

# BUSINESS MEETING

*Tuesday, June 26, 2018*

U.S. SENATE  
COMMITTEE ON FOREIGN RELATIONS  
WASHINGTON, D.C.

1           The committee met, pursuant to notice, at 11:20 a.m., in Room S-116, the Capitol  
2 Building, Hon. Bob Corker, chairman of the committee, presiding.

3           Present: Senators Corker [presiding], Risch, Rubio, Flake, Young, Barrasso,  
4 Portman, Menendez, Cardin, Shaheen, Coons, Udall, Kaine, Markey, Merkley, and  
5 Booker.

## OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

6           **THE CHAIRMAN.** I call the committee business meeting to order. This business  
7 meeting of the Senate Foreign Relations Committee will come to order, as I just  
8 mentioned. On the agenda today, we have five pieces of legislation, 11 nominees, and  
9 one Foreign Service officer list.

10           S. 1158, Elie Wiesel Genocide and Atrocities Prevention Act, sets United States  
11 policy with respect to preventing and responding to atrocities, requires annual  
12 reporting on interagency efforts in that regard, and requires training for Foreign Service  
13 officers set to be posted in at-risk countries. I want to thank Senators Cardin and

1 Menendez for their leadership on this issue, and for working with us on the substitute  
2 amendment, which I intend to support.

3 We will also consider S. 2463, the BUILD Act of 2018. I want to first thank  
4 Senator Coons and his staff, as well as the many senators present who co-sponsored this  
5 legislation and Ranking Member Menendez, for working with us to advance the BUILD  
6 Act. Our foreign assistance programs should enable developing countries to stand on  
7 their own and lead their citizens out of poverty through economic growth.  
8 Development finance institutions can play an important role in facilitating lending to  
9 help local businesses and attract foreign investors, but our current agencies are not  
10 equipped for 21st century challenges and opportunities.

11 The BUILD Act will modernize our development finance institutions in an effort  
12 to reform and streamline the tools of multiple agencies while emphasizing free market  
13 principles. The new International Development Finance Corporation would advance  
14 responsible lending so citizens in recipient countries will be full participants in  
15 economic growth. This model would serve as a private sector alternative to China's  
16 aggressive and potentially damaging lending practices through the Belt and Road  
17 Initiative and other finance efforts.

18 The Administration and a broad coalition of stakeholders, including the ONE  
19 Campaign, some of whom are here today, the U.S. Global Leadership Coalition, and the  
20 U.S. Chamber of Commerce have strongly embraced the goals and concept of our

1 legislation and the companion bill in the House of Representatives. With this  
2 legislation, we can focus foreign aid in a way that will work towards eliminating the  
3 need for U.S. assistance over time, at no expected cost to taxpayers. This effort would  
4 also create new markets for U.S. businesses overseas, expand American influence in the  
5 developing world, and support our interests for security and stability.

6 We noticed S. 2497, the United States-Israel Security Assistance Authorization  
7 Act of 2018, but I received a letter to hold over this bill from Senator Paul. We will  
8 consider it at the next business meeting.

9 S. 2779 amends the existing Zimbabwe Democracy and Economic Recovery Act  
10 of 2001 to address continued problems with governance in that country. The legislation  
11 we are considering today provides timely updates to the law by calling on Zimbabwe to  
12 implement economic and monetary reforms as well as specific electoral reforms that  
13 could help achieve a more inclusive and credible election scheduled for July the 30th. I  
14 want to thank Senators Flake and Coons for their support of this legislation, and for  
15 working with us on the substitute amendment, which I will support.

16 Finally, we will consider H.R. 3776, the Cyber Diplomacy Act. The security and  
17 economic future of our country increasingly depends on maintaining a secure, reliable,  
18 and open internet. We need a robust agenda for cyber diplomacy, with a clear policy  
19 and the leadership and congressional oversight necessary to carry it out successfully.  
20 Enactment of this legislation will help the State Department lead our cyber diplomatic

1 efforts more effectively so the U.S. can pursue -- can pursue and promote policies in  
2 cyberspace that defend American interests and values.

3 Thank you for listening to that. Senator Menendez, I am sure, has comments.

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

4 **SENATOR MENENDEZ.** Thank you, Mr. Chairman. We come together with a  
5 large number of very important pieces of legislation and a fairly large number of  
6 nominees. And I want to express my gratitude to the chairman in terms of working  
7 together to come to the legislative agenda that we are going to be considering today. I  
8 think we got to this mostly on a bipartisan basis.

9 I want to take a moment just to, in the spirit of that bipartisanship, to urge the  
10 chairman -- I know he has been trying. But we have critical issues happening in the  
11 world from North Korea to Russia, to the Central American crisis that has children  
12 being stripped from their parents. I hope we can get the Administration to send some  
13 witnesses here so we can discuss what U.S. foreign policy is in these places in the world.

14 **THE CHAIRMAN.** Can I respond?

15 **SENATOR MENENDEZ.** Absolutely.

16 **THE CHAIRMAN.** Look, we have been trying to get Pompeo in for weeks. I have  
17 got a call with him today at 1:15. I know that you all know we were supposed to  
18 actually have an all-Senate meeting relative to North Korea. I asked a reporter in the  
19 hall -- a reporter in the hallway asked me if there -- you know, what I knew about North

1 Korea and I said "nothing." And he said, does it bother you that you know nothing, and  
2 I said, well, there may be nothing to know, I do not know. But we are going to --  
3 meaning it is very -- it is very hard to know what came out of the summit. I have no  
4 idea.

5 So, we are pressing Pompeo to come in. I will let you know this afternoon as to  
6 whether we were successful in setting a date. I have no idea why we cannot get him. It  
7 is very frustrating, but I know this committee needs to hear from him on all the pockets  
8 you just mentioned.

