



Legislative Bulletin.....December 10, 2014

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S. 1691, Border Patrol Agent Pay Reform Act of 2014 — (*Sen. Tester, D-MT*)

Order of Business: S. 1691 is scheduled for consideration on December 10, 2014, under a suspension of the rules, which requires a two-thirds majority vote for passage.

Summary: The purpose of section 2 of this bill is to strengthen U.S. Customs and Border Protection (CBP) and ensure agents are ready to conduct necessary work and will perform overtime hours in excess of a 40-hour work week based on the needs of CBP. This bill establishes a new system for determining overtime compensation for agents at CBP.

Border Patrol agents will no longer be eligible for compensation through the Administratively Uncontrollable Overtime (AUO) or overtime pay as defined by the Fair Labor Standards Act (FLSA). A new payment system is established which would allow agents to select one of three pay rates in which they would work. The rates are as follows:

- **Level 1** rate of pay: Agents would work 100 hours per two week pay period and receive 125 percent of their basic pay under the GS scale;
- **Level 2** rate of pay: Agents would work 90 hours over the two-week pay period and receive 112.5 percent of their basic pay under the GS scale;
- **Basic** rate of pay: Agents would work 80 hours over the two week pay period and receive their basic pay under the GS scale.

This bill does not consider travel time to and from home and duty in the calculation of hours worked. In certain instances, an agent's duty or location of service (i.e. at CBP headquarters) may determine the pay rate in which they are placed.

Within one year of enactment, CBP is required to submit to Congress a detailed assessment of its operational requirements and staffing needs at every Border Patrol station. This includes an estimate on the cost of the staffing requirements at each Border Patrol duty station.

Section 3 of this bill amends the Homeland Security Act of 2002 to authorize the Secretary of Homeland Security (DHS) to establish positions in the excepted service in which the incumbent performs, manages, or supervises functions that execute the responsibilities of DHS relating to cybersecurity (qualified positions), including positions formerly identified as senior level positions and positions in the Senior Executive Service (SES), appoint an individual to a qualified position, and fix the compensation of an individual for service in a qualified position which can be in the form of benefits, incentives and allowances. The Secretary is given the authority to alter the rate of basic pay for any qualified position in relation to the rate of pay provided for employees in comparable positions at the Department of Defense.

No later than 120 days after enactment, the Secretary is directed to submit a report to Congress with a plan for the use of the authorities provided under this section.

Section 4 of this bill, entitled the 'Homeland Security Cybersecurity Workforce Assessment Act,' directs the Secretary to identify all cybersecurity workforce positions within DHS, determine the primary cybersecurity work category and specialty area of all DHS cybersecurity workforce positions, and assign the corresponding data element code, as set forth in OPM's Guide to Data Standards, that is aligned with the National Initiative for Cybersecurity Education's National Cybersecurity Workforce Framework report.

No later than 90 days after enactment, Secretary shall establish procedures to identify open positions that include cybersecurity functions, and assign the appropriate employment code to each position. No later than 9 months after enactment, the Secretary will assign the appropriate employer code to each employee within DHS who carries out cybersecurity functions and each open position within DHS that have been determined as having cybersecurity functions.

Additional Background: Federal law contains numerous systems which dictate how government workers are paid for the traditional workweek as well as overtime. The Border Patrol agents addressed in this bill are part of the General Schedule (GS) which compensates them for the first 40 hours of work performed, while also eligible for Administratively Uncontrollable Overtime (AUO), which compensates employees for unscheduled but necessary overtime. According to [CBO](#), "Total overtime costs for border patrol agents, including pay and benefits, was \$627 million in 2013, while total compensation costs for those agents was \$3.1 billion in 2013." According to the Senate [committee report](#), CBP has been misusing the AUO system to pay for work performed by agents that should have been paid using a different kind of overtime, or perhaps in some cases, for hours that were not worked and should not have been paid at all. An internal review released in May noted the misuse has been a problem since 2008. The changing nature of work at CBP led to the need for a new system.

