Services Committee, which passed this bill last week.

The ongoing genocide in the Darfur region of Sudan already is believed to have caused the deaths of almost half a million people. More than 200,000 people have been killed by Sudanese government forces and armed militias since 2003, and another 200,000 people have died as a result of the deliberate destruction of homes, crops and water supplies and the resulting conditions of famine and disease. More than 2.5 million people have been displaced.

According to a recent United Nations report, attacks against humanitarian aid workers have increased 150 percent in the past year. There are currently 13,000 humanitarian aid workers in Darfur, providing aid to more than 4 million people, and violence limits their ability to reach people in need. In June, approximately one in six humanitarian convoys leaving the capitals of Darfur provinces were ambushed by armed groups. About two-thirds of the population of Darfur is dependent upon these courageous aid workers and the aid they bring.

Early in 2006, I visited the Darfur region with my good friend from California, Speaker NANCY PELOSI, and I was deeply disturbed by what I saw. As far as the eyes could see, there were crowds of displaced people who had been driven from their homes, living literally on the ground with little tarps just covering them. That was over a year ago, and yet this genocide has been allowed to continue.

The world stood by and watched the genocide that occurred in Rwanda. The world has noted over and over again the atrocities of the Holocaust. Yet we cannot seem to get the international community to move fast enough to stop the genocide that is taking place in Darfur.

The Darfur Accountability and Divestment Act is a concrete proposal to impose sanctions on the Government of Sudan and on corporations that continue to do business with this genocidal regime. I urge all of my colleagues to support this bill, and I hope that it will be enacted and implemented in time to save lives, allow humanitarian aid to continue, and force the Government of Sudan to stop this genocide.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts (Mr. FRANK) that the House suspend the rules and pass the bill, H.R. 180, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. FRANK of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

IRAN SANCTIONS ENABLING ACT OF 2007

Mr. SHERMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2347) to authorize State and local governments to direct divestiture from, and prevent investment in, companies with investments of $20,000,000 or more in Iran's energy sector, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Iran Sanctions Enabling Act of 2007''.

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) The Convention on the Prevention and Punishment of the Crime of Genocide, completed at Paris, December 9, 1948 (commonly referred to as the ''Genocide Convention'') defines genocide as, among other things, the act of killing members of a national, ethnic, racial, or religious group with the intent to destroy, in whole or in part, the targeted group. In addition, the Genocide Convention also prohibits conspiracy to commit genocide, as well as ''direct and public incitement to commit genocide''.

(2) 133 member states of the United Nations have ratified the Genocide Convention and thereby pledged to prosecute individuals who violate the Genocide Convention's prohibition on incitement to commit genocide, as well as those individuals who commit genocide directly.

(3) On October 27, 2005, at the World Without Zionism Conference in Tehran, Iran, the President of Iran, Mahmoud Ahmadinejad, called for Israel to be ''wiped off the map,'' described Israel as ''a disgraceful blot [on] the face of the Islamic world,'' and declared that ''[a]nybody who recognizes Israel will burn in the fire of the Islamic nation's fury.'' President Ahmadinejad has subsequently made similar types of comments, and the Government of Iran has displayed inflammatory symbols that express similar intent.

(4) On December 23, 2006, the United Nations Security Council unanimously approved Resolution 1737, which bans the supply of nuclear technology and equipment to Iran and freezes the assets of certain organizations and individuals involved in Iran's nuclear program, until Iran suspends its enrichment of uranium, as verified by the International Atomic Energy Agency.

(5) Following Iran's failure to comply with Resolution 1737, on March 24, 2007, the United Nations Security Council unanimously approved Resolution 1747, to tighten sanctions on Iran, imposing a ban on arms sales and expanding the freeze on assets, in response to the country's uranium-enrichment activities.

(6) There are now signs of domestic discontent within Iran, and targeted financial and economic measures could produce further political pressure within Iran. According to the Economist Intelligence Unit, the nuclear crisis ''is imposing a heavy opportunity cost on Iran's economic development, slowing down investment in the oil, gas, and petrochemical sectors, as well as in critical infrastructure projects, including electricity''.

(7) Targeted financial measures represent one of the strongest non-military tools available to convince Tehran that it can no longer afford to engage in dangerous, destabilizing activities such as its nuclear weapons program and its support for terrorism.

(8) Foreign persons that have invested in Iran's energy sector, despite Iran's support of international terrorism and its nuclear program, have provided additional financial means for Iran's activities in these areas, and many United States persons have unknowingly invested in those same foreign persons.

(9) There is an increasing interest by States, local governments, educational institutions, and private institutions to seek to disassociate themselves from companies that directly or indirectly support the Government of Iran's efforts to achieve a nuclear weapons capability.

(10) Policy makers and fund managers may find moral, prudential, or reputational reasons to divest from companies that accept the business risk of operating in countries that are subject to international economic sanctions or that have business relationships with countries, governments, or entities with which any United States company would be prohibited from dealing because of economic sanctions imposed by the United States.

SEC. 3. TRANSPARENCY IN CAPITAL MARKETS.

(a) LIST OF PERSONS INVESTING IN IRAN ENERGY SECTOR OR SELLING ARMS TO THE GOVERNMENT OF IRAN.—

(1) PUBLICATION OF LIST.—Not later than 6 months after the date of the enactment of this Act and every 6 months thereafter, the President or a designee of the President shall, using only publicly available (including proprietary) information, ensure publication in the Federal Register of a list of each person, whether within or outside of the United States, that, as of the date of the publication, has an investment of more than $20,000,000 in the energy sector in Iran, sells arms to the Government of Iran, or is a financial insitutiton that extends $20,000,000 or more in credit to the Government of Iran for 45 days or more. To the extent practicable, the list shall include a description of the investment made by each such person, including the dollar value, intended purpose, and status of the investment, as of the date of the publication.

(2) PRIOR NOTICE TO PERSONS.—The President or a designee of the President shall, at least 30 days before the list is published under paragraph (1), notify each person that the President or the designee, as the case may be, intends to include on the list.

