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NOMINATION OF DOUG MANCHESTER TO BE U.S. AMBASSADOR TO THE COMMONWEALTH OF THE BAHAMAS

HEARING

BEFORE THE

COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

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NOMINATION OF DOUG MANCHESTER TO BE U.S. AMBASSADOR TO THE COMMONWEALTH OF THE BAHAMAS

WEDNESDAY, AUGUST 2, 2017

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 12:00 p.m. in Room SD–419, Dirksen Senate Office Building, Hon. Marco Rubio presiding.

Present: Senators Rubio [presiding], and Menendez.

OPENING STATEMENT OF HON. MARCO RUBIO, U.S. SENATOR FROM FLORIDA

Senator RUBIO. Good afternoon. It is now noon, and this hearing of the Senate Foreign Relations Committee will come to order.

This is a full committee hearing on the nomination of Mr. Doug Manchester of California to be the Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of The Bahamas.

Mr. Manchester is Chairman of Manchester Financial Group. He is a true industrialist, with accomplishments on a national and international scale involved in telecommunications, radio broadcasts, medical instrumentation, publishing, real estate development, and we will be hearing from him in a moment.

In the interest of time, knowing it is already noon, I am going to defer any further comment now to the ranking member so that we can get to the nominee's introduction and questions.

STATEMENT OF HON. ROBERT MENENDEZ, U.S. SENATOR FROM NEW JERSEY

Senator MENENDEZ. Thank you, Mr. Chairman.

Very briefly, Mr. Manchester, I appreciate your willingness to appear before the committee after a lengthy hearing that just took place. I appreciate your staying power.

I understand that there are some significant problems with your paperwork, including discrepancies and incomplete answers that did not fully align with your Office of Government Ethics paperwork and your FEC filing. So I know we have made progress, but I still think we have some questions and I would urge you to deal with those questions as they come your way so that we can have all of your paperwork ready to be considered in its totality.

And then finally, The Bahamas may be a small island, but it is part of our Caribbean initiatives. Particularly, I am interested in how we get The Bahamas to start voting with us, for example, at the OAS on Venezuela and other places, and what we do in combatting transnational crime and drug trafficking. So I look forward to your views on that and other things as we proceed.

Senator RUBIO. And, Mr. Manchester, I am going to recognize you now for your opening statement. My free and unsolicited advice is that your whole statement is going to be in the record. The shorter your statement, the shorter the hearing will be. Let me put it that way.

I would just echo what the ranking member said. I do not think there is any notion that it is intentional, but it is difficult when you come from the world of business to the world of politics, which is what an ambassador is. The paperwork is lengthy and extensive. I know it takes a lot of time and manpower, as I have commented to you. The more things you own, the longer it takes to fill these things out, but obviously a lot of these nominations here get held up because people struggle to get that in. So the quicker we can get that paperwork in, the faster the processing can happen. I imagine you are working very hard on that as it is. But I echo that, and that is true of all nominees that come before us.

So with that, I recognize you for your opening statement, and I just thank you for your willingness to serve America.

STATEMENT OF DOUG MANCHESTER, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE COMMONWEALTH OF THE BAHAMAS

Mr. MANCHESTER. Well, thank you very much, Chairman Rubio and Ranking Member Menendez. I appreciate your comments. That paperwork is in the works, has been completed, and has already been submitted.

I really thank you for considering my nomination to serve as this great nation's Ambassador to The Bahamas. I am honored by this immense privilege entrusted to me by President Trump. In addition, I want to express my gratitude to Secretary of State Rex Tillerson for supporting this appointment. If confirmed, I am confident that my qualifications will allow me to represent our government to promote stronger bilateral relations to The Bahamas. After all, it is, as I will continue to discuss, our third border to our country, 50 miles from our shore. So goes America, so goes The Bahamas. It is very important for us, as Secretary Tillerson assured me, it is very, very important for us to keep them close to our shore.

Let me just start by saying—let me give you a little background of who I am. My mom and dad ran away from home when they were 17, went out to California to work for the factories. In 1942 I was born, and in '45, a lot of people do not really remember what they were doing at age 3. I do not remember much, but I remember one thing. I was driving down the street, hanging on to the back seat or the front seat of the Coupe. My mother was driving, her best friend next to her, and all of a sudden the car stopped and horns were honking, and my mom started to cry, so I cried. But

her tears were of joy because it was the end of World War II. That was a thing that is always very, very close in my memory.

After World War II, my father got a job in San Diego, California, in my opinion one of the great cities in this great America. And I was able to work my way through college at San Diego State University and went into business.

My greatest accomplishment is the fact that I have a beautiful wife and eight wonderful children, and 13 incredible grandchildren.

I was very blessed to be in a lot of different businesses. I think I have a list here. You have them listed. You have already gone over some of them, but Spectrum Telecomm, real estate, medical instrumentation, including the volumetric infusion pump that saved millions of lives, the automatic blood pressure readout, the Lexus thermometer, broadcasting, publishing, construction, hotel ownership. I was fortunate enough to build the second-largest Hyatt in the world, the second-largest Marriott in the world, and an incredibly successful convention center on the waterfront in San Diego.