Sections 3 and 4 of this bill are similar to [S. 2354](#) introduced by Senator Carper. According to the Senate [committee report](#), unlike DHS, the Department of Defense is given flexibility in hiring and retaining cybersecurity experts. In 2012, the Homeland Security Advisory Council

[recommended](#), “Congress should grant the Department [of Homeland Security] human capital flexibilities in making salary, hiring, promotion and separation decisions identical to those used by the National Security Agency for hiring and managing its cybersecurity workforce and other technical experts.” These two sections give DHS additional flexibility in the hiring and retaining of cybersecurity experts.

Committee Action: This bill was introduced by Senator Tester on November 12, 2013, and referred to the Senate Committee on Homeland Security and Governmental Affairs where it was reported favorably with an amendment in the nature of a substitute. On September 18, 2014, the Senate passed the committee substitute by voice vote. On September 19, 2014, the bill was received in the House and referred to the Committee on Oversight and Government Reform, and the Committee on Homeland Security. No further action was taken in the House.

Administration Position: No Statement of Administration Policy is available at this time.

Cost to Taxpayers: An CBO score for the amended version of this bill was not available at press time.

Does the Bill Expand the Size and Scope of the Federal Government?: Section 3 allows the Secretary of DHS broader authority to establish positions in the excepted service alter the rate of basic pay, and provide incentives and allowances for such positions.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: S. 1691 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.

Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?: No.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

Constitutional Authority: Senate rules do not require the inclusion of a constitutional authority statement.

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H.R. 5806 — Supporting America's Charities Act (Camp, R-MI)

Order of Business: H.R. 5806 is expected to be considered on December 10, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

Summary: H.R. 5806 would make permanent three temporary tax provisions that are meant to encourage charitable giving:

- The [deduction for contributions of conservation easements](#).
- The [enhanced deduction for contributions of food inventory](#).
- The [tax-free distributions from Individual Retirement Accounts \(IRAs\) for charitable purposes](#).

Additional Background: The House passed [H.R. 4719](#), the America Gives More Act, on July 17, 2014, by a [227 – 130](#) vote.

The three provisions included in H.R. 5806 are identical to corresponding provisions in H.R. 4719.

H.R. 4719 also included two additional provisions that are *not* in H.R. 5806:

- An extension of the ability to make tax deductible charitable contributions through April 15th for every tax year.
- A flat excise tax on private foundations (H.R. 4691).

Additionally, the House passed H.R. 5771, the Tax Increase Prevention Act of 2014, on December 3, 2014, by a [378 – 46](#) vote. This “tax extenders” bill would extend the three provisions included in H.R. 5806 for tax year 2014.

Committee Action: H.R. 5806 was introduced on December 9, 2014, and posted on publically online at docs.house.gov at 5:47 pm.

Cost to Taxpayers: A score from CBO is not available at this time.

Earlier this year, the Joint Committee on Taxation (JCT) individually scored three bills that would have made the three provisions included in H.R. 5806 permanent. The combined JCT estimates of [H.R. 4719](#), [H.R. 4619](#), and [H.R. 2807](#) would result in \$11.458 billion in reduced revenue over the 2014 – 2024 time period.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?: No.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

Constitutional Authority: A Constitutional authority statement is not available at this time.

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H.R. 5656 – Global Food Security Act of 2014, as amended (Rep. Chris Smith, R-NJ)

Order of Business: The bill is scheduled to be considered on December 10, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

Summary: [H.R. 5656](#) would express a statement of policy that it is in the national security interest of the United States to promote global food security and nutrition, consistent with national food security investment plans, which is reinforced through programs, activities, and initiatives that:

- Accelerate inclusive, agricultural-led economic growth that reduces global poverty, hunger, and malnutrition, particularly among women and children;
- Increase the productivity, incomes, and livelihoods of small-scale producers, especially women, by working across agricultural value chains and expanding producer access to local and international markets;
- Build resilience to food shocks among vulnerable populations and households while reducing reliance upon emergency food assistance;
- Create an enabling environment for agricultural growth and investment, including through the promotion of secure and transparent property rights;
- Improve the nutritional status of women and children, with a focus on reducing child stunting, including through the promotion of highly nutritious foods, diet diversification, and nutritional behaviors that improve maternal and child health;
- Align with and leverage broader United States investments in trade, economic growth, science and technology, maternal and child health, and water, sanitation, and hygiene; and
- Ensure the effective use of United States taxpayer dollars to further these objectives.