(3) DELAY IN INCLUDING PERSONS ON THE LIST.—After notifying a person under paragraph (2), the the President or a designee of the President may delay including that person on the list for up to 60 days if the President or the designee determines and certifies to the Congress that the person has taken specific and effective actions to terminate the involvement of the person in the activities that resulted in the notification under paragraph (2).

(4) REMOVAL OF PERSONS FROM THE LIST.—The President or a designee of the President may remove a person from the list before the next publication of the list under paragraph (1) if the President or the designee determines that the person does not have an investment of more than $20,000,000 in the energy sector in Iran, does not sell arms to the Government of Iran, and is not a financial insitutiton that extends $20,000,000 or more in credit to the Government of Iran for 45 days or more.

(b) PUBLICATION ON WEBSITE.—The President or a designee of the President shall ensure that the list is published on an appropriate government website, updating the list as necessary to take into account any person removed from the list under subsection (a)(4).

(c) DEFINITION.—In this section, the term ''investment'' has the meaning given that term in section 14(9) of the Iran Sanctions Act (50 U.S.C. 1701 App.).

SEC. 4. AUTHORITY OF STATE AND LOCAL GOVERNMENTS TO DIVEST FROM CERTAIN COMPANIES INVESTED IN IRAN'S ENERGY SECTOR.

(a) STATEMENT OF POLICY.—It is the policy of the United States to support the decision of State governments, local governments, and educational institutions to divest from, and to prohibit the investment of assets they control in, persons that have investments of more than $20,000,000 in Iran's energy sector, persons that sell arms to the Government of Iran, and financial insitutitons that extend $20,000,000 or more in credit to the Government of Iran for 45 days or more.

(b) AUTHORITY TO DIVEST.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a State or local government may adopt and enforce measures to divest the assets of the State or local government from, or prohibit investment of the assets of the State or local government in—

(A) persons that are included on the list most recently published under section 3(a)(1), as modified under section 3(a)(4);

(B) persons that sell arms to the Government of Iran;

(C) financial insitutitons that extend $20,000,000 or more in credit to the Government of Iran for 45 days or more; and

(D) persons that are included on any list of entities with investments in Iran, entities doing business in Iran, or entities doing business with the Government of Iran, which is issued pursuant to a law that—

(i) authorizes a State or local government to divest from, or prohibits a State or local government from investing assets in, the persons; and

(ii) is enacted by a State or local government on or before the first publication of a list under section 3.

(2) DEFINITIONS.—In this subsection:

(A) INVESTMENT.—The ''investment'' of assets includes—

(i) a commitment or contribution of assets; and

(ii) a loan or other extension of credit of assets.

(B) ASSETS.—The term ''assets'' refers to public monies and includes any pension, retirement, annuity, or endowment fund, or similar instrument, that is controlled, directly or indirectly, by a State or local government.

(c) PREEMPTION.—A measure of a State or local government that is authorized by subsection (b) is not preempted by any Federal law or regulation.

SEC. 5. SAFE HARBOR FOR CHANGES OF INVESTMENT POLICIES BY MUTUAL FUNDS.

Section 13 of the Investment Company Act of 1940 (15 U.S.C. 80a–13) is amended by adding at the end the following new subsection:

''(c) SAFE HARBOR FOR CHANGES IN INVESTMENT POLICIES.—Notwithstanding any other provision of Federal or State law, no person may bring any civil, criminal, or administrative action against any registered investment company or person providing services to such registered investment company (including its investment adviser), or any employee, officer, or director thereof, based solely upon the investment company divesting from, or avoiding investing in, securities issued by companies that are included on the most recent list published under section 3(a)(1) of the Iran Sanctions Enabling Act of 2007, as modified under section 3(b) of that Act. For purposes of this subsection the term 'person' shall include the Federal government, and any State or political subdivision of a State.''.

SEC. 6. SAFE HARBOR FOR CHANGES OF INVESTMENT POLICIES BY EMPLOYEE BENEFIT PLANS.

Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132) is amended by adding at the end the following new subsection:

''(n) No person shall be treated as breaching any of the responsibilities, obligations, or duties imposed upon fiduciaries by this title, and no action may be brought under this section against any person, for divesting plan assets from, or avoiding investing plan assets in, persons that are included on the most recent list published under section 3(a)(1) of the Iran Sanctions Enabling Act, as modified under section 3(a)(4) of such Act.''.

SEC. 7. RULE OF INTERPRETATION.

Nothing in this Act shall be interpreted to limit the authority of any person to divest, or avoid investment in, any asset, or to adopt or enforce any measure to do so.

SEC. 8. DEFINITIONS.

In this Act:

(1) IRAN.—the term ''Iran'' includes any agency or instrumentality of Iran.

(2) ENERGY SECTOR.—The term ''energy sector'' refers to activities to develop petroleum or natural gas resources, or nuclear power.

(3) PERSON.—The term ''person'' means—

(A) a natural person as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group;

(B) any governmental entity or instrumentality of a government, including a multilateral development institution (as defined in section 1701(c)(3) of the International Financial Institutions Act); and

(C) any successor, subunit, or subsidiary of any entity described in subparagraph (A) or (B).

(4) STATE.—The term ''State'' includes the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(5) STATE OR LOCAL GOVERNMENT.—

(A) IN GENERAL.—The term ''State or local government'' includes—

(i) any State and any agency or instrumentality thereof;

(ii) any local government within a State, and any agency or instrumentality thereof;

(iii) any other governmental instrumentality; and

(iv) any public institution of higher education.

(B) PUBLIC INSTITUTION OF HIGHER EDUCATION.—The term ''public institution of higher education'' means a public institution of higher education within the meaning of the Higher Education Act of 1965.

SEC. 9. SUNSET.