All of this, 20-plus companies, surrounded myself with outstanding employees and incredible consultants, and had the opportunity to surround myself with very, very brilliant and wonderful people. But my philosophy has always been this, that there is no "I" in "team," and the fact that you have to build a team and you have to recognize their various talents, and as a result I was able to, in fact, accomplish a lot, a lot of which will be very, very important, in my opinion, in running a successful embassy in The Bahamas.

Working together in concert with the U.S. Embassy and the Commonwealth of The Bahamas has a tremendous opportunity to attract more business interests, increase economic stability, and to address regional challenges associated with drugs, human trafficking, and illegal migration.

If confirmed by the Senate, I would dedicate all my passion and experience and ability to ensuring the United States of America maintains a mutually beneficial presence in The Bahamas that creates greater prosperity for America and the Bahamian citizens.

Having employed thousands of people over the years, I have seen the impact that a job and a paycheck can have on a community. I will do all in my power to advocate for the U.S. companies and entrepreneurs to invest in The Bahamas. As our closest neighborhood, as I previously mentioned, after Canada and Mexico, we must ensure we maintain a strong presence, and we must demonstrate our capabilities in The Bahamas to help the country create jobs and improve economic performance. When the world is working and families have incomes, it is a more secure place.

In addition to our historically close economic and commercial ties, we have used our diplomatic relationships to help The Bahamas address multiple concerns, from crime to environmental protection. We must continue to work together on increasing overall economic stability and reducing crime, tackling human and drug trafficking. As Secretary Tillerson said directly to me, he said, listen, OAS, the U.N. vote, we are joined at the hip, and we want to continue to, in fact, do all we can to do what we can to create America and The Bahamas close to us.

Mr. Chairman, in closing I would like to say I had a blessed life growing up in the greatest country in the world, and obviously in one of the great cities in that country, and being nominated to represent the U.S. has been remarkable and an honor and a deeply humbling experience.

I pledge to you and the American people that if confirmed by the United States Senate, I will work tirelessly, spiritually, professionally, and alongside Congress to faithfully represent American interests. I appreciate the opportunity to appear before you today, and I want to take this opportunity to God bless you and every one of the other senators. One of the things that has happened through this whole experience is that I have understood, for the first real time in my life, how hard the Senate and the Congress work. I mean, you all are doing a great job for our country, and on behalf of our country, I thank you.

I am open for any questions.

[Mr. Manchester's prepared statement follows:]

PREPARED STATEMENT OF DOUG MANCHESTER

Chairman Rubio, Ranking Member Menendez, distinguished members of the committee:

Thank you for considering my nomination to serve as this great nation's Ambassador to The Bahamas. I am honored by this immense privilege entrusted to me by President Trump. In addition, I want to express my gratitude to Secretary of State Rex Tillerson for supporting this appointment. If confirmed, I am confident that my qualifications will allow me to represent our government to promote stronger bilateral relations with The Bahamas.

Let me tell you about myself. Most people do not remember much of anything at age 3, but in 1945 in Los Angeles, I held on to the back seat of a coupe my mother was driving. Suddenly, the car stopped and horns began honking. I didn't know what was happening, but I started to cry when I noticed my mother was crying. Hers were tears of joy commemorating the end of WWII. Beginning at this young age, I came to understand the importance of U.S. foreign policy, our position in the world, and the great responsibility we as Americans share.

After World War II, my father got a job in a San Diego factory, which gave me the blessing of growing up in one of America's finest cities in the greatest country in the world. I worked my way through San Diego State University, and the long hours combined with academic rigor instilled in me a work ethic that has remained vital throughout my life. Today I am blessed with a beautiful wife, 8 children, and 13 grandchildren—a family which constitutes my greatest accomplishment. I have had the wonderful fortune of success in insurance, real estate, medical instruments, broadcasting, publishing, construction, hotel ownership and management, and oil drilling. I have operated 27 companies, surrounded myself with outstanding employees and advisors.

Working in concert with the U.S. Embassy, The Commonwealth of The Bahamas has tremendous opportunity to attract more U.S. business interests, increase economic stability, and to address regional challenges associated with drugs, human trafficking, and illegal immigration. If confirmed, I would dedicate all my passion, experience, and ability to ensuring that the United States of America maintains a mutually beneficial presence in The Bahamas that creates more safety for Americans and Bahamian citizens.

Having employed thousands of people over the years, I have seen the impact that a job and a paycheck can have on a community. I herein pledge that if I am confirmed, I will do all in my power to advocate for U.S. companies and entrepreneurs to invest in The Bahamas. As our closest neighbor after Canada and Mexico, we must ensure that we maintain a strong presence there. We must demonstrate our own capabilities in The Bahamas to help the country create jobs and improve economic performance. When the world is working and families have incomes, it is a safer place.