The bill would also express a sense of Congress that the President of the United States should:

- Coordinate, through a whole-of-government approach, the efforts of relevant Federal departments and agencies to implement the Global Food Security Strategy;

- Utilize, to the extent possible, open and streamlined solicitations to allow for the participation of a wide range of implementing partners via the most appropriate contracting mechanism; and
- Continue to strengthen existing partnerships between developing country institutions of agricultural sciences with universities in the United States, with a focus on building the capacities of developing nation universities in agriculture.

The President is required to coordinate the development and implementation of a United States whole-of-government strategy to accomplish the policy objectives which shall:

- Support and be aligned with country-owned agriculture, nutrition, and food security policy and investment plans;
- Support inclusive agricultural value chain development, with small-scale producers;
- Seek to improve the nutritional status of women and children;
- Seek to ensure the long-term success of programs by building the capacity of local organizations and institutions;
- Integrate resilience strategies into food security programs;
- Develop community and producer resiliency to natural disasters, emergencies, and natural occurrences;
- Harness science, technology, and innovation, including the research conducted at [Feed the Future Innovation Labs](#), or any successor entities, through-out the United States;
- Support integrating agricultural development activities among food insecure populations living in proximity to designated national parks or wildlife areas to support wildlife conservation efforts;
- Leverage resources and expertise through partnerships with the private sector, farm organizations, cooperatives, civil society, faith-based organizations, research entities, and academic institutions;
- Support collaboration, as appropriate, between United States universities and public and private institutions in developing countries to promote agricultural development and innovation;
- Set clear and transparent selection criteria for target countries, regions, and intended beneficiaries of assistance to implement the [Global Food Security Strategy](#);

- Seek to ensure that target countries respect and promote the lawful land tenure rights of local communities; and
- Include criteria and methodology for graduating countries from assistance to implement the Global Food Security Strategy once the countries have achieved certain benchmarks.

The President is required to coordinate the efforts of relevant Federal departments and agencies in the implementation of the Global Food Security Strategy by:

- Establishing monitoring and evaluation systems, coherence, and coordination across relevant Federal departments and agencies; and
- Establishing platforms for regular consultation and collaboration with key stakeholders, including multilateral institutions, private voluntary organizations, cooperatives, the private sector, and other stakeholders.

The President is authorized to provide assistance to implement the Global Food Security Strategy by seeking to ensure that assistance to implement the strategy is provided under established parameters for a rigorous accountability system to monitor and evaluate progress and impact of the strategy, including by reporting to the appropriate congressional committees and the public on an annual basis.

\$1,000,600,000 for fiscal year 2015 is authorized to be appropriated to the President to carry out this section of the bill. The President is required to submit to Congress a report that describes the status of the implementation of the Global Food Security Strategy.

Additional Information: A list of cosponsors can be found [here](#). A white paper from the Department of Agriculture on Global Food Security science can be found [here](#). Information on global food security from the Center for Strategic and International Studies can be found [here](#).

Committee Action: The bill was introduced on September 18, 2014, and was referred to the House Committee on Foreign Affairs. On November 20, 2014, the committee ordered it reported (amended) by unanimous consent.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: H.R. 5656 would authorize appropriations of slightly more than \$1 billion in 2015 for the strategy to improve global food security. Based on the historical spending patterns of similar development assistance programs administered by the Administration, the Congressional Budget Office (CBO) estimates that implementing the bill would cost \$905 million over the 2015-2019 period, assuming appropriation of the specified amounts. (Most of the remainder would be spent in subsequent years.) Enacting H.R. 5656 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. The CBO estimate can be found [here](#).