This Act shall terminate 30 days after the date on which the President has certified to Congress that—

(1) the Government of Iran has ceased providing support for acts of international terrorism and no longer satisfies the requirements for designation as a state-sponsor of terrorism for purposes of section 6(j) of the Export Administration Act of 1979, section 620A of the Foreign Assistance Act of 1961, section 40 of the Arms Export Control Act, or any other provision of law; and

(2) Iran has ceased the pursuit, acquisition, and development of nuclear, biological, and chemical weapons and ballistic missiles and ballistic missile launch technology.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. SHERMAN) and the gentleman from New Jersey (Mr. GARRETT) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. SHERMAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and include extraneous materials on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHERMAN. Mr. Speaker, I yield myself so much time as I may consume.

Mr. Speaker, at Natans, the centrifuges are turning. Iran is perhaps half a decade away from a nuclear weapon. Iran, however, is not without its Achilles heels. The mullahs have mismanaged the economy to the point where they are rationing gasoline in Tehran. Iran has a vibrant political culture in which the behavior of the elites and the behavior of the people can indeed be influenced by outside information. The key is to be able to broadcast into Iran on RadioFarda a message. That message is that Iran will be diplomatically and economically isolated around the world, and especially from the United States, unless it drops its nuclear weapons program. The problem is, I can't lie that well in Farsi. The fact is we have not yet begun to use the economic and diplomatic levers available to the United States. And it is not yet true that Iran's nuclear program subjects it to the possibility of economic and diplomatic isolation.

The bad news, Mr. Speaker, is that we have not had the political will to reach into our economic and diplomatic tool box. The good news is we've still got a lot of tools lying there in the tool box. One of the best is divestiture. Divestiture needs to be part of a bigger economic and diplomatic strategy to isolate the government in Tehran. If we can dry up, however, Iran's access to foreign investment, if we can sever the ties between the multinational corporations and the government of Iran, we may be able to increase the cost of Iran's behavior and put enough pressure on that regime so either it decides, or its people insist, that it abandon its nuclear program.

Now, the key is to change the behavior of these multinational corporations, and the best way to do that is with American policies that make them choose between the benefits of doing business with the American people, American investors on the one hand, and the so-called benefits they might get from doing business with Tehran on the other.

So what does this bill do to begin and continue the divestment process? The bill mandates nothing except for the creation of a list by the administration, which I will get to in just a second. It provides a clear authorization from Congress for States to divest from companies conducting the certain identified activities in Iran, and it would shield both private pension plan managers, mutual funds and public sector pension plan managers from harassing lawsuits should they decide on their

own initiative to divest from those companies carrying out certain activities in Iran. In doing so, this bill sweeps away an excuse from those investment managers who, up until now, haven't wanted to be bothered to divest, even though their beneficiaries are demanding it.

This bill also provides some standards. I mentioned this in the discussion of the Sudan bill. First, people want to know what activities should cause them to divest. Now, I have more than sympathy with those who say one penny of activity, sell one candy bar in Tehran and I don't want my money invested in your company. That's a purist approach. That's an approach some may choose to take. I think the better harnessing of America's economic power and the power of individual investors, individual decisionmakers, pension plans, mutual funds, et cetera, is to focus on three activities, and that is what this bill does.

It requires that 6 months after enactment, the U.S. Government, the administration, probably the Treasury Department but whichever department is identified by the President, produce a list of those international corporations that engage in any one of these three activities. The first is to invest $20 million in the energy sector of Iran. That is a standard we have adhered to for a long time since the adoption of what was then called the Iran and Libya Sanctions Act, now the Iran Sanctions Act.

□ 1330

The second are those firms selling munitions to the government in Tehran. And the third are those who extend credit of $20 million or more to the Iranian Government.

And at this point, let me pause, because the question arises, what is it to extend credit to the Iranian Government when the Iranian Government issues a long-term bond?

Is it just the company that buys the bond or the financial institution that buys the bond, or is it directly from the Iranian Government, or is it those that provide a secondary market by buying those bonds from the original purchaser?

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. SHERMAN. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentleman for making this point. The gentleman from California is a very careful student of the intertwined legal and economic issues, and the point he is making now is very important. We expect this to be subjected to a sensible economic analysis; that is, if you are providing real value to that government, then you are covered. Clearly, if you have a secondary market for bonds, you've enhanced the value of the initial instrument. So people who support a secondary market for a particular instrument are clearly investing in the underlying issuer. They know that. It is a conscious act. No one is going to be trapped.

So the gentleman is making a very important point, and we want to be very clear. We will be expecting the administration, in preparing this list, to use the same kind of economic analysis we would use in any other case. If an activity, a purchase, an investment, a loan, any financial activity is contributing to the financial enhancement of the Iranian Government, then it triggers, we would believe, this bill.

Mr. SHERMAN. I thank the gentleman and agree with him completely. This bill is designed to cause the list prepared by the administration to include those who invest in bonds issued by the Government of Iran.

I should point out that in identifying the three activities that are going to cause multinational corporations to be listed, that we are paralleling what we did just last week when this Congress passed the bill dealing with the Overseas Private Investment Corporation, which also focused on pretty much the same standards and said those multinational corporations engaged in those activities with the Government of Iran would not be able to be partners of OPIC in its activities around the world.

Now, the bill also provides that any State statute enacted prior to the publication of the first list of firms by the administration would be grandfathered. States do not have to wait and should not wait for the publication of this list by the administration.

States such as Florida, Ohio and California, which are proceeding with divestment measures, and any other States which might consider a divestment program need not wait for the Federal list, and whatever they choose to do will be grandfathered in this legislation.

Now, this bill states explicitly what I think was clearly true of both the Sudan bill we just discussed and this bill, and that is it provides a safe harbor but does not imply that that which lies outside the safe harbor is somehow forbidden. Section 7 of this bill would make it clear that the authorization that's been provided by this bill is just that, a safe harbor, that this bill in no way implicitly restricts or takes away whatever authorities the States, the pension managers and mutual funds already have.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. SHERMAN. I yield to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. I thank the gentleman once again for helping clarify a point. Sometimes when we do legislation I wish we had a clause that we could automatically print out that says ''this bill does not do what this bill does not do,'' because people are forever reading into legislation things that aren't there.