But in addition to our historically close economic and commercial ties, we have used our diplomatic relationship to help The Bahamas address a multitude of concerns from crime to environmental protection. We must continue to work together

on increasing overall economic stability, reducing crime, and tackling human and drug trafficking issues.

The stability of The Bahamas' is especially important to the United States as the country is commonly used as a gateway for drugs and illegal immigration into our country. Notably, The Bahamas was the first in the Caribbean to receive a Tier 1 ranking from the State Department's Trafficking in Persons report. If confirmed as Ambassador, I will ensure that our governments continue to build cohesive strategies to fight both drug and human trafficking. That includes continuing our support of the Royal Bahamas Police Force, which has played a vital role in the reduction of human and drug trafficking in the past few years.

I fully recognize and dedicate myself to ensuring the safety of American citizens as the priority of our mission in The Bahamas. The Overseas Security Advisory Council (OSAC) currently indicates that the country's crime rating is at a critical level and the UN has noted that The Bahamas has the highest rate of rape in the entire Caribbean. It is essential that our mission in The Bahamas defend all human rights, and in doing so, we must continue to curtail major crimes, including rape, human and drug trafficking.

Mr. Chairman, in closing I would like to say I have had a blessed life growing up in the greatest country in the world, and being nominated to represent it is both a remarkable honor and deeply humbling experience.

I pledge to you and the American people that if confirmed, I will work tirelessly, personally, spiritually, and professionally, and alongside Congress, to faithfully represent American interests. I appreciate the opportunity to appear before you today, and God bless you for your service to our great country.

I am happy to answer any questions you may have.

Senator RUBIO. I thank you for that final statement on the hard work. That is a matter of debate, but we are honored to do this.

Just quickly, first of all, I want to congratulate you on your honesty and modesty because you said the second-largest Hyatt in America. You could have said one of the largest, or the largest, and let the fact-checkers take care of it. I will be curious to find out later who has the largest in either one.

Mr. MANCHESTER. That is in Chicago.

Senator RUBIO. That makes sense.

You pointed to it already, and I just want to reiterate that The Bahamas has—on the issue of Venezuela, you heard some discussion about it here today, it has been one of the leading agenda items for the OAS. The Bahamas has consistently voted with the United States and the other democracies in the region in defense of democracy. We thank them for that. We are appreciative of it, and we just want your commitment that should that ever waiver, for whatever reason, that you will be firm and steadfast in supporting the Administration's position on that matter with the Bahamian authorities.

Mr. MANCHESTER. If I am fortunate enough to be confirmed by the Senate, you can have my assurance that I will always, and every inch of my fiber will, in fact, speak out for democracy and do all I can to work together with The Bahamas and the Bahamian Government to do this. It was a new government down there, a new beginning. I salute the democracy, that they recently had a great election, and new people are coming into power. It looks like, according to all the people that I talked to, including our Charge d'Affaires and our existing embassy staff down there, that it really looks bright.

As I say, the greater America becomes, the greater benefit it will be for The Bahamas.

Senator RUBIO. And, by the way, just to be clear, I do not have any reason to believe that they would waiver in their commitment at the OAS, but it is important to put that on the record.

Number two, as I commented to you earlier, from where I live in South Florida, my hometown of Miami, having someone come to you and say they are going to The Bahamas for the weekend, or even for the day, is not unusual. People just run over to Bimini for the day, they run over for the weekend, not to mention the number of cruise passengers who come to South Florida out of Ft. Lauderdale, Miami, even Tampa, and the cruises make stops at either private islands that are territories of The Bahamas or Nassau or some of the other ports of call.

As a result of so many Americans literally overnighting back and forth, same-day trips, there is significant consular services oftentimes arise, medical emergencies, whatever it might be.

Mr. MANCHESTER. Yes.

Senator RUBIO. And I just seek your commitment that that will be among our foremost priorities while you are there, if confirmed, to ensure that we are providing and continue to provide first-class services for Americans in The Bahamas. If at any moment in time you feel that the resources available to you, because of cuts in the budget or the like, are undermining that mission, that you will commit to being clear and frank with both Congress and certainly the State Department about that.

Mr. MANCHESTER. I certainly will.

Senator RUBIO. And my last question involves China and fishing rights. Late last year it was reported that a Bahamian Government official had unauthorized talks with China to lease its waters, the waters of The Bahamas, for commercial fishing to the Chinese. This, without a doubt, is concerning because Florida's shores are in close proximity. While these talks did not yield an agreement, we remain concerned about the potential that Chinese commercial fishing vessels, which Beijing has used as a type of militia in the South China Sea, would be so close to U.S. waters and potentially involve now a dispute with American commercial and recreational fishing interests in what might be international waters, or even Bahamian waters.

If confirmed, have you given any thought to how we would approach this issue with the Bahamian Government if that were to arise?

Mr. MANCHESTER. Well, I really do believe that the presence of Homeland Security and our Coast Guard off the shore and all of what we are doing to protect The Bahamas really needs to be continually emphasized to the Bahamian Government. Even though China has, in fact, made a significant economic contribution to the Commonwealth of The Bahamas in the form of hotels, resorts, and so on and so forth, that we just need to encourage more business from America to be there.