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: H.R. 5656 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and impose no costs on state, local, or tribal governments.

Constitutional Authority: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8 of the Constitution.

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S. 1683 – Naval Vessel Transfer Act of 2013 (Sen. Menendez, D-NJ)

Order of Business: The bill is scheduled to be considered on December 10, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

Summary: [S. 1683](#) would provide for the transfer of naval vessels to certain foreign recipients, including Mexico and Taiwan. The bill authorizes the President of the United States to transfer to Mexico the *Oliver Hazard Perry* class guided missile frigates USS *Curtis* (FFG-38) and USS *McClusky* (FFG-41) on a grant basis under section 516 of the [Foreign Assistance Act of 1961](#). The President is also authorized to transfer the *Oliver Hazard Perry* class guided missile frigates USS *Taylor* (FFG-50), USS *Gary* (FFG-51), USS *Carr* (FFG-52), and USS *Elrod* (FFG-55) to the Taipei Economic and Cultural Representative Office in the United States (Taiwan) on a sale basis under [section 21 of the Arms Export Control Act](#).

S. 1683 authorizes the President to transfer any vessel named in the bill to any country named in the bill such that the total number of vessels transferred to such country does not exceed the total number of vessels authorized for transfer to such country by the bill. The value of a vessel transferred to another country on a grant basis pursuant to authority shall not be counted against the aggregate value of excess defense articles transferred in any fiscal year. Any expense incurred by the United States in connection with a transfer shall be charged to the recipient. The President shall require, as a condition of the transfer of a vessel, that the recipient to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that recipient, performed at a shipyard located in the United States. The authority to transfer a vessel shall expire at the end of the 3-year period beginning on the date of the bill's enactment.

Title II of S. 1683 would amend the Arms Export Control Act to direct the President to notify Congress at least 30 days prior to a pending shipment of certain defense articles. The Foreign Assistance Act of 1961 is amended by increasing the limit of the aggregate value of excess defense articles transferred to countries under this section in any fiscal year to \$500,000,000. The President is required to report to Congress on the [post-undergraduate flying training and](#)

[tactical leadership programs](#) at training locations in Southwest Asia. Title II would also allow for a license or other approval from the Department of State authorizing the export of items subject to the [Export Administration Regulations](#) if such items are to be used in or with defense articles controlled on the [United States Munitions List](#). Other requirements would apply with respect to a license or other approval to authorize the export of items subject to the Export Administration Regulations:

- Separate approval from the Department of Commerce shall not be required for such items if such items are approved for export under a Department of State license or other approval;
- Such items subject to the Export Administration Regulations that are exported pursuant to a Department of State license or other approval would remain under the jurisdiction of the Department of Commerce with respect to any subsequent transactions; and
- The inclusion of the term “subject to the Export Administration Regulations” or any similar term on a Department of State license or approval shall not affect the jurisdiction with respect to such items.

The President may authorize the transformation of any major defense equipment into a defense article if the President:

- Determines that such transformation is appropriate and in the national interests of the United States; and
- Provides notice of such transformation to Congress.

Title II would amend [section 47 of the Arms Export Control Act](#) by changing the definition of “defense service” to mean, with respect to a sale or transfer by the United States under the authority of this Act or any other foreign assistance or sales program of the United States, any service, test, inspection, repair, training, publication, technical or other assistance, or defense information used for the purposes of making military sales, but does not include design and construction services. Title II would also terminate [section 12\(c\) of the Export Administration Act of 1979](#) at the end of the 4-year period beginning on the bill’s enactment.

Additional Information: The Association for the United States Navy has expressed support for [S. 1683](#). A similar bill ([H.R. 3470](#)) was introduced in the House on November 13, 2013, and passed by voice vote. The RSC’s legislative bulletin for H.R. 3470 can be found [here](#).