We have some people who have claimed that they do not now have the legal authority to do the divestment. When this bill becomes law, as I hope it will be, and its companion bill, that argument won't be able to be made at all.

I agree with the gentleman from California. I don't think it's a good argument now. But we do want to make clear, in absolutely nailing this down, we in no way want to give any support to the argument that, in the absence of this bill, the authority isn't there. So I thank the gentleman for once again helping us be very clear about what we're doing.

Mr. SHERMAN. I thank the gentleman and agree with him completely.

I believe that divestment is already clearly authorized in the terms of the fiduciary trying to meet their fiduciary obligation. Investing in terror is bad business for States. I don't think they have an obligation to, in making their own investment policy, to conform to some Federal foreign policy. But if they do, Federal foreign policy for a long time has been very clear: don't invest in Iran. That's why we've had the Iran-Libya Sanctions Act, now the Iran Sanctions Act for quite some time.

So this bill will eliminate an excuse for those who do not want to, that have not yet, divested. It will provide a safe harbor, and it will provide guidance for those who want to use their investments to get multinational corporations to take the actions that will be most effective.

It provides a list of companies not to invest in, and it provides a standard to define what particularly it is we want the business community worldwide to desist from doing.

Ms. JACKSON-LEE of Texas. Will the gentleman yield?

Mr. SHERMAN. I'll yield to the gentlelady from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. I thank the distinguished gentleman. Let me quickly thank you for your leadership and thank the ranking member of our Committee on Foreign Affairs, who I know is involved in this action.

And let me applaud the approach. That's what I want to reaffirm. Diplomatic and economic sanctions have not been used effectively against Iran. And with the more publicized National Intelligence Estimates that indicates that terrorism is franchising around the world, the troubling activities of Iran with Iraq and the actions that seem to be moving Iran toward nuclear creativity, if you will, warrants a strong statement by the United States. And it also is warranted because of the active middle class who wants a democratic and free Iran.

This is a right way to go. It is a different approach from a military strike and the representations of this administration about attacking Iran militarily. The American people want to see us act, and I believe that this legislation dealing with a list of those investing and giving guidance to the economic sector is the right direction to take.

And I am also grateful that this does not preempt State law and States that

have already gone further in divestment.

So I thank the gentleman for yielding, and I hope my colleagues will support this legislation.

Mr. SHERMAN. Mr. Speaker, I reserve the balance of my time.

Mr. GARRETT of New Jersey. Mr. Speaker, I also thank again the distinguished chairman of the committee for bringing this important legislation to the floor. I yield myself such time as I may consume.

I rise today in support of H.R. 2347, the Iran Sanctions Enabling Act. The radical hard-line Islamic leadership of Iran presents one of the most serious threats today to peace and stability throughout the world. First, their quest to acquire nuclear weapons technology, when you combine that with comments by the Iranian President such that the Nation of Israel should be ''wiped off the map,'' make it clear that the Iranian leadership is unpredictable and dangerous.

The Iranian President has gone even farther by speculating that the collateral damage of attacking Israel with nuclear weapons would be worth the cost to the Muslim world. So for a regime that is developing nuclear capabilities, these are truly extraordinary words, and the world must take notice.

The Iranian President and the Ayatollah's supreme wish is the destruction of Israel and all of her people. They have not tried to mask their goal. They doubt that the Holocaust ever occurred in the past, and now they're making plans for the Holocaust of the future. And there is no doubt about it. Their fresh Holocaust will stretch far beyond the borders of Israel. They will encompass all whom they consider a threat to their values and to their plans. So to confront Iran now is not only in the national interest, it is also in our interest because the U.S. will surely sometime be a target itself.

There is much talk at the U.N. about preventing wars and genocide, but, unfortunately, there is so too little action. The world should not ignore these words now of aggression. Because of the lack of success the U.N. has had in keeping the nuclear technology out of the hands of these radicals, the United States must now take the appropriate measures and work directly with all of our allies to do everything in our power to prevent Iran from obtaining those weapons.

And so that is why I'm here today. I am pleased with H.R. 2347, for this act will do several important measures. First, as indicated, it permits, permits, not mandates, the divestiture from companies with investments of $20 million or more in Iran's energy sector.

Secondly, it directs the Federal Government to produce a list of such companies that qualify for such investment.

Thirdly, it authorizes State governments, local governments and public educational institutions to divest even their pension fund assets from companies on that list.

Fourthly, it permits private investment and pension plan managers to divest from companies listed, as the chairman states, without breaching their fiduciary responsibilities.

As the committee report herein notes, companies based in the U.S. are already barred from doing business with Iran. But these trade investment sanctions do not extend to foreign companies which operate legally. Foreign persons that invested in Iran's energy sector, despite Iran's support of international terrorism and its nuclear program, have provided additional financial means for Iran's activities in these areas, and many United States persons have unknowingly invested in those same persons.

So Mr. Speaker, in conclusion, it is my hope that by allowing U.S. companies to divest their financial interests from any foreign-owned companies doing business with Iran, we will continue to put that pressure on that radical Iranian leadership to end their stated goals of acquiring nuclear weapons and encourage other countries to bolster their trade and economic restrictions on Iran as well.

So I urge my colleagues to support this small but very important step in reining in this extremist regime.

Mr. Speaker, I reserve the balance of my time.

Mr. SHERMAN. I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, again, I want to thank the bipartisan leadership and staff of both committees, because the Foreign Affairs Committee, under the leadership of the gentleman from California and the gentlewoman from Florida, have worked on this.

I, in my remarks on the Darfur bill, really spoke about both bills. Let me just reiterate, this is a chance for us to make very clear the overwhelming opposition, staunch opposition of the American people to the nuclear weapons plans of the regime in Iran and other aspects of that regime.