I have already had talks with people at the University of The Bahamas. I think there is no reason why we cannot have a medical school there. I was part of the biotech cluster in La Jolla, and that is where the medical instrumentation and biotech came from, and I believe that with a medical school down there we could, in fact, encourage some medical instrumentation to be manufactured there and to do everything we possibly can to allow for America's interests to continually be appreciated and, as a result of being appre-

ciated, certainly protecting our rights with regards to fishing and other security issues.

Senator RUBIO. And again, to be clear, that conversation happened. It was an unauthorized discussion between a member of the Government and the Chinese Government. But all these things you pointed to—security, cooperation, tourism, economic interrelations, medical school, economic contributions—all of these things would be endangered if at any point in the future—and I am not saying that it is going to happen, and it is certainly not a threat but just the reality. If at any point in the future the Bahamian Government considered leasing its waters for commercial fishing to the Chinese at the expense of the United States, so close to our shores, I think that would most certainly have a very negative impact on our relations with them, so I do appreciate your answer.

The Ranking Member?

Senator MENENDEZ. Thank you, Mr. Chairman.

Mr. Manchester, how would you characterize the U.S.-Bahama relationship?

Mr. MANCHESTER. Well, as I mentioned, I think it is our third border—Canada, Mexico, and The Bahamas. It is 50 miles from our shore. It is incredibly important to us economically, and also incredibly important to us from a security standpoint. And as a result, I will do everything I possibly can to continue to promote democracy and the closeness, the close ties between the Bahamian Government, the Commonwealth of The Bahamas and also the United States.

As Secretary Tillerson told me, we just need to do everything we possibly can to promote and make the Commonwealth of The Bahamas as great as it can be.

Senator MENENDEZ. Now, in your conversations with the Senate Foreign Relations Committee staff, you described The Bahamas as a protectorate of the United States. Is that a view that you believe is part of our relationship?

Mr. MANCHESTER. Well, certainly for all intents and purposes, we believe that it is a protectorate. We have the Coast Guard there, Homeland Security. We are obviously working with the Royal Bahamian Police Force, which we want to, in fact, continue to support, who are doing a great job in the interdiction of human trafficking and drugs, and also gun running.

Senator MENENDEZ. But a protectorate implies that the Bahamians are not a fully independent nation, that we somehow have some view that we have some type of quasi-control over them.

Mr. MANCHESTER. I do not believe that is what I mentioned. I think that, obviously, we have come to the help of Bermuda and other areas in the Caribbean, and also Canada and all the other countries that are surrounding us. We have to continue to, in fact, have a great military presence and make sure that we do not end up with a South China Sea situation in The Bahamas, the Commonwealth of The Bahamas.

The Bahamas, 60 percent of their revenue comes from tourism, which I believe that will continue to increase. They have a huge number of islands, and it is a land mass of 5,000 miles, the area of California, and 330,000 people, most of which, a couple of hundred thousand of them live in the Nassau area.

So I think that, from a protectorate standpoint, if I said that, I said that in the context of which, in fact, we currently, in fact, have governmental agencies working hand in hand with the Bahamian Government.

Senator MENENDEZ. So, the South China Sea issue is because China, a major country, has decided to develop islands and move militarily. You are not suggesting that the Bahamians are going to pose a South China Sea challenge to us, are they?

Mr. MANCHESTER. I did not understand your question.

Senator MENENDEZ. You referred to, in part of your response to my previous question, that we do not want to see a South China Sea situation. The South China Sea, allusion to the South China Sea is China as a country has decided to develop islands in the South China Sea, militarize them, and try to claim them in international passageways. I do not see what your nexus is saying about the Bahamians, that you do not want to see a South China Sea situation.

Mr. MANCHESTER. Well, I might have misunderstood or misstated that particular statement.

Senator MENENDEZ. Let me ask you this. What do you believe would be your top three policy issues that you will pursue on behalf of the United States with the Bahamians?

Mr. MANCHESTER. Well, first of all, my responsibility is to—for the protection of the United States citizens traveling in The Bahamas, and obviously the protection of the embassy and all of its American citizens, and to promote economic well-being by encouraging additional U.S. investment into the Bahamian Commonwealth.

Senator MENENDEZ. Okay. So, where do you rank our collective effort? If The Bahamas, as you say, is the third border, where do you rank the efforts to make sure that narcotics trafficking, much of which comes through the Caribbean, is a priority of your ambassadorship, should you be confirmed?

Mr. MANCHESTER. Well, that is a top priority, for sure.

Senator MENENDEZ. Okay. You did not mention it. That is why I am trying to figure it out.

