

PROVIDING FOR THE CONSIDERATION OF H.R. 1370, THE
REAUTHORIZATION OF THE EXPORT-IMPORT BANK

SEPTEMBER 29, 1997.—Referred to the House Calendar and ordered to be printed

Mr. DREIER, from the Committee on Rules,
submitted the following

REPORT

[To accompany H. Res. 255]

The Committee on Rules, having had under consideration House Resolution 255, by a non-record vote, report the same to the House with the recommendation that the resolution be adopted.

BRIEF SUMMARY OF PROVISIONS OF RESOLUTION

The resolution provides for the consideration of H.R. 1370, the “Reauthorization of the Export-Import Bank,” under a modified closed rule. The rule provides one hour of general debate divided equally between the chairman and ranking minority member of the Committee on Banking and Financial Services.

The rule provides for consideration of the committee amendment in the nature of a substitute now printed in the bill as an original bill for the purpose of amendment under the five minute rule. The rule waives points of order against the amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI (relating to germaneness).

The rule makes in order only those amendments printed in the Rules Committee report and provides that each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule grants authority to the Chairman of the Committee of the Whole postpone recorded votes and reduce voting time to five minutes provided that the first vote in a series is not less than fifteen minutes.

Finally, the rule provides for one motion to recommit, with or without instructions.

SUMMARY OF AMENDMENTS MADE IN ORDER BY THE RULE ON H.R.
1370—EXPORT-IMPORT BANK REAUTHORIZATION ACT

1. Evans—10 minutes: Directs the Export-Import Bank to give a preference to U.S. firms who are seeking assistance for activities in China and who have adopted and adhered to a code of conduct for their international operations. Requires the Export-Import Bank to work with the Clearinghouse on Corporate Responsibility (being developed by the Dept. of Commerce) to provide the bank's recipients with information on resources and organizations which assist in developing, implementing, and monitoring codes of conduct.

2. Frank (MA)—10 minutes: Requires community work requirements for members of Boards of Directors of firms receiving assistance from the Export-Import Bank.

3. LaFalce—10 minutes: Renames the Export-Import Bank as the "American Export Bank".

4. Rohrabacher—10 minutes: Prohibits the Export-Import Bank from insuring, guaranteeing, extending credit or participating in an extension of credit for any transaction involving the import or export of any good or service, if any company involved is at least 50% owned by the government or military of a foreign country.

5. Rohrabacher—10 minutes: Prohibits the Export-Import Bank from insuring, guaranteeing, extending credit or participating in an extension of credit in connection with a transaction involving an entity owned by a government which is not chosen through free and fair elections, as certified by the President of the U.S., or which lacks an independent judicial system; or, for the import or export of any good or service involving such a country.

6. Solomon—10 minutes: Prohibits Ex-Im subsidies of exports to Russia if Russia transfers an SS-N-22 or SS-N-26 missile system to Communist China.

7. Vento—10 minutes: Prohibits the use of Export-Import Bank assistance for exports to companies that employ child labor.

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE EVANS OF ILLINOIS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following:

SEC. 10. PREFERENCE IN EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO CHINA TO BE PROVIDED TO COMPANIES ADHERING TO CODE OF CONDUCT.

(a) IN GENERAL.—Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end the following:

“(f) PREFERENCE IN ASSISTANCE FOR EXPORTS TO CHINA TO BE PROVIDED TO ENTITIES ADHERING TO CODE OF CONDUCT.—

“(1) PROHIBITIONS.—

“(A) IN GENERAL.—In determining whether to guarantee, insure, extend credit, or participate in the extension of credit with respect to the export of goods or services destined for the People's Republic of China, the Board of Directors shall give preference to entities that the Board of

Directors determines have established and are adhering to the code of conduct set forth in paragraph (2).

“(B) PENALTY FOR VIOLATION.—The Bank shall withdraw any guarantee, insurance, or credit that the Bank has provided, and shall withdraw from any participation in an extension of credit, to an entity with respect to the export of any good or service destined for the People’s Republic of China if the Board of Directors determines that the entity is not adhering to the code of conduct set forth in paragraph (2).

“(2) CODE OF CONDUCT.—An entity shall do all of the following in all of its operations:

“(A) Provide a safe and healthy workplace.

“(B) Ensure fair employment, including by—

“(i) avoiding child and forced labor, and discrimination based upon race, gender, national origin, or religious beliefs;

“(ii) respecting freedom of association and the right to organize and bargain collectively;

“(iii) paying not less than the minimum wage required by law or the prevailing industry wage, whichever is higher; and

“(iv) providing all legally mandated benefits.

“(C) Obey all applicable environmental laws.

“(D) Comply with United States and local laws promoting good business practices, including laws prohibiting illicit payments and ensuring fair competition.

“(E) Maintain, through leadership at all levels, a corporate culture—

“(i) which respects free expression consistent with legitimate business concerns, and does not condone political coercion in the workplace;

“(ii) which encourages good corporate citizenship and makes a positive contribution to the communities in which the entity operates; and

“(iii) in which ethical conduct is recognized, valued, and exemplified by all employees.

