

108TH CONGRESS
1ST SESSION

S. 403

To lift the trade embargo on Cuba, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 13, 2003

Mr. BAUCUS (for himself, Mrs. LINCOLN, Mr. CONRAD, and Mrs. MURRAY) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To lift the trade embargo on Cuba, and for other purposes.

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

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “United States-Cuba
5 Trade Act of 2003”.

6 SEC. 2. FINDINGS.

7 The Congress finds that—

8 (1) the continuation of the embargo on trade
9 between the United States and Cuba that was de-
10 clared in February of 1962 is counterproductive,
11 adding to the hardships of the Cuban people while

1 making the United States the scapegoat for the fail-
2 ures of the communist system;

3 (2) in the former Soviet Union, the Eastern
4 bloc countries, China, and Vietnam, the United
5 States is using economic, cultural, academic, and
6 scientific engagement to support its policy of pro-
7 moting democratic and human rights reforms;

8 (3) the United States can best support demo-
9 cratic change in Cuba by promoting trade and com-
10 mmerce, travel, communications, and cultural, aca-
11 demic, and scientific exchanges;

12 (4) the Castro regime has a record of harboring
13 fugitives from United States justice and denying its
14 people basic human and civil rights;

15 (5) expanding bilateral trade with the Cuban
16 people is one of the most effective ways of influ-
17 encing change from within Cuba's repressive society
18 and promoting progress on human rights and demo-
19 cratic rule;

20 (6) since many United States trading partners,
21 including all other countries in the Western Hemi-
22 sphere, trade with Cuba, the affect of the United
23 States policy is to disadvantage United States farm-
24 ers and businesses that could otherwise compete in
25 the Cuban market;

1 (7) Cuba was one of the founding members of
2 the General Agreement on Tariffs and Trade in
3 1947 and is an original member of the World Trade
4 Organization; and

11 SEC. 3. REMOVAL OF PROVISIONS RESTRICTING TRADE
12 AND OTHER RELATIONS WITH CUBA.

13 (a) AUTHORITY FOR EMBARGO AND SUGAR
14 QUOTA.—Section 620(a) of the Foreign Assistance Act of
15 1961 (22 U.S.C. 2370(a)) is repealed.

16 (b) TRADING WITH THE ENEMY ACT.—The authori-
17 ties conferred upon the President by section 5(b) of the
18 Trading With the Enemy Act (50 U.S.C. App. 5(b)),
19 which were being exercised with respect to Cuba on July
20 1, 1977, as a result of a national emergency declared by
21 the President before that date, and are being exercised
22 on the day before the effective date of this Act, may not
23 be exercised on or after such effective date with respect
24 to Cuba. Any regulations in effect on the day before such

1 effective date pursuant to the exercise of such authorities
2 shall cease to be effective on such date.

3 (c) EXERCISE OF AUTHORITIES UNDER OTHER PRO-
4 VISIONS OF LAW.—

5 (1) REMOVAL OF PROHIBITIONS.—Any prohibi-
6 tion on exports to Cuba that is in effect on the day
7 before the effective date of this Act under the Ex-
8 port Administration Act of 1979 (50 U.S.C. App.
9 2401 et seq.) shall cease to be effective on such ef-
10 fective date.

11 (2) AUTHORITY FOR NEW RESTRICTIONS.—The
12 President may, on and after the effective date of this
13 Act—

14 (A) impose export controls with respect to
15 Cuba under section 5, 6(j), 6(l), or 6(m) of the
16 Export Administration Act of 1979, and

17 (B) exercise the authorities the President
18 has under the International Emergency Eco-
19 nomic Powers Act with respect to Cuba pursu-
20 ant to a declaration of national emergency re-
21 quired by that Act that is made on account of
22 an unusual and extraordinary threat to the na-
23 tional security, foreign policy, or economy of the
24 United States, that did not exist before the en-
25 actment of this Act.

1 (d) CUBAN DEMOCRACY ACT.—The Cuban Democ-
2 racy Act of 1992 (22 U.S.C. 6001 et seq.) is repealed.

3 (e) REPEAL OF CUBAN LIBERTY AND DEMOCRATIC
4 SOLIDARITY (LIBERTAD) ACT OF 1996.—

5 (1) REPEAL.—The Cuban Liberty and Demo-
6 cratic Solidarity (LIBERTAD) Act of 1996 (22
7 U.S.C. 6021 et seq.) is repealed.

