DETAILS OF REPORTS.—

11 (1) IN GENERAL.—Each report under sub-
12 section (a) shall set forth the costs and benefits of
13 unilateral economic sanctions to specific sectors of
14 the United States economy, including the services
15 sector, expressed in terms of economic indicators.
16 Among other indicators, the report shall compare
17 levels of imports and exports of domestic products
18 and services with those of internationally competitive
19 products and services. The analyses in the reports
20 under subsection (a) shall be presented in a con-
21 sistent fashion so as to ensure an accurate compari-
22 son of the costs and effects of unilateral economic
23 sanctions from year to year. Each report shall, as
24 well as stating current effects, project future effects
25 of the unilateral economic sanctions at issue.

1 (2) ECONOMIC EFFECTS ON TARGETED COUN-
2 TRIES OR ENTITIES.—To the extent possible, each
3 report shall address the economic effects of unilat-
4 eral economic sanctions on the countries and entities
5 on which the sanctions are imposed, and the extent
6 to which the foreign policy goals of the United
7 States have been achieved by the sanctions. The re-
8 port shall also project the economic effects of the
9 continued application of unilateral economic sanc-
10 tions on each such country or entity and how this
11 will further achieve the foreign policy goals of the
12 United States.

13 (3) RELATIONSHIP TO SPECIFIC SANCTIONS.—
14 The analyses in each report under subsection (a)
15 and (b) shall be made with respect to the specific
16 provision of law or Executive Order imposing the
17 sanctions addressed in the report.

18 (d) APPLICABILITY.—The reports under this section
19 shall apply to unilateral economic sanctions imposed be-
20 fore the enactment of this Act that are in effect during
21 the period covered by the reports, and to unilateral eco-
22 nomic sanctions imposed on or after the date of the enact-
23 ment of this Act.

24 **SEC. 4. DEFINITIONS.**

25 In this Act:

1 (1) UNILATERAL ECONOMIC SANCTION.—

2 (A) IN GENERAL.—The term “unilateral
3 economic sanction” means any prohibition, re-
4 striction, or condition on economic activity, in-
5 cluding economic assistance, with respect to a
6 foreign country or foreign entity that is im-
7 posed by the United States for reasons of for-
8 eign policy or national security, including any of
9 the measures described in subparagraph (B),
10 except in a case in which the United States im-
11 poses the measure pursuant to a multilateral
12 regime and the other members of that regime
13 have agreed to impose substantially equivalent
14 measures.

15 (B) PARTICULAR MEASURES.—The meas-
16 ures referred to in subparagraph (A) are the
17 following:

18 (i) The suspension, restriction, or pro-
19 hibition of exports or imports of any prod-
20 uct, technology, or service to or from a for-
21 eign country or entity.

22 (ii) The suspension of, or any restric-
23 tion or prohibition on, financial trans-
24 actions with a foreign country or entity.

1 (iii) The suspension of, or any restric-
2 tion or prohibition on, direct or indirect in-
3 vestment in or from a foreign country or
4 entity.

5 (iv) The imposition of increased tar-
6 iffs on, or other restrictions on imports of,
7 products of a foreign country or entity, in-
8 cluding the denial, revocation, or condi-
9 tioning of nondiscriminatory trade treat-
10 ment (normal trade relations treatment).

11 (v) The suspension of, or any restric-
12 tion or prohibition on—

13 (I) the authority of the Export-
14 Import Bank of the United States to
15 give approval to the issuance of any
16 guarantee, insurance, or extension of
17 credit in connection with the export of
18 goods or services to a foreign country
19 or entity;

20 (II) the authority of the Trade
21 and Development Agency to provide
22 assistance in connection with projects
23 in a foreign country or in which a
24 particular foreign entity participates;
25 or

1 (III) the authority of the Over-
2 seas Private Investment Corporation
3 to provide insurance, reinsurance, or
4 financing, or conduct other activities
5 in connection with projects in a for-
6 eign country or in which a particular
7 foreign entity participates.

8 (vi) Any prohibition or restriction on
9 the sale, export, lease, or other transfer of
10 any defense article, defense service, or de-
11 sign and construction service under the
12 Arms Export Control Act, or on any fi-
13 nancing provided under that Act.

14 (vii) A requirement that the United
15 States representative to an international fi-
16 nancial institution vote against any loan or
17 other utilization of funds to, for, or in a
18 foreign country or particular foreign entity.

19 (viii) A measure imposing any restric-
20 tion or condition on economic activity on
21 any foreign government or entity on the
22 grounds that such government or entity
23 does business in or with a foreign country.

24 (ix) A measure imposing any restric-
25 tion or condition on economic activity on

1 any person that is a national of a foreign
2 country, or on any government or other en-
3 tity of a foreign country, on the grounds
4 that the government of that country has
5 not taken measures in cooperation with, or
6 similar to, sanctions imposed by the
7 United States on a third country.

8 (x) The suspension of, or any restric-
9 tion or prohibition on, travel rights or air
10 transportation to or from a foreign coun-
11 try.