And I hope that we will, I'm told it will be tomorrow, have two overwhelming rollcalls in this House which will be, in themselves, an expression of the American people's views on both the genocide in Darfur and the nuclearization of the Iranian military, and that will then be followed by a widespread demonstration across this country of people's determination as Americans that we will do what we can to stop both of those. So I think this is a very good day for the bipartisan legislative process.

I submit the following correspondence.

COMMITTEE ON EDUCATION AND LABOR,
Washington, DC, July 27, 2007.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to confirm our mutual understanding with respect to the consideration of H.R. 2347, the Darfur Accountability and Divestment Act.

As you know, Section 7 of H.R. 2347 amends the Employee Retirement Income Security Act of 1974 to provide a safe harbor for changes of investment policies. I am writing to confirm that this provision falls within the jurisdiction of the Committee on Education and Labor.

Given the importance of moving this bill forward promptly, I do not intend to object to its consideration in the House. However, I do so only with the understanding that this procedure should not be construed to prejudice my Committee's jurisdictional interest and prerogative in H.R. 2347 or any other similar legislation and will not be considered as precedent for consideration of matters of jurisdictional interest to my Committee in the future. The Committee also asks that you support our request to be conferees on the provisions over which we have jurisdiction during any House-Senate conference.

Sincerely,

GEORGE MILLER,
Chairman.

COMMITTEE ON FINANCIAL SERVICES
Washington, DC, July 27, 2007.

Hon. GEORGE MILLER,
Chairman, Committee on Education and Labor Washington, DC.

DEAR CHAIRMAN MILLER: Thank you for your recent letter regarding the consideration of H.R. 2347, the Iran Sanctions Enabling Act of 2007. I agree that the amendment to the Employee Retirement Income Security Act of 1974 to provide a safe harbor for changes of investment policies falls within the jurisdiction of the Committee on Education and Labor.

I appreciate your willingness to allow this bill to move forward today; and I agree that this procedure in no way diminishes or alters the jurisdictional interest of the Committee on Education and Labor.

Sincerely,

BARNEY FRANK,
Chairman.

CONGRESS OF THE UNITED STATES,
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
Washington, DC, July 27, 2007.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services, Washington, DC.

DEAR CHAIRMAN FRANK: I am writing to confirm our mutual understanding with respect to the consideration of H.R. 2347, the Iran Sanctions Enabling Act of 2007.

As you know, on May 23, 2007, the Committee on Financial Services ordered H.R. 2347 reported to the House. The Committee on Oversight and Government Reform (Oversight Committee) appreciates your effort to consult regarding those provisions of H.R. 2347 that fall within the Oversight Committee's jurisdiction, including matters related to the federal workforce.

In the interest of expediting consideration of H.R. 2347, the Oversight Committee will not separately consider this legislation. The Oversight Committee does so, however, with the understanding that this does not prejudice the Oversight Committee's jurisdictional interests and prerogatives regarding this bill or similar legislation.

I respectfully request your support for the appointment of outside conferees from the Oversight Committee should H.R. 2347 or a similar Senate bill be considered in conference with the Senate. I also request that you include our exchange of letters on this matter in the Financial Services Committee Report on H.R. 2347 or in the Congressional Record during consideration of this legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

HENRY A. WAXMAN,
Chairman.

COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, July 27, 2007.

Hon. HENRY WAXMAN,
Chairman, Committee on Oversight and Government Reform,
House of Representatives, Washington, DC.

DEAR CHAIRMAN WAXMAN: Thank you for your letter concerning H.R. 2347, the ''Iran Sanctions Enabling Act,'' which the Committee on Financial Services has ordered reported. The bill was also referred to the Committee on Oversight and Government Reform. This legislation will be considered by the House shortly.

I want to confirm our mutual understanding with respect to the consideration of this bill, I am pleased that our committees have reached an agreement regarding matters within the jurisdiction of the Oversight Committee, specifically those involving the federal workforce. I appreciate your cooperation in moving the bill to the House floor expeditiously. I further agree that your decision to not to proceed on this bill will not prejudice the Committee on Oversight and Government Reform with respect to its prerogatives on this or similar legislation. I would support your request for conferees in the event of a House-Senate conference.

I will include this exchange of correspondence in the Committee report and in the Congressional Record during the consideration of the bill. Thank you again for your assistance.

BARNEY FRANK,
Chairman.

Mr. GARRETT of New Jersey. I now yield such time as she may consume to the gentlelady from Florida (Ms. ROS-LEHTINEN).

Ms. ROS-LEHTINEN. Mr. Speaker, I also rise in support of the bill before us, H.R. 2347, the Iran Sanctions Enabling Act, introduced by the distinguished chairman of the Financial Services Committee, Mr. BARNEY FRANK of Massachusetts.

And I'm proud to cosponsor this bill, Mr. Speaker, because it's based on language that I drafted, and was adopted by the House last Congresses past as part of the Iran Freedom Support Act.

As all of us have heard from the great discussions this morning, Iran's rogue regime has sworn to destroy us, has sworn to destroy Israel, and has throughout decades. It's demonstrated the will and the capacity to do so. It has a long record of pursuing nuclear capabilities and of supporting the extreme elements of Islam, including Hamas, Hezbollah and those who kill and maim Americans in Iraq.

In fact, some have reported that Iran is providing the deep-buried IEDs that are indeed increasing the carnage in Iraq.

No amount of handholding, no amount of dialogue will be able to deter Tehran.

As part of an effort to prevent foreign funds from going to the Iranian regime, the bill before us authorizes State and local governments to direct divestiture and prevent investment in companies with investment of $20 million or more in Iran's energy sector.

And furthermore, the bill requires that a list of those companies that have invested $20 million or more be published biannually.

Furthermore, it protects investment companies and managers from being sued for divesting from companies included in the published list.

And although I fully support this bill, Mr. Speaker, and I commend Chairman FRANK for his efforts on this critical issue, as well as Mr. SHERMAN, who's been a leader on all the bills related to Iran, I'm concerned that this bill merely authorizes divestment from companies investing in Iran, rather than making divestment from those companies mandatory.