Let me ask you this. You talked about the importance of U.S. citizens, and I totally agree with that. You have a role, if confirmed, as the ambassador to, in essence, be the CEO of U.S. Embassy Nassau, and your role and responsibilities as a manager in the past has drawn some public criticism. One journalist from the San Diego Union Tribune, which you owned at one time, wrote the following, and I quote: "Manchester acknowledges the hard-edged caricature is partly his fault, that one key issue is that he can be a bulldog, quick to temper and prone to verbal tirades." The same article said of you that you are prone to emotional outbursts, fiercely competitive and litigious, and talking about you only like big projects because you do not want singles or doubles, you are going after home runs.

So temperament of a United States Ambassador is incredibly important.

Mr. MANCHESTER. Yes, it is.

Senator MENENDEZ. So I raise this question as I would of a judge when we talk about Federal judges' temperament on the bench. In

terms of an ambassador, temperament is very important both for those who are going to be working under your leadership and those who you are going to be engaging with as the Ambassador of the United States to the Bahamian Government. Can you speak to those issues?

Mr. MANCHESTER. Yes, I can. First of all, I do not know exactly the article you are talking about, but it may have been written by a disgruntled reporter who was no longer with the Union Tribune. But the bottom line is that I have always believed through my entire life that you have to, in fact—there is no "I" in "team," and we are a team player. We have to do that at the embassy, and I will take my accomplishments that I have done and have excelled in over the last almost 50 years to be in a position where I think you will have as many counteracting articles written in how I have been able to, in fact, assemble great teams and be able to be successful, as you would from a disgruntled reporter.

Senator MENENDEZ. Well, another individual said, "He likes the challenge of building something for nothing. Once it is up and running, it is boring to him. He is a very poor manager. He will tell you that." Is that a true statement?

Mr. MANCHESTER. I do not think that is true at all.

Senator MENENDEZ. Okay.

Mr. MANCHESTER. I managed the—I have built and managed many, many things. I built and managed the Grand Del Mar Resort, as an example, the number-one resort in America.

Senator MENENDEZ. Let me ask you two other lines of questioning. In 2008 you made a rather large donation in support of California Proposition 8 to oppose same-sex marriage. The donation created a good deal of controversy. Many of your hotels were the focus of a boycott campaign.

Many people would see your view for Proposition 8 as support for a policy of discrimination. Would you like to clarify your position for the committee?

Mr. MANCHESTER. My position has been clarified many, many times. The fact that I am totally, 100 percent for human rights in all across the board, anything that the people want to do in this country and the parameters of the wall, they certainly are—I encourage them to do so. I have had many thousands of employees, the same percentage of gay and lesbian workers that have worked with me. I am not anti-gay. I am not—I support and have actually contributed the same amounts of money or more to the gay and lesbian effort and movement, and that was I think 10 or 11 years ago when I was asked by the Catholic Bishop of San Diego—and I am a Catholic—to contribute, and I did, and my family was opposed to it, and I want to clarify the issue that that was a huge mistake, and I have more than done everything to rectify that mistake.

Senator MENENDEZ. Would you submit for the record your support that you just described of LGBT causes?

Mr. MANCHESTER. I think this is the record, and that does, in fact, support—I do, in fact——

Senator MENENDEZ. I will look at their filings. I do not recall it, but if you have it, that is fine. If you do not, I would like to see you submit it to the record.

Let me ask you this.

Mr. MANCHESTER. Can I do that for the record? Sorry for interrupting, Senator.

Senator MENENDEZ. Yes.

Mr. MANCHESTER. Can I do that for the record right now?

Senator MENENDEZ. Sure.

Mr. MANCHESTER. The fact that I have certainly——

Senator MENENDEZ. If you want to do it verbally. I am saying if you want to submit a document saying here is the contributions, here are the efforts, here is the support I have given, and that will be part of the record. But if you want to do it verbally, and the Chairman is willing to give you the time, I am happy to have you do it.

Mr. MANCHESTER. Well, I certainly support gay and lesbian marriage, for the record.

Senator MENENDEZ. Let me ask you this. In 2016, the International Consortium of Investigative Journalists made a major disclosure about offshore banking practices in Panama, a trove of documents generally referred to as the Panama Papers. One of the companies listed in the Panama Papers was the Manchester Financial Group, which happens to be the name of your company.

Can you clarify whether your company has ever used offshore banking services in Panama?

Mr. MANCHESTER. Never, never, ever. I cannot control people using the Manchester name. The Manchester soccer team in England probably makes—maybe is not—but my name is Manchester, and I have never had anything to do with that referred name even though it has the same name as my company. But I have never, ever——

Senator MENENDEZ. So the Manchester Financial Group in the Panama Papers, which just happens to be the same name as your company, is not your company is what you are saying to the committee.

Mr. MANCHESTER. Absolutely not. It has nothing to do with——

Senator MENENDEZ. And you have never had offshore bank accounts in Panama?

Mr. MANCHESTER. Never.

Senator MENENDEZ. How about anywhere else?

Mr. MANCHESTER. Never, ever.

Senator MENENDEZ. Okay. All right. I appreciate your answers to my questions.

Mr. MANCHESTER. Thank you, Senator. Appreciate it.