Committee Action: The bill was introduced on November 12, 2013, and was referred to the Senate Foreign Relations Committee. On December 4, 2014, the bill was passed amended by the Senate by unanimous consent.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: S. 1683 would authorize the President to sell four naval vessels to Taiwan. The Congressional Budget Office (CBO) estimates that those sales would increase offsetting receipts (thus, reducing direct spending) by \$40 million over the 2014-2023 period. Other provisions of the bill would authorize the President to enter into cooperative arrangements with certain countries in Southwest Asia and would require the President to adhere to additional reporting requirements. CBO estimates that those provisions would increase discretionary spending by about \$2 million over the 2014-2018 period, assuming availability of the necessary funds. Because enacting the bill would affect direct spending, pay-as-you-go procedures apply. Enacting the bill would not affect revenues.

Section 102 would authorize the sale of naval vessels. That authority would expire three years after the bill is enacted. Based on information from the Navy, CBO estimates that all four vessels would be sold over that period, for about \$10 million each. Those funds would be deposited in the Treasury as offsetting receipts. The bill also specifies vessels that may be transferred to certain nations by grant. Under the bill, any additional costs related to authorized sales or transfers, including costs for refurbishing the vessels, would be paid by the recipient countries. Such amounts are typically paid directly to the private shipyards that do the work.

Section 206 would authorize the Department of Defense (DOD) to allow foreign military and civilian personnel to participate, without charge, in integrated air and missile defense programs at a U.S. training facility in the United Arab Emirates. That authority would expire in 2016. DOD has not provided details on how it would use that authority and whether it would seek contributions in lieu of charging the participating countries. Based on information about the facility's annual budget and existing programs and assuming appropriation of the necessary amounts, CBO estimates that implementing the training would have discretionary costs of about \$2 million over the 2014-2018 period.

The bill contains several reporting requirements that CBO estimates would cost less than \$500,000 each year, assuming the availability of appropriated funds. Section 201 would require the President to notify the Congress 30 days before shipments of certain defense articles if requested to do so by the Chairman or Ranking Member of certain Congressional committees. The Department of State has indicated that it already provides requested notifications on an ad-hoc basis; CBO estimates that providing similar notifications under the bill would have insignificant discretionary costs. (However, if the department would be required to provide notifications more broadly and routinely, costs could increase.) The CBO estimate for the Senate Foreign Relations passed bill can be found [here](#).

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: S. 1683 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.

Constitutional Authority: Legislation introduced in the Senate does not require a constitutional authority statement.

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S. 2142 – Venezuela Defense of Human Rights and Civil Society Act of 2014 (Sen. Menendez, D-NJ)

Order of Business: The bill is scheduled to be considered on December 10, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

Summary: [S. 2142](#) would express a sense of Congress that:

- The United States aspires to a mutually beneficial relationship with Venezuela based on respect for human rights and the rule of law and a functional and productive relationship on issues of public security, including counternarcotics and counterterrorism;
- The United States supports the people of Venezuela in their efforts to realize their full economic potential and to advance representative democracy, human rights, and the rule of law within their country;
- The chronic mismanagement by the Government of Venezuela of its economy has produced conditions of economic hardship and scarcity of basic goods and foodstuffs for the people of Venezuela;
- The failure of the Government of Venezuela to guarantee minimal standards of public security for its citizens has led the country to become one of the most violent and corrupt in the world;
- The Government of Venezuela continues to take steps to remove checks and balances on the executive, politicize the judiciary, undermine the independence of the legislature through use of executive decree powers, persecute and prosecute its political opponents, curtail freedom of the press, and limit the free expression of its citizens;
- Venezuelans, responding to ongoing economic hardship, high levels of crime and violence, and the lack of basic political rights and individual freedoms, have turned out in demonstrations in Caracas and throughout the country to protest the failure of the Government of Venezuela to protect the political and economic well-being of its citizens; and
- The repeated use of violence perpetrated by the National Guard and security personnel of Venezuela, as well as persons acting on behalf of the Government of Venezuela, against antigovernment protesters that began on February 4, 2014, is intolerable and the use of unprovoked violence by protesters is also a matter of serious concern.