8 (2) CONFORMING AMENDMENTS.—(A) Section
9 498A of the Foreign Assistance Act of 1961 (22
10 U.S.C. 2295a) is amended—

11 (i) in subsection (a)(11) by striking “and
12 intelligence facilities, including the military and
13 intelligence facilities at Lourdes and Cien-
14 fuegos,” and inserting “facilities,”;

15 (ii) in subsection (b)—

16 (I) in paragraph (4) by adding “and”
17 after the semicolon;

18 (II) by striking paragraph (5); and

19 (III) by redesignating paragraph (6)
20 as paragraph (5); and

21 (iii) by striking subsection (d).

22 (B) Section 498B(k) of the Foreign Assistance
23 Act of 1961 (22 U.S.C. 2295b(k)) is amended by
24 striking paragraphs (3) and (4).

1 (C) Section 1611 of title 28, United States
2 Code, is amended by striking subsection (c).

6 (f) TRADE SANCTIONS REFORM AND EXPORT EN-
7 HANCEMENT ACT OF 2000.—The Trade Sanctions Re-
8 form and Export Enhancement Act of 2000 (title IX of
9 Public Law 106-387 (114 Stat. 1549A-67)) is amend-
10 ed—

11 (1) in section 906(a)(1) by striking “Cuba”;

12 (2) in section 908—

13 (A) by striking subsection (b);

14 (B) in subsection (a)—

15 (i) by striking “PROHIBITION” and all
16 that follows through “(1) IN GENERAL.—
17 ” and inserting “IN GENERAL.—”

18 (ii) by striking “for exports to Cuba
19 or”;

20 (iii) by striking paragraph (2); and

21 (iv) by redesignating paragraph (3) as
22 subsection (b) (and conforming the margin
23 accordingly); and

1 (C) in subsection (b) (as redesignated), by
2 striking “paragraph (1)” and inserting “sub-
3 section (a);
4 (3) by striking section 909;
5 (4) by striking section 910; and
6 (5) by redesignating section 911 as section 909.

7 (g) REPEAL OF PROHIBITION ON TRANSACTIONS OR
8 PAYMENTS WITH RESPECT TO CERTAIN UNITED STATES
9 INTELLECTUAL PROPERTY.—Section 211 of the Depart-
10 ment of Commerce and Related Agencies Appropriations
11 Act, 1999 (Public Law 105-277; 112 Stat. 2681-88) is
12 repealed.

13 (h) TERMINATION OF DENIAL OF FOREIGN TAX
14 CREDIT WITH RESPECT TO CUBA.—Subparagraph (A) of
15 section 901(j)(2) of the Internal Revenue Code of 1986
16 (relating to denial of foreign tax credit, etc., with respect
17 to certain foreign countries) is amended by adding at the
18 end thereof the following new flush sentence:

19 “Notwithstanding the preceding sentence, this
20 subsection (other than paragraph (2)(A)(iv))
21 shall not apply to Cuba after the date that is
22 60 days after the date of the enactment of this
23 sentence.”.

24 (i) SUGAR QUOTA PROHIBITION UNDER FOOD SECU-
25 RITY ACT OF 1985.—Subsection (c) of section 902 of the

1 Food Security Act of 1985 (7 U.S.C. 1446g note) is re-
2 pealed.

3 **SEC. 4. TELECOMMUNICATIONS EQUIPMENT AND FACILI-
4 TIES.**

5 Any common carrier within the meaning of section
6 3 of the Communications Act of 1934 (47 U.S.C. 153)
7 is authorized to install, maintain, and repair telecommuni-
8 cations equipment and facilities in Cuba, and otherwise
9 provide telecommunications services between the United
10 States and Cuba. The authority of this section includes
11 the authority to upgrade facilities and equipment.

12 **SEC. 5. TRAVEL.**

13 (a) **IN GENERAL.**—Travel to and from Cuba by indi-
14 viduals who are citizens or residents of the United States,
15 and any transactions ordinarily incident to such travel,
16 may not be regulated or prohibited if such travel would
17 be lawful in the United States.