“(F) Require similar behavior by partners, suppliers, and subcontractors under terms of contracts.

“(G) Implement and monitor compliance with the subparagraphs (A) through (F) through a program that is designed to prevent and detect noncompliance by any employee or supplier of the entity and that includes—

“(i) standards for ethical conduct of employees of the entity and of suppliers which refer to the subparagraphs;

“(ii) procedures for assignment of appropriately qualified personnel at the management level to monitor and enforce compliance;

“(iii) procedures for reporting noncompliance by employees and suppliers;

“(iv) procedures for selecting qualified individuals who are not employees of the entity or of suppliers to

monitor compliance, and for assessing the effectiveness of such compliance monitoring;

“(v) procedures for disciplinary action in response to noncompliance;

“(vi) procedures designed to ensure that, in cases in which noncompliance is detected, reasonable steps are taken to correct the noncompliance and prevent similar noncompliance from occurring; and

“(vii) communication of all standards and procedures with respect to the code of conduct to every employee and supplier—

“(I) by requiring all management level employees and suppliers to participate in a training program; or

“(II) by disseminating information orally and in writing, through posting of an explanation of the standards and procedures in prominent places sufficient to inform all employees and suppliers, in the local languages spoken by employees and managers.

“(3) SMALL BUSINESS EXCEPTION.—This subsection shall not apply to an entity that is a small business (within the meaning of the Small Business Act.”.

(b) ANNUAL REPORT.—Section 2(b)(1)(A) of such Act (12 U.S.C. 635(b)(1)(A)) is amended by adding at the end the following: “The Bank shall include in the annual report a description of the actions the Bank has taken to comply with subsection (f) during the period covered by the report.”.

(c) RECEIPTS OF ASSISTANCE FROM THE EXPORT-IMPORT BANK TO BE PROVIDED WITH RESOURCES AND INFORMATION TO FURTHER ADHERENCE TO GLOBAL CODES OF CORPORATE CONDUCT.—The Export-Import Bank of the United States shall work with the Clearinghouse on Corporate Responsibility that is being developed by the Department of Commerce to ensure that recipients of assistance from the Export-Import Bank are made aware of, and have access to, resources and organizations that can assist the recipients in developing, implementing, and monitoring global codes of corporate conduct.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE FRANK OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following:

SEC. 10. COMMUNITY WORK REQUIREMENT FOR MEMBERS OF BOARDS OF DIRECTORS OF FIRMS RECEIVING ASSISTANCE FROM THE EXPORT-IMPORT BANK.

Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end the following:

“(f) COMMUNITY WORK REQUIREMENT FOR MEMBERS OF BOARDS OF DIRECTORS OF FIRMS RECEIVING ASSISTANCE FROM THE BANK.—

“(1) PROHIBITION.—The Bank shall not provide assistance to a firm during a fiscal year unless each member of the board of directors of the firm agrees to perform not less than 8 hours of work (other than political activities) during each month of

the immediately succeeding fiscal year in the community in which the member resides.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply to an individual who is—

“(A) at least 62 years of age;

“(B) a person with disabilities;

“(C) working full time, attending school or vocational training, or otherwise complying with work requirements applicable under public assistance programs (as determined by the agencies or organizations responsible for administering such programs);

“(D) otherwise physically impaired, to the extent that the individual is unable to comply with paragraph (1), as certified by a doctor; or

“(E) the primary caregiver to a disabled individual or to a child who has not attained 6 years of age.

“(3) PERSON WITH DISABILITIES DEFINED.—

As used in paragraph (2)(B), the term ‘person with disabilities’ means a person who—

“(A) has a disability as defined in section 223 of the Social Security Act;

“(B) is determined, pursuant to regulations issued by the Secretary of Housing and Urban Development, to have a physical, mental, or emotional impairment which—

“(i) is expected to be of long-continued and indefinite duration;

“(ii) substantially impedes the ability of the person to live independently; and

“(iii) is of such a nature that such ability could be improved by more suitable housing conditions; or

“(C) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.”.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE LAFALCE OF NEW YORK, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following:

SEC. 10. RENAMING OF BANK AS THE UNITED STATES EXPORT BANK.

(a) AMENDMENTS TO THE EXPORT-IMPORT BANK ACT OF 1945.—

(1) The first section of the Export-Import Bank Act of 1945 (12 U.S.C. 635 note) is amended to read as follows:

“SECTION 1. SHORT TITLE.

“This Act may be cited as the ‘United States Export Bank Act of 1945’.”.

(2) The following provisions of such Act are amended by striking “Export-Import Bank of the United States” and inserting “United States Export Bank”:

(A) Section 2(a)(1) (12 U.S.C. 635(a)(1)).