Section 4 of the bill would state that it is the policy of the United States:

- To support the people of Venezuela in their aspiration to live under conditions of peace and representative democracy as defined by the Inter-American Democratic Charter of the Organization of American States;
- To work in concert with the other member states within the Organization of American States, as well as the countries of the European Union, to ensure the peaceful resolution of the current situation in Venezuela and the immediate cessation of violence against antigovernment protestors;
- To hold accountable government and security officials in Venezuela responsible for or complicit in the use of force in relation to antigovernment protests and similar future acts of violence; and
- To continue to support the development of democratic political processes and independent civil society in Venezuela.

Section 5 of the bill directs the President of the United States to impose sanctions with respect to any foreign person, including any current or former official of the Government of Venezuela or any person acting on behalf of that Government that the President determines:

- Has perpetrated, or is responsible for ordering or otherwise directing, significant acts of violence or serious human rights abuses in Venezuela against persons associated with the antigovernment protests in Venezuela that began on February 4, 2014;
- Has ordered or otherwise directed the arrest or prosecution of a person in Venezuela primarily because of the person's legitimate exercise of freedom of expression or assembly; or
- Has knowingly materially assisted, sponsored, or provided significant financial, material, or technological support for, or goods or services in support of, the commission of acts.

Sanctions would include asset blocking, which would block and prohibit all transactions in all property and interests in property of a person determined by the President to be subject to the designations in the bill if such property and interests in property are in the United States, come within the United States, or are to come within the possession or control of a United States person. The President can deny a visa to, and exclude from the United States, an alien designated by the President to be subject to the sanctions. The bill would also establish penalties for a person that violates, attempts to violate, conspires to violate, or causes a violation of the designated sanctions. The requirement to block and prohibit all transactions in all property and interests in property shall not include the authority to impose sanctions on the importation of goods. Sanctions shall not apply to an alien if admitting the alien into the United States is necessary to permit the United States to comply with the [Agreement regarding the Headquarters of the United Nations](#). The President may waive sanctions if such a waiver is determined to be

in U.S. national security interests and would require congressional notification. The requirement to impose sanctions shall terminate on December 31, 2016.

Not later than 30 days after the bill's enactment, the Chairman of the Broadcasting Board of Governors shall submit a report to Congress that would include:

- A thorough evaluation of the governmental, political, and technological obstacles faced by the people of Venezuela in their efforts to obtain accurate, objective, and comprehensive news and information about domestic and international affairs;
- An assessment of current efforts relating to broadcasting, information distribution, and circumvention technology distribution in Venezuela, by the United States Government and otherwise; and
- A strategy for expanding such efforts in Venezuela, including recommendations for additional measures to expand upon current efforts.

Additional Information: According to the findings of the bill, the “Government of Venezuela has detained foreign journalists and threatened and expelled international media outlets operating in Venezuela, and the international nongovernmental organization Freedom House declared that Venezuela’s media climate is permeated by intimidation, sometimes including physical attacks, and strong antimedia rhetoric by the government is common.” Since February 4, 2014, the Government of Venezuela has responded to antigovernment protests with violence and killings perpetrated by its public security forces. The Country Reports on Human Rights Practices for 2013 on Venezuela from the Department of State can be found [here](#).

A report (S. Rept. 113-175) accompanying S. 2142 can be found [here](#). Frontiers for Freedom has expressed concern over the bill, in particular its impact on Citgo Corporation, the third-largest independent refiner in the United States. A Congressional Research Service report on U.S.-Venezuelan Relations can be found [here](#).