18 (b) **TRANSACTIONS INCIDENT TO TRAVEL.**—Any
19 transactions ordinarily incident to travel which may not
20 be regulated or prohibited under subsection (a) include,
21 but are not limited to—

22 (1) transactions ordinarily incident to travel or
23 maintenance in Cuba; and

4 SEC. 6. DIRECT MAIL DELIVERY TO CUBA.

5 The United States Postal Service shall take such ac-
6 tions as are necessary to provide direct mail service to and
7 from Cuba, including, in the absence of common carrier
8 service between the 2 countries, the use of charter pro-
9 viders.

10 SEC. 7. NEGOTIATIONS WITH CUBA.

11 (a) NEGOTIATIONS.—The President should take all
12 necessary steps to conduct negotiations with the Govern-
13 ment of Cuba—

18 (2) for the purpose of securing the protection of
19 internationally recognized human rights.

20 (b) DEFINITIONS.—As used in this section, the terms
21 “national of the United States” and “property” have the
22 meanings given those terms in section 502 of the Inter-
23 national Claims Settlement Act of 1949 (22 U.S.C.
24 1643a).

1 SEC. 8. EXTENSION OF NONDISCRIMINATORY TRADE

2 **TREATMENT.**

3 (a) SENSE OF CONGRESS.—

4 (1) IN GENERAL.—It is the sense of the Con-
5 gress that—6 (A) the United States should promote
7 democratic change and economic reform by nor-
8 malizing trade relations with Cuba; and9 (B) upon the enactment of this Act, it will
10 no longer be necessary for the United States to
11 continue to use article XXI of the GATT 1994
12 with respect to Cuba, understanding that the
13 President retains full authority to invoke article
14 XXI of the GATT 1994 and comparable provi-
15 sions in other Uruguay Round Agreements in
16 the future in all appropriate circumstances.17 (2) DEFINITIONS.—In this section, the term
18 “GATT 1994” and “Uruguay Round Agreements”
19 have the meanings given those terms in section 2 of
20 the Uruguay Round Agreements Act (19 U.S.C.
21 3501).22 (b) EXTENSION OF NONDISCRIMINATORY TREAT-
23 MENT TO THE PRODUCTS OF CUBA.—24 (1) HARMONIZED TARIFF SCHEDULE AMEND-
25 MENTS.—General note 3(b) of the Harmonized Tar-
26 iff Schedule of the United States is amended—

- 1 (A) by striking “to section 401 of the Tar-
2 iff Classification Act of 1962,”; and
3 (B) by striking “Cuba”.

4 (2) REPEAL OF SECTION 401 OF THE TARIFF
5 CLASSIFICATION ACT OF 1962.—Section 401 of the
6 Tariff Classification Act of 1962 (76 Stat. 78) is re-
7 pealed.

10 (A) EXTENSION OF NONDISCRIMINATORY
11 TREATMENT.—Nondiscriminatory treatment
12 (normal trade relations treatment) shall apply
13 to the products of Cuba.

14 (B) TERMINATION OF APPLICATION OF
15 TITLE IV.—Title IV of the Trade Act of 1974
16 (19 U.S.C. 2101 et seq.) shall cease to apply to
17 Cuba.

23 (c) REPORT TO CONGRESS.—The President shall
24 submit to the Congress, not later than 18 months after

1 the date of the enactment of this Act, a report on trade
2 relations between the United States and Cuba.

3 **SEC. 9. PROHIBITION ON LIMITING ANNUAL REMITTANCES.**

4 (a) IN GENERAL.—Except as provided in subsection
5 (b), the Secretary of the Treasury may not limit the
6 amount of remittances to Cuba that may be made by any
7 person who is subject to the jurisdiction of the United
8 States, and the Secretary shall rescind all regulations in
9 effect on the date of enactment of this Act that so limit
10 the amount of those remittances.

11 (b) STATUTORY CONSTRUCTION.—Nothing in sub-
12 section (a) may be construed to prohibit the prosecution
13 or conviction of any person committing an offense de-
14 scribed in section 1956 of title 18, United States Code
15 (relating to the laundering of monetary instruments) or
16 section 1957 of such title (relating to engaging in mone-
17 tary transactions in property derived from specific unlaw-
18 ful activity).

19 **SEC. 10. EFFECTIVE DATE.**

20 Except as provided in section 8, this Act shall take
21 effect 60 days after the date of the enactment of this Act.