□ 1345

H.R. 1357, a bill I introduced earlier this year, along with Minority Whip ROY BLUNT, would require divestment of all government pension plans or Thrift Savings Plans. Moreover, H.R. 1357 prohibits all future investments of government and private pension plans.

I strongly believe that we must increase the pressure aimed at isolating Iran's extremist regime, and the bill authored by Chairman FRANK is an important step toward achieving this goal, and I commend him for it.

There are currently, also, Mr. Speaker, multiple measures dealing with putting further pressure on Iran including the Iran Counter-Proliferation Act, authored by Congressman TOM LANTOS, the chairman of our Foreign Affairs Committee; and we have got to work to have those bills passed and build upon them in order to derail the dangerous ambitions of Iran.

So I urge my colleagues to support this measure. It is part of the effort of many of us to prevent U.S. dollars from enabling and facilitating the murderous efforts of radical extremists who intend to destroy us and our allies.

I thank the gentleman from New Jersey for yielding me the time, and I thank the chairman, Mr. FRANK of Massachusetts, for this bill.

Mr. SHERMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding and for his work on this legislation and the ranking member of the Foreign Affairs Committee for her work, and, clearly, Chairman BARNEY FRANK and TOM LANTOS.

I rise in strong support of H.R. 2347 and am grateful to have worked on this legislation with Congressman TOM LANTOS and BARNEY FRANK as the chief Republican sponsor.

This legislation will require the U.S. Government to publish a list of companies with investments of more than $20 million in Iran's energy sector and will authorize State and local governments to divest the assets of their pension funds and other funds under their control from any company on the list.

In addition, H.R. 2347 provides safe harbor from litigation by shareholders for pension fund managers, managers of mutual funds, and corporate pension funds who divest from companies on this list.

When Americans invest, it seems to me they want to know their dollars are not going to prop up the regime in Tehran, a sponsor of terrorism and an avowed enemy of American interests. By allowing State pension funds and mutual funds to more easily divest from energy companies doing business in Iran, this legislation will give investors more choice in directing their investments.

Because I believe military action against Iran, while not off the table, must be an absolute last resort, it is critical our government utilize the tools at our disposal including economic sanctions and a divestment campaign to deter the threat Iran poses to global security.

Iran is pursuing nuclear capabilities and is one of the world's most egregious exporters of terrorism. The seriousness of these facts was made clear when Iran's President threatened to ''wipe Israel off the map.''

In addition, last April Ayatollah Khamenei told another of the world's worst human rights abusers, Sudan, that Iran would gladly transfer nuclear technology. He stated: ''The Islamic Republic of Iran is prepared to transfer the experience, knowledge, and technology of its scientists.''

The bottom line is, in defiance of its assurances to the contrary, Iran remains committed to a nuclear weapons program. The United States must be unequivocal in its rejection of these ambitions and the financial support they require.

Mr. SHERMAN. Mr. Speaker, I ask unanimous consent to reclaim my time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHERMAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentleman for yielding.

And I again want to emphasize that we are taking a monumental step forward in getting America's foreign policy on record opposing the actions in Iran. I would say almost irresponsible actions by the government.

I wanted to rise and thank Chairman FRANK and Mr. SHERMAN, whose leadership on both the Financial Services Committee and Foreign Affairs Committee is well evident, this commitment to a free and democratic Iran.

But I speak to the Iranian community here in the United States, who, every day that I see them in my own community, want this peaceful and democratic Iran. We have to join with

them, and I think these sanctions raise the ante on the economic divestiture and also the opportunity for diplomacy.

Mr. Speaker, I rise today in strong support of H.R. 2347, the Iran Sanctions Enabling Act of 2007. I would like to thank my colleague, Chairman FRANKS, for introducing this important legislation, as well as for his leadership on the Financial Services Committee.

According to the Administration's ''National Security Strategy'' document released on March 16, 2006, the United States ''may face no greater challenge from a single country than Iran.'' I find Iran's support of terrorist organizations, pursuit of nuclear weapons, and dismal human rights record to be extremely worrisome. I have long been an advocate of a free, independent, and democratic Iran. I believe in an Iran that holds free elections, follows the rule of law, and is home to a vibrant civil society; an Iran that is a responsible member of the community, particularly with respect to the proliferation of nuclear weapons. An Iran that, unfortunately, we do not see today.

This legislation is a very important step because it uses diplomacy and economic tools effectively. We must not move to join the representation of the Bush Administration to begin another non-declared war. The President should work diplomatically and economically without provoking war or an offensive attack without the constitutional authority.

Mr. Speaker, this bipartisan bill authorizes state and local governments, as well as educational institutions, to divest from companies which invest in Iran's energy sector. Because estimates indicate that these companies account for 80 percent of Iran's hard currency, they directly allow Iran to fund its illicit nuclear weapons program.

The Iran Sanctions Enabling Act of 2007 directs the Secretary of the Treasury to publish biannually in the Federal Register a list of each person, whether within or outside of the United States, that has an investment of more than $20 million in the energy sector in Iran and to maintain on the Web site of the Department of the Treasury the names of the persons on such list. It shields any registered investment company from civil, criminal, or administrative action based upon its divesting from, or avoiding investing in, securities issued by companies included on such most recent list.

Additionally, this legislation expresses the sense of Congress that the Federal Retirement Thrift Investment Board should initiate efforts to provide a terror-free international investment option among the funds of the Thrift Savings Fund. Federal employees should have the opportunity to prevent their retirement savings from being invested in companies that support terrorism.

Mr. Speaker, Iran cannot be permitted to develop nuclear bombs. Although most experts believe that Iran is at least several years away from developing a nuclear weapon, the fact that Iran has begun the process is a very clear and disturbing signal. The United States must recognize that it is dangerous to do nothing. But it is equally dangerous to take actions that are rash, unwise, or ineffective.