- (B) Section 3(a) (12 U.S.C. 635a(a)).
- (C) Section 3(b) (12 U.S.C. 635a(b)).
- (D) Section 3(c)(1) (12 U.S.C. 635a(c)(1)).
- (E) Section 4 (12 U.S.C. 635b).
- (F) Section 5 (12 U.S.C. 635d).
- (G) Section 6(a) (12 U.S.C. 635e(a)).
- (H) Section 7 (12 U.S.C. 635f).
- (I) Section 8(a) (12 U.S.C. 635g(a)).
- (J) Section 9 (12 U.S.C. 635h).

(3) The following provisions of such Act are amended by striking “Export-Import Bank” and place its appears and inserting “United States Export Bank”:

- (A) Section 2(b)(1)(A) (12 U.S.C. 635(b)(1)(A)).
- (B) Section 3(c)(3) (12 U.S.C. 635a(c)(3)).

(b) DEEMING RULES.—Any reference in any law, map, regulation, document, paper, or other record of the United States to the Export-Import Bank of the United States is deemed to be a reference to the United States Export Bank, and any reference in any law, map, regulation, document, paper, or other record of the United States to the Export-Import Bank Act of 1945 is deemed to be a reference to the United States Export Bank Act of 1945.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE ROHRBACHER OF CALIFORNIA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following:

SEC. 10. PROHIBITION AGAINST ASSISTANCE TO COMPANIES THAT ARE AT LEAST 50 PERCENT OWNED BY A FOREIGN GOVERNMENT OR MILITARY.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by adding at the end the following:

“(12) PROHIBITION AGAINST ASSISTANCE TO COMPANIES THAT ARE AT LEAST 50 PERCENT OWNED BY A FOREIGN GOVERNMENT OR MILITARY.—

“(A) DETERMINATION OF OWNERSHIP.—On application for assistance involving a transaction in connection with the import or export of any good or service, the Bank shall determine whether any company involved in the transaction is at least 50 percent owned by the government or military of a foreign country.

“(B) PROHIBITION.—The Bank shall not insure, guarantee, extend credit, or participate in an extension of credit involving any transaction in connection with the import or export of any good or service if any company involved in the transaction is at least 50 percent owned by the government or military of a foreign country.”.

5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE ROHRBACHER OF CALIFORNIA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following:

SEC. 10. PROHIBITION AGAINST ASSISTANCE TO ENTITY OWNED BY A GOVERNMENT WHICH IS NOT CHOSEN THROUGH FREE AND FAIR DEMOCRATIC ELECTIONS OF WHICH LACKS AN INDEPENDENT JUDICIARY, OR FOR IMPORT FROM OR EXPORT TO A COUNTRY WITH SUCH A GOVERNMENT.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by adding at the end the following:

“(12) PROHIBITION AGAINST ASSISTANCE TO ENTITY OWNED BY A GOVERNMENT WHICH IS NOT CHOSEN THROUGH FREE AND FAIR DEMOCRATIC ELECTIONS OR WHICH LACKS AN INDEPENDENT JUDICIARY, OR FOR IMPORT FROM OR EXPORT TO A COUNTRY WITH SUCH A GOVERNMENT.—The Bank shall not insure, guarantee, extend credit, or participate in an extension of credit in connection with—

“(A) a transaction by an entity which is owned by a government that—

“(i) is not chosen through free and fair democratic elections, as certified by the President of the United States; or

“(ii) lacks a independent judicial system; or

“(B) the import of any good or service from, or export of any good or service to, a country with a government described in subparagraph (A).”

6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SOLOMON OF NEW YORK OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following:

SEC. 10. PROHIBITION AGAINST ASSISTANCE TO RUSSIA IF RUSSIA TRANSFERS CERTAIN MISSILE SYSTEMS TO THE PEOPLE'S REPUBLIC OF CHINA.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by adding at the end the following:

“(12) PROHIBITION AGAINST ASSISTANCE TO RUSSIA IF RUSSIA TRANSFERS CERTAIN MISSILE SYSTEMS TO THE PEOPLE'S REPUBLIC OF CHINA.—If the President of the United States is made aware that Russia has transferred or delivered to the People's Republic of China an SS-N-22 or SS-N-26 missile system, the President of the United States shall notify the Bank of the transfer or delivery. Upon receipt of the notification, the Bank shall not insure, guarantee, extend credit or participate in an extension of credit with respect to, or otherwise subsidize the export of any good or service to Russia.”

7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE VENTO OF MINNESOTA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following:

SEC. 10. PROHIBITION AGAINST PROVISION OF ASSISTANCE FOR EXPORTS TO COMPANIES THAT EMPLOY CHILD LABOR.

Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end the following:

“(f) PROHIBITION AGAINST ASSISTANCE FOR EXPORTS TO COMPANIES THAT EMPLOY CHILD LABOR.—The Bank shall not guarantee, insure, extend credit, or participate in the extension of credit with

respect to the export of any good or service to an entity if the entity—

“(1) employs children in a manner that would violate United States law regarding child labor if the entity were located in the United States; or

“(2) has not made a binding commitment to not employ children in such manner.”.