Senator RUBIO. Seeing no further questions, I would thank you for your time here today and for your testimony. At some point the Chairman—and I do not know what the Chairman of the full committee will proceed to schedule what is called a business meeting on your nomination, and then there will be a vote on that.

The record for this hearing will also remain open for 48 hours so there may be additional questions submitted by the members that were not able to attend. I encourage you to answer those as soon as possible. It will help close up the record of the hearing.

Again, we thank you and your family for being here and for your willingness to appear before us and your willingness to serve the country.

With that, this hearing is adjourned.

[Whereupon, at 12:30 p.m., the hearing was adjourned.]

Additional Material Submitted for the Record

RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD SUBMITTED TO DOUG MANCHESTER BY SENATOR ROBERT MENENDEZ

Question 1. Mr. Manchester, I would pose to you a question that I have asked several of our nominees—do you believe that the Russian Government directly interfered in the U.S. elections in 2016?

Answer. Multiple media outlets have reported that top intelligence officials believe that Russia directly interfered in the U.S. election, though they were not able to alter the outcome. I have no reason to doubt these reports.

Question 2. Mr. Manchester, in the documents you submitted to the committee, you listed an investment of over $5 million in company called GeoPark, Ltd. I understand that you are close with owners of the company. I also understand that the Chilean environmental regulator has investigated GeoPark for illegal fracking without appropriate permits.

- Could you clarify your position on this issue?

Answer. I have no knowledge of this matter, and I am not an officer or a part of its management. I am only a shareholder, and I have no influence over GeoPark.

From a personal standpoint, I do not agree with the policy of fracking if it is not in full compliance with applicable laws.

Question 3. In your confirmation hearing, you indicated that the "Manchester Financial Group" that appeared the Panama Papers is not the same Manchester Group that is your company. Do you have any documentation or other evidence that there is another company or business called the Manchester Group that is listed in the Panama Papers?

Answer. As I stated during my August 2nd confirmation hearing, my company has never used offshore banking services in Panama. Unfortunately, I cannot control the use of the relatively common last name, "Manchester," and do not have the ability to produce records for the company cited in the Panama Papers.

Question 4. In your hearing, you indicated that you had given an equal amount of money to organizations that advocate for the LGBT community—$125,000—as you had to the California Prop 8 campaign. You indicated you had documentation; could you please provide it?

Answer. I pledged to donate $125,000 in support of the current civil rights endeavors of the LGBT community and made personal contributions of $25,000 during May of 2010 to the following organizations:

- $4,000 to NAGAAA (North American Gay Amateur Athletic Alliance)
- $6,000 to GOPROUD
- $8,000 to GLIDE Pride Team
- $7,000 to Rainbow World Fund

In addition, as the owner of the Hyatt, I authorized $100,000 in hotel credit to local gay and lesbian organizations for use of facilities, goods and services for events and fundraisers at the Manchester Grand Hyatt.

Please find the requested documentation attached.

[The documentation requested is located at the end of this hearing transcript.]

RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD SUBMITTED TO DOUG MANCHESTER BY SENATOR BENJAMIIN L. CARDIN

Question 1. What are the most important actions you have taken in your career to date to promote human rights and democracy? What has been the impact of your actions?

Answer. I have been significantly involved in my community of San Diego for over 40 years, and have dedicated myself to giving back and ensuring others can have an equal opportunity for a bright and successful future. While I have a personal, emotional, and spiritual devotion to all human rights, three of the main tenets of my philanthropic efforts have been related to promoting dignity and freedom of indi-

viduals by supporting programs related to health and human services, education, and youth.

I had an integral part in founding the Preuss School, the Monarch School, and the Polinsky Center in San Diego. These three organizations assist children who are impacted by homelessness, poverty, and abuse. My goal is to empower our youth to become educated and prepared for opportunities that might have otherwise been unattainable for them. The impact of these organizations that I have helped to found has meant that over 5,000 young children have had a chance to receive an education.

In 2015, I received the Shepherd of Humanity Award from the Neighborhood Market Association and the Chaldean community at large. The Shepherd of Humanity Award is given in recognition of an individual's extraordinary contributions to the Chaldean-Christian community globally. The Chaldean community of San Diego includes many refugees who fled Iraq and have struggled to build a new life in the U.S.

I am actively involved with the organization Project Concern International (PCI), which is aimed at reducing global hunger, promoting human rights, enhancing health, overcoming hardship, supporting women, and eliminating human trafficking. Through this organization, I believe I have a great understanding of the challenge human trafficking poses, and am better equipped to help fight human trafficking in The Bahamas, one of their major challenges.

Since I registered to vote when I was eighteen, I have actively taken part in the democratic process and have received many awards for leadership. I have expressed my love and support of America and the values that have made us the greatest nation in the world in open forums. My opinions in support of this incredible democracy are well known and frequently publicized. I have committed myself to the philosophy of ″community before self″ in all my endeavors. I cannot overstate my passion for humanity, the unwavering will to do right for all people, and a life-long commitment to work tirelessly to improve the human condition.