Committee Action: The bill was introduced on March 13, 2013, and was referred to the Senate Foreign Relations Committee. On December 8, 2014, the bill was passed amended by the Senate by voice vote.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: CBO estimates that implementing S. 2142 would cost \$23 million over the 2015-2019 period, assuming appropriation of the specified and necessary amounts. Pay-as-you-go procedures apply to this legislation because it would affect direct spending and revenues; however, CBO estimates that those effects would not be significant. The bill would authorize the appropriation of \$15 million in 2015 to promote civil society in Venezuela. In recent years, the Administration has spent roughly \$5 million each year for similar activities in Venezuela. Other provisions of S. 2142 would increase administrative costs of the Departments of State and the Treasury. Based on information from the Administration, CBO estimates the departments

would require additional appropriations of \$1 million a year in 2015 and 2016, growing to \$2 million a year thereafter.

Sanctions required under S. 2142 would probably increase the number of people who would be denied a visa by the Secretary of State. Most visa fees are retained by the department and spent without further appropriation, but some fees are deposited in the Treasury as revenues. CBO estimates that enacting those sanction provisions would affect very few people and, thus, have an insignificant budgetary effect. Because the bill would prohibit certain activities involving Venezuela and subject individuals who undertake those activities to civil and criminal penalties, it could increase revenues and direct spending from the collection of penalties; however, CBO estimates that the net budgetary effect of any additional penalties would be negligible. The CBO estimate can be found [here](#).

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: S. 2142 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments. The bill would impose private-sector mandates as defined in the UMRA by prohibiting transactions related to any property or interests in property of individuals associated with human rights violations in Venezuela. In addition, individuals found to be associated with the human rights violations could have their visas revoked. The cost of the mandates would be any forgone income directly related to the prohibited transactions and the loss of visas. Based on data from the State Department, the number of individuals that could be affected by the legislation is small. Further, CBO expects the loss of income from the restrictions in the bill would be relatively low. Therefore, CBO estimates that the aggregate cost of the mandates would fall below the annual threshold for private-sector mandates established in UMRA (\$152 million in 2014, adjusted annually for inflation).

Constitutional Authority: Legislation introduced in the Senate does not require a constitutional authority statement.

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H.R. 5810 – To amend the United States Cotton Futures Act to exclude certain cotton futures contracts from coverage under such Act (Rep. Westmoreland, R-GA)

Order of Business: The bill is scheduled to be considered on December 10, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

Summary: [H.R. 5810](#) would amend [subsection \(c\)\(1\) of the United States Cotton Futures Act](#) by changing the definition of cotton futures contracts.

- Currently cotton that is not classified by the United States Department of Agriculture is not permitted to be exchanged on the commodities market. The bill would allow cotton that is held outside the U.S. to be sold on U.S. exchanges.
- The definition is changed to: any contract of sale of cotton for future delivery made at, on, or in any exchange, board of trade, or similar institution or place of business which has been designated a “contract market” by the [Commodity Futures Trading Commission](#) and the term “contract of sale” to be defined to include sales, agreements of sale, and agreements to sell, **except that any cotton futures contract; any cotton futures contract that permits tender of cotton grown outside of the United States is excluded from the coverage of this paragraph and section to the extent that the cotton grown outside of the United States is tendered for delivery under the cotton futures contract.** The bill would apply with respect to cotton futures contracts entered into on or after the bill’s enactment.

Additional Information: A list of cosponsors to H.R. 5810 can be found [here](#). A glossary from the Commodity Futures Trading Commission that defines a futures contract can be found [here](#).

Committee Action: The bill was introduced on December 8, 2014, and was referred to the House Committee on Agriculture.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: No Congressional Budget Office (CBO) Estimate is available

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No CBO estimate is available.

Constitutional Authority: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 1 (“The Congress shall have the power To lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts and excises shall be uniform throughout the United States”) Article I, Section 8, Clause 3 (“To regulate commerce with foreign nations, and among the several states, and with the Indian tribes”) Article I, Section 8, Clause 18 (“To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the government of the United States, or in any department or officer thereof”)

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NOTE: *RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.*