12 (xi) Any restriction on the filing or
13 maintenance in a foreign country of any
14 proprietary interest in intellectual property
15 rights (including patents, copyrights, and
16 trademarks), including payment of patent
17 maintenance fees.

18 (C) MULTILATERAL REGIME.—In this
19 paragraph, the term “multilateral regime”
20 means an agreement, arrangement, or obliga-
21 tion under which the United States cooperates
22 with other countries in restricting commerce for
23 reasons of foreign policy or national security,
24 including—

1 (i) obligations under resolutions of the
2 United Nations;

3 (ii) nonproliferation and export con-
4 trol arrangements, such as the Australia
5 Group, the Nuclear Supplier's Group, the
6 Missile Technology Control Regime, and
7 the Wassenaar Arrangement;

8 (iii) treaty obligations, such as under
9 the Chemical Weapons Convention, the
10 Treaty on the Non-Proliferation of Nuclear
11 Weapons, and the Biological Weapons Con-
12 vention; and

13 (iv) agreements concerning protection
14 of the environment, such as the Inter-
15 national Convention for the Conservation
16 of Atlantic Tunas, the Declaration of Pan-
17 ama referred to in section 2(a)(1) of the
18 International Dolphin Conservation Act
19 (16 U.S.C. 1361 note), the Convention on
20 International Trade in Endangered Spe-
21 cies, the Montreal Protocol on Substances
22 that Deplete the Ozone Layer, and the
23 Basel Convention on the Control of
24 Transboundary Movements of Hazardous
25 Wastes.

1 (D) ECONOMIC ASSISTANCE.—In this para-
2 graph, the term “economic assistance” means—

3 (i) any assistance under part I or
4 chapter 2, 4, 5, or 8 of part II of the For-
5 eign Assistance Act of 1961 (including
6 programs under title IV of chapter 2, re-
7 lating to the Overseas Private Investment
8 Corporation), any benefits under part IV
9 of that Act (relating to the Enterprise for
10 the Americas Initiative), or any benefits
11 under part V of that Act, relating to trop-
12 ical forest preservation;

13 (ii) the provision of agricultural com-
14 modities, or other assistance or benefits,
15 under the Agricultural Trade Development
16 and Assistance Act of 1954, including the
17 Enterprise for the Americas Initiative; and

18 (iii) any assistance under the FREE-
19 DOM Support Act or the Support for East
20 European Democracy (SEED) Act of
21 1989.

22 (E) FINANCIAL TRANSACTION.—In this
23 paragraph, the term “financial transaction” has
24 the meaning given that term in section
25 1956(c)(4) of title 18, United States Code.

1 (F) INVESTMENT.—In this paragraph, the
2 term “investment” means any contribution or
3 commitment of funds, commodities, services,
4 patents, or other forms of intellectual property,
5 processes, or techniques, including—

6 (i) a loan or loans;

7 (ii) the purchase of a share of owner-
8 ship;

9 (iii) participation in royalties, earn-
10 ings, or profits; and

11 (iv) the furnishing of commodities or
12 services pursuant to a lease or other con-
13 tract.

14 (G) EXCLUSIONS.—The term “unilateral
15 economic sanction” does not include—

16 (i) any measure imposed to remedy
17 unfair trade practices or to enforce United
18 States rights under a trade agreement, in-
19 cluding under section 337 of the Tariff Act
20 of 1930, title VII of that Act, title III of
21 the Trade Act of 1974, and sections 1374,
22 1376, and 1377 of the Omnibus Trade and
23 Competitiveness Act of 1988 (19 U.S.C.
24 3103, 3106, and 3107);

1 (ii) any measure imposed to remedy
2 market disruption or to respond to injury
3 to a domestic industry for which increased
4 imports are a substantial cause or threat
5 thereof, including remedies under sections
6 201, 406, 421, and 422 of the Trade Act
7 of 1974, and textile import restrictions (in-
8 cluding those imposed under section 204 of
9 the Agricultural Act of 1956 (7 U.S.C.
10 1784));

11 (iii) any measure imposed to restrict
12 imports of agricultural commodities to pro-
13 tect food safety or to ensure the orderly
14 marketing of commodities in the United
15 States, including actions taken under sec-
16 tion 22 of the Agricultural Adjustment Act
17 (7 U.S.C. 624);

18 (iv) any measure imposed to restrict
19 imports of any other products in order to
20 protect domestic health or safety; and

21 (v) any measure authorized by, or im-
22 posed under, a multilateral or bilateral
23 trade agreement to which the United
24 States is a signatory, including the Uru-
25 guay Round Agreements (as defined in sec-

1 tion 2 of the Uruguay Round Agreements
2 Act (19 U.S.C. 3501)), the North Amer-
3 ican Free Trade Agreement, the United
4 States-Israel Free Trade Agreement, and
5 the United States-Canada Free Trade
6 Agreement.

7 (2) AGRICULTURAL COMMODITY.—The term
8 “agricultural commodity” has the meaning given
9 that term in section 102(1) of the Agricultural
10 Trade Act of 1978 (7 U.S.C. 5602(1)).

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