Question 2. What are the most pressing human rights issues in The Bahamas today? What are the most important steps you expect to take—if confirmed—to advance human rights and democracy in The Bahamas? What do you hope to accomplish through these actions?

Answer. The most serious human rights problems in The Bahamas as outlined in the State Department's 2016 human rights report include mistreatment of irregular migrants, an inefficient judicial system, and the perception of impunity on the part of law enforcement and immigration officials accused of using excessive force. If confirmed, I will address those problems by: partnering with human rights organizations to support their efforts to get access to Bahamian detention facilities; partnering with NGOs that work on the administration of justice to help The Bahamas develop alternatives to prosecutions such as plea bargaining to reduce the judicial case load; and providing training to further professionalize Bahamian law enforcement and defense personnel, including through human rights training.

Question 3. If confirmed, what are the potential obstacles to addressing the specific human rights issues you have identified in your previous response? What challenges will you face in The Bahamas in advancing human rights, civil society and democracy in general?

Answer. Historically, the most serious obstacles to progress on human rights in The Bahamas have been the lack of government focus and the sometimes contentious relationship between the Government and human rights NGOs. The new government, elected in May 2017, seems amenable to a more constructive relationship on these issues so, if confirmed, I anticipate expanding cooperation. Therefore, we will focus on aligning needs with resources in consultation with the Government of the Commonwealth of The Bahamas.

Question 4. Are you committed to meeting with human rights, civil society and other non-governmental organizations in the U.S. and with local human rights NGOs from the Republic of The Bahamas?

Answer. Yes. I am committed to meeting with human rights, civil society, and non-governmental organizations in The Bahamas.

Question 5. Will you engage with the Bahamians on matters of human rights, civil rights and governance as part of your bilateral mission?

Answer. Yes. If confirmed, I will work with the Government of The Bahamas to engage on matters of human rights, civil rights, and governance.

Question 6. Do you commit to bring to the Committee's attention (and the State Department Inspector General) any change in policy or U.S. actions that you sus-

pect may be influenced by any of the President's business or financial interests, or the business or financial interests of any senior White House staff?

Answer. I commit to comply with all relevant federal ethics laws, regulations, and rules, and to raise concerns that I may have through appropriate channels.

Question 7. Do you commit to inform the Committee if you have any reason to suspect that a foreign government, head of state, or foreign-controlled entity is taking any action in order to benefit any of the President's business or financial interests, or the interests of senior White House staff?

Answer. I commit to comply with all relevant federal ethics laws, regulations, and rules, and to raise concerns that I may have through appropriate channels.

Question 8. Do you or do any members of your immediate family have any financial interests in The Bahamas?

Answer. As reported on my OGE Form 278e, Section 2: I own shares of stock in Walt Disney Co. and Brookfield Asset Management, all of which I have committed to sell, if confirmed.

As reported on my OGE Form 278e, Section 2: In June of 2016, Manchester Lyford Ltd. purchased a residence in Lyford Cay, to be used as a private residence for my family.

Question 9. Research from private industry demonstrates that, when managed well, diversity makes business teams better both in terms of creativity and in terms of productivity. What will you do to promote, mentor and support your staff that come from diverse backgrounds and underrepresented groups in the Foreign Service?

Answer. At the core of any organization are its people. The senior leaders of the Department are committed to having a workforce that reflects the diverse people that it represents. If confirmed, I am determined to provide a variety of training opportunities, mentoring, and career development programs to ensure that employees have the skills necessary for current and future work assignments. Not only because embracing diversity enhances the development of the team in The Bahamas, but also because it increases proficiency levels, promotes a workplace culture that values the efforts of all members, and enhances the professional experience of our valued public servants, something that I saw in business. If confirmed, I look forward to leading the team of U.S and Bahamian nationals at Embassy Nassau and tapping into the unique and diverse talents each person brings to maintain our strong relationship with The Bahamas and promote U.S. foreign policy objectives.

Question 10. What steps will you take to ensure each of the supervisors at the Embassy are fostering an environment that is diverse and inclusive?

Answer. The State Department is committed to equal employment opportunity (EEO) and ensuring the Department's work environment is free from prohibited discrimination in all phases of employment—including recruitment, hiring, evaluation, promotion, and training. This includes improving and enhancing mentorship programs, expanding outreach to managers who make hiring decisions, and encouraging collaboration with external partners. If I am confirmed, I will strongly communicate the Department's EEO policies in my mission and ensure they are followed. I will also take advantage of the variety of programs the Department offers to help supervisors work with a multicultural staff.

Question 11. Given your past support for California Proposition 8 against same sex marriage, would you please clarify your position with regard to LGBT rights?

Answer. As I stated during my Senate Confirmation Hearing on Wednesday, August 2nd, I support same sex marriage and the civil rights efforts of the LGBT community. I am not, nor was I ever, anti-gay. I respect all members of the LGBT community, and I continue to welcome and celebrate diverse communities and interests, including those of LGBT people.