We have ignored the inflammatory rhetoric of President Mahmoud Ahmadinejad. But we cannot ignore Iran's breaking of the U.N. seals on its uranium-enriching facilities in January. The U.S. government immediately understood the severity of the situation. This is not just a minor diplomatic nuisance—this is a serious security threat. The safety of the Iranian people, the safety of the Middle East, and even our own security is at risk. I firmly believe that we must utilize multilateral diplomatic channels to persuade Iran that it is not in its best interest to pursue nuclear weapons programs. I strongly support economic and diplomatic efforts to reign in Tehran, and I believe that we can work to resolve this crisis without resorting to the use of force.

I strongly support this important legislation, and I urge my colleagues to do the same.

Let me just add, in my final comments, my support for H.R. 180, and I thank Congresswoman BARBARA LEE and Chairman FRANK for raising to the level of prominence the importance of divestiture in Sudan. There is not one day when we are not accounting for the numbers who die, the numbers who are suffering in Chad, and I want to rise to thank my State, the State of Texas, for being one of those States that has approved legislation that has divested our State funds from Sudan.

As I close, let me say as Secretary Paulson makes his way to China, I am hoping that he will have on his agenda the divestiture by China out of Iran and out of Sudan. It is, I believe, an international embarrassment but, more importantly, lives are being lost. And I think it is an important diplomatic, if you will, crisis that China continues to support Sudan through its energy purchases. I hope that is a discussion, and I ask my colleagues to support both bills.

Mr. GARRETT of New Jersey. Mr. Speaker, I commend the gentleman and gentlewoman on the other side of the aisle for their efforts on this legislation.

Mr. HOYER. Mr. Speaker, I strongly support this legislation, the Iran Sanctions Enabling Act of 2007 (H.R. 2347), which would authorize state and local governments to direct divestiture from and prevent investment in entities with investments of $20 million or more in Iran's energy sector.

As Iran continues to pursue its nuclear agenda—in defiance of UN sanctions and international pressure—the United States must leverage not only its diplomatic resources but its economic influence when it comes to Iran. Simply put, we must act aggressively to ensure that we are not providing Iran with money to develop nuclear weapons.

This legislation will help us do that.

Among other things, this bill would require the publication of entities, both inside and outside the United States, that have an investment of more than $20 million in Iran's energy sector. Any entity designated on this list could delay publication of its name if it demonstrates that it is taking steps to divest from Iran.

Furthermore, the bill provides a safe harbor for investment and pension fund managers from lawsuits alleging that divestment would lower a fund's profits.

Mr. Speaker, Iran's support for terrorist groups such as Hezbollah is well known and it is listed as a state sponsor of terrorism by our State Department.

In addition, the President of Iran, Mahmoud Ahmadinejad, has made repeated outrageous statements toward the United States and our ally, Israel, even calling in October 2005 for Israel to be ''wiped off the map.''

Given Iran's continued hostility and defiance of the international community, it is imperative that we use all the tools in our national security arsenal to attempt to change Iran's behavior. And, state-level divestment campaigns are an essential way for state officials to prevent retirement funds from helping Iran pursue nuclear weapons and fund terrorism.

Although U.S. companies have been barred from directly investing in Iran since 1996, there are investment avenues not covered by those restrictions. This bill would close some of the loopholes in previous legislation and executive orders by prohibiting public pension funds from investing in foreign companies that do more than $20 million in business in Iran's oil and gas sector.

Iran is already struggling with domestic instability, gas rationing and falling foreign investment. This legislation provides a useful diplomatic and economic tool to further push Iran toward complying with international pressure, both to stop its nuclear activities and to cease its sponsorship of terrorist groups.

I urge my colleagues to support this bill.

Mr. LANTOS. Mr. Speaker, I commend the Chairman of the Financial Services Committee, my good friend Congressman BARNEY FRANK of Massachusetts, for authoring this critical piece of legislation, of which I am proud to be a principal cosponsor. This bill, H.R. 2347 the Iran Sanctions Enabling Act of 2007, is a critical element in a network of efforts intended to prevent the realization of a nightmare, a nuclear-armed Iran.

Several of us in this body have been working ceaselessly to achieve—by peaceful means—an end to Iran's quest for nuclear status. We have produced several pieces of legislation to achieve that end. The goal of all of this legislation is to deprive Iran, insofar as possible, of the benefit of its cash-cow, oil sales. And the means of doing this is to deter foreign investment in Iran's energy industry.

Mr. Speaker, the primary purpose of this bill, H.R. 2347, is to allow state and local governments to contribute to this effort by divesting their pension plans of any foreign entity that invests in Iran. This legislation does not require them to divest, but it would certainly seem to be a wise course for them to choose, since foreign entities that invest in Iran's energy industry are subject to U.S. sanctions and therefore liable to lose a significant part of whatever their prior value may have been.

Iran's bid for nuclear arms is the challenge of our age. Iran already seeks to dominate the Middle East through intimidation, including sponsorship of terrorist groups like Hezbollah and Hamas. If it achieves nuclear status, Tehran will greatly enlarge its sway in this volatile region and will likely touch off a regional nuclear arms race as well. Worse, at least one of Iran's leading political figures has intimated that Iran would be willing to use those arms to advance its well-known, reprehensible aims, and there is good reason to believe that other Iranian leaders subscribe to the same view.

H.R. 2347 helps to fortify the barrier we are trying to erect to deter all foreign investment in Iran's energy sector and therefore deprive Iran's theocratic regime of the funds it needs to pay for its horrific nuclear goals.

Mr. Speaker, I strongly support this legislation, and I urge all my colleagues to do likewise.

Mr. PAUL. Mr. Speaker, I strongly oppose any move to initiate further sanctions on Iran. Sanctions are acts of war, and expanding sanctions on Iran serves no purpose other than preparing the American people for an eventual attack on Iran. This is the same pattern we saw in the run up to the war on Iraq: Congress passes legislation calling for regime change, sanctions are imposed, and eventually we are told that only an attack will solve the problem. We should expect the same tragic result if we continue down this path. I urge my colleagues to reconsider.