Please see the attached letter that I wrote in May 2010 outlining my views in light of California Proposition 8. [See Question 4 of Mr. Manchester's responses to questions from Senator Menendez.]Questions for the Record Submitted to

Question 12. If confirmed, would you speak out in support of LGBT rights in The Bahamas?

Answer. Yes, as I indicated in my Senate Confirmation Hearing on Wednesday, August 2nd, I will most certainly speak out in support LGBT rights in The Bahamas.

Question 13. Given the tremendous convening power that a U.S. Ambassador has, will you commit to inviting members of the LGBT community in The Bahamas to events at your residence?

Answer. Yes.

Question 14. If a U.S. citizen that happens to be an LGBT individual is in need of consular attention, would you ensure that the Embassy provides all necessary services?

Answer. Yes.

RESPONSE TO AN ADDITIONAL QUESTION FOR THE RECORD SUBMITTED TO DOUG MANCHESTER BY SENATOR JEANNE SHAHEEN

Question 1. Mr. Manchester, as you may know, the Caribbean region has often been a difficult place for LGBTQ people, with high levels of violence targeting them and a number of national laws that criminalize homosexuality. While The Bahamas has taken some steps to improve the situation in their country, it still could do more to improve safety and security for LGBTQ people who face threats of violence because of their sexual identity.

Over the last few years, I am grateful that the U.S. has begun to include LGBTQ issues as a human rights concern in our foreign policy, which is why I find it somewhat worrying that you were a major funder of Proposition 8 in California, which sought to ban same-sex marriage in that state in 2008.

- Can you tell us how you would continue U.S. efforts to promote LGBTQ people's human rights in The Bahamas, and how you could work with the Government in The Bahamas to help them take further steps toward protecting the human rights of their LGBTQ citizens?

Answer. I am completely committed to promoting human rights and inclusion for all people. If confirmed, I would lead the ongoing efforts of U.S. Embassy Nassau to promote the human rights of LGBTQ persons in The Bahamas. I would engage with Bahamian Government officials on the issue and continue to affirm U.S. solidarity with human rights defenders and civil society organizations working to uphold fundamental freedoms of LGBTQ persons to live with dignity and freedom. Embassy statements supporting LGBTQ rights, and expressions of solidarity such as the embassy's celebration of Pride Day, are important ways we can signal U.S. support and offer the LGBTQ community a measure of protection from violence. By continuing to align our embassy outreach and programming efforts, I believe that we can move the needle forward on LGBTQ issues in The Bahamas.

DOCUMENTATION SUBMITTED BY MR. MANCHESTER IN RESPONSE TO SENATOR MENENDEZ'S QUESTION NO. 4

May 1, 2010

Dear concerned community members, activists, Hyatt patrons and members of the media,

In recent months, the Manchester Grand Hyatt San Diego has been the subject of negative attention in the wake of my personal donation to California's Yes on 8 Campaign in 2008. I am sorry for the pain and conflict I have caused and would like to take this time to apologize, clarify my views on the matter and share some background on Hyatt's long-standing and commendable support of the LGBT community.

The San Diego community, the LGBT community and those that support their civil rights efforts, deserve an explanation. I am not, nor was I ever, anti-gay. I am and have been in favor of Domestic Partnership and Civil Unions for quite some time. I respect all members of the LGBT community and have several gay and lesbian employees in various departments and professional levels at the Manchester Grand Hyatt San Diego. While I stand by my belief that as a private citizen I may make personal donations to causes and charitable organizations of my choosing, I have been reminded daily that not all such actions are correct or favorable to the company, its employees or the community.

While I am the owner of the Manchester Grand Hyatt, I do not speak for Hyatt Hotels & Resorts, which manages and operates the Manchester Grand Hyatt San Diego and other properties across the world. My private act and financial contribution does not in any way reflect or represent advocacy on the part of Hyatt Hotels & Resorts or its thousands of employees worldwide. Hyatt has a long history of support and engagement with the LGBT community, something we all stand by and take great pride in.

I hereby pledge to donate $125,000 in support of the current civil rights endeavors of the LGBT community. I will make a personal donation to the Human Rights Campaign of $25,000, earmarked specifically for their efforts to create Domestic

Partnership & Civil Union rights nationally. Further, I will endow the Manchester Grand Hyatt San Diego with a $100,000 in-kind donation of facilities, resources, goods and services to LGBT organizations and individuals.

I will personally continue to welcome and celebrate diverse communities and interests, including the LGBT community, at the Manchester Grand Hyatt San Diego. Hyatt was the first major hotel company to offer our employees Domestic Partner Benefits and the company retains a strong track record of enforcing non-discriminatory policies throughout every hotels it operates, including the Manchester Grand Hyatt. Hyatt incorporates nondiscrimination as part of its EEO policies and has consistently and proudly advertised in LGBT media including print, online and event sponsorship participation.

I understand and echo your desire to do business with companies that share your values and it is my sincere hope that Hyatt's record on diversity will be judged on its merits and not on my personal, impulsive and misunderstood action.

With Respect & Warm Regards,

Doug Manchester