I oppose economic sanctions for two very simple reasons. First, they don't work as effective foreign policy. Time after time, from Cuba to China to Iraq, we have failed to unseat despotic leaders or change their policies by refusing to trade with the people of those nations. If anything, the anti-American sentiment aroused by sanctions often strengthens the popularity of such leaders, who use America as a convenient scapegoat to divert attention from their own tyranny. History clearly shows that free and open trade does far more to liberalize oppressive governments than trade wars. Economic freedom and political freedom are inextricably linked—when people get a taste of goods and information from abroad, they are less likely to tolerate a closed society at home. So sanctions mostly harm innocent citizens and do nothing to displace the governments we claim as enemies.

Second, sanctions simply hurt American industries, particularly agriculture. Every market we close to our nation's farmers is a market exploited by foreign farmers. China, Russia, the Middle East, North Korea, and Cuba all represent huge markets for our farm products, yet many in Congress favor current or proposed trade restrictions that prevent our farmers from selling to the billions of people in these areas.

We must keep in mind that Iran has still not been found in violation of the Non-Proliferation Treaty. Furthermore, much of the information regarding Iran's nuclear program is coming to us via thoroughly discredited sources like the MeK, a fanatical cult that is on our State Department's terror list. Additionally, the same discredited neo-conservatives who pushed us into the Iraq war are making similarly exaggerated claims against Iran. How often do these "experts" have to be proven wrong before we start to question their credibility?

It is said that we non-interventionists are somehow "isolationists" because we don't want to interfere in the affairs of foreign nations. But the real isolationists are those who demand that we isolate certain peoples overseas because we disagree with the policies of their leaders. The best way to avoid war, to promote American values, and to spread real freedom and liberty is to engage in trade and contacts with the rest of the world as broadly as possible.

I urge my colleagues to reconsider this counterproductive and dangerous move toward further sanctions on Iran.

Mr. GARRETT of New Jersey. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SHERMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. SHERMAN) that the House suspend the rules and pass the bill, H.R. 2347, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. SHERMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SHIRLEY A. CHISHOLM UNITED STATES-CARIBBEAN EDUCATIONAL EXCHANGE ACT OF 2007

Mr. FALEOMAVAEGA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 176) to authorize assistance to the countries of the Caribbean to fund educational development and exchange programs, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 176

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Shirley A. Chisholm United States-Caribbean Educational Exchange Act of 2007".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Definitions.
Sec. 3. Findings and statement of purpose.
Sec. 4. Shirley A. Chisholm United States-Caribbean Educational Exchange Program.
Sec. 5. Program to provide educational development assistance for CARICOM countries.
Sec. 6. Administrative provisions.
Sec. 7. Reporting requirements.
Sec. 8. Authorization of appropriations.

SEC. 2. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—Except as otherwise provided, the term "Administrator" means the Administrator of the United States Agency for International Development.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives; and

(B) the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(3) CARICOM COUNTRY.—The term "CARICOM country"—

(A) means a member country of the Caribbean Community (CARICOM); but

(B) does not include—

(i) a country having observer status in CARICOM; or

(ii) a country the government of which the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act), section 40 of the Arms Export Control Act, section 620A of the Foreign Assistance Act of 1961, or any other provision of law, is a government that has repeatedly provided support for acts of international terrorism.

(4) SECRETARY.—Except as otherwise provided, the term "Secretary" means the Secretary of State.

(5) UNITED STATES COOPERATING AGENCY.—The term "United States cooperating agency" means—

(A) an accredited institution of higher education, including, to the maximum extent practicable, an historically Black college or university that is a part B institution (as such term is defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2))) or an Hispanic-serving institution (as such term is defined in section 502(5) of such Act (20 U.S.C. 1101a(5)));

(B) a higher education association;

(C) a nongovernmental organization incorporated in the United States; or

(D) a consortium consisting of two or more such institutions, associations, or nongovernmental organizations.

SEC. 3. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) The United States and CARICOM countries have enjoyed long-standing friendly relations.

(2) As an important regional partner for trade and democratic values, the Caribbean region constitutes a "Third Border" of the United States.

(3) The decrease in tourism revenue in the aftermath of the tragic terrorist attacks on September 11, 2001, had an adverse affect on the Caribbean region.

(4) According to a 2005 World Bank Report on the Caribbean region, high rates of unemployment, particularly youth unemployment, have had severe implications on poverty and income distributions, as well as drug trafficking and addiction.

(5) The 2005 World Bank Report also concludes that better synchronization is needed between curricula in CARICOM countries and the skills needed in evolving national and regional job markets and economies.

(6) Caribbean leaders have highlighted the need for increased educational opportunities for Caribbean students in fields that will contribute to and support an increasingly competitive regional economy.

(7) Enhancing United States cultural and educational exchange programs in CARICOM countries will expand human resources, provide opportunities that promote economic growth, and improve regional security.

(8) Many Caribbean leaders studied at the undergraduate or graduate level in the United States before returning to their respective countries to contribute toward the strengthening of democracy, the economy, or the provision of social services.

(9) From 2003 through 2005, 217 Caribbean leaders participated in exchange programs with the United States that focused on good governance, combating drug trafficking, anti-corruption, and other regional issues of concern.

(10) The Department of State currently administers public outreach programs that include cultural, academic, and citizen-exchange initiatives in CARICOM countries through the public affairs sections at United States embassies with support from the Office of Public Diplomacy in the Bureau of Western Hemisphere Affairs.

(11) The Caribbean Center for Excellence in Teacher Training (C–CETT), a Presidential Initiative funded by the United States Agency for International Development and implemented by the University of the West Indies, works to improve the quality of reading instruction by training classroom and student teachers in seven countries of the English-speaking Caribbean. Belize, Jamaica, Grenada, St. Lucia, Guyana, St. Vincent and the Grenadines, and Trinidad and Tobago have participated in the C–