9 **SENATOR MENENDEZ.** Well, I appreciate your efforts, and I will join you. I will  
10 make a call to him myself today. Look, whether there was something that came out of  
11 the summit or not, the question is, what is our pathway forward, and what is our  
12 strategy moving forward. And that, I think, should be elucidated for the committee  
13 which has jurisdiction over what foreign policy is in the United States. So, I appreciate  
14 your efforts, and I look forward to echoing it as well.

15 **THE CHAIRMAN.** Thank you.

16 **SENATOR MENENDEZ.** Let me thank you, Mr. Chairman, as well as Senator  
17 Coons, for your work on the BUILD Act, which creates a new International  
18 Development Finance Corporation, a more empowered version of the Overseas Private  
19 Investment Corp, known as OPIC, which was established in 1971 and operates on a self-  
20 sustaining basis, with no net cost to American taxpayers. I have long supported OPIC's

1 mission, but for too long OPIC has lacked a stable, legislative authorization, falling  
2 behind the development finance institutions of both our allies and important strategic  
3 competitors like China. So, I welcome this recognition of the importance of our  
4 economic institutions, informed by our respect for human rights and other important  
5 safeguards.

6 I want to thank the chairman for working with me to strengthen the  
7 development mandate of the legislation, accommodating my desire to add a chief  
8 development officer, a more robust accountability mechanism, a development advisory  
9 council to keep up with the Agency's performance measures, and reporting  
10 requirements that enhance lines of authority and communication between the new  
11 agency and AID. I also appreciate both the sponsors' willingness to work with our  
12 colleagues to support the objective of the legislation, to incorporate many of their  
13 amendments into the manager's package, and I look forward to close oversight of this  
14 new agency.

15 I am pleased to have worked with Senator Corker on the substitute amendment  
16 to the Cyber Diplomacy Act before the committee today. It addresses important  
17 questions relating to the norms and operations in the cyber domain that are vulnerable  
18 to misuse by malign states and non-state actors. It is critical that we have a clear and  
19 cogent whole-of-government approach on international cyber issues in order to  
20 maintain a stable and free cyber domain that respects freedom of expression. I also

1 want to thank the chairman for including many of my suggestions, including measures  
2 aimed at protecting Americans' personal information in cyberspace. I know there are a  
3 number of amendments that have been included in the manager's package, and I intend  
4 to support it.

5 I am disappointed that we are not going to consider the U.S.-Israel Security  
6 Assistance bill today, and I am glad to hear the chairman say we will consider it at  
7 whenever our next markup is. I am a strong supporter of the legislation. Israel is our  
8 closest ally in the Middle East. It is facing mounting threats on all of its borders, and I  
9 believe we have to ensure that it has the resources, and systems, and cooperation to  
10 respond to those threats.

11 I would like to thank Senators Flake and Coons for their work on the Zimbabwe  
12 Democracy and Economic Recovery Amendment Act, and on Zimbabwe in general. I  
13 appreciate the collegial manner in which staff worked to incorporate changes into the  
14 substitute under consideration. With elections only weeks away in Zimbabwe, we will  
15 be closely watching whether opposition candidates are allowed to campaign freely,  
16 whether international observers are accredited in a timely fashion, and whether the  
17 military, in or out of uniform, will respect the secrecy of the ballot. I hope the fact that  
18 we are considering this legislation and the swiftness which we have ushered through  
19 the nominee for the ambassador to Zimbabwe will be viewed in Zimbabwe as a sign of  
20 the strong interest the Senate has in what is happening in that country.

1           Finally, I want to thank Senator Corker and his staff and particularly Senator  
2 Cardin in getting the Elie Wiesel Genocide and Atrocities Prevention Act on the agenda  
3 today. Unfortunately, we live in a world where genocide and mass atrocities are still  
4 occurring with some regularity. Most recently, we have seen these crimes perpetuated  
5 in Burma, Iraq, South Sudan, and Syria. Ignoring genocide, war crimes, and crimes  
6 against humanity that continue to rage throughout the world sends a message to the  
7 global community that such atrocities will be tolerated. That is not the message we  
8 want to send, and I urge my colleagues to join me in supporting the bill so that Elie  
9 Wiesel's dream of "never again" can become a reality.

10           We have a large number of nominees. I support Admiral Harris' nomination as  
11 our ambassador to the Republic of Korea. He has a long and distinguished record of  
12 service, and his commitment to continue to serve our Nation during these trying times  
13 is admirable. I have a few other statements about some of the other nominees. I intend  
14 generally to support the nominees. There is one that I will not support based upon the  
15 past statements made about this nominee that I think undermine the essence of  
16 diplomacy and the importance of words, particularly in the context of diplomacy.  
17 When we get to that moment, I will be asked to be recorded as no.

18           And with that, Mr. Chairman, I ask that my full statement be included in the  
19 record.



1           **THE CHAIRMAN.** Thank you. Without objection, your full statement will be  
2 entered.

**[The prepared statement of Senator Menendez follows:]**

Mr. Chairman, thank you for calling this business meeting to consider a number of bills and a large number of nominees. Before I talk about some of these items, though, I want to reiterate—publicly—that I believe this committee should be holding more hearings on pressing topics with witnesses from the Administration. From North Korea, to Russia, to a crisis on our very own border that is tearing families apart and damaging our moral leadership and credibility on the global stage, this committee must do its job. I hope we can put together some meaningful hearings this summer and into the fall.

*BUILD Act*

I want to thank the Chairman and Senator Coons for their work on the BUILD Act, which would create a new International Development Finance Corporation—which is really a more-empowered version of the Overseas Private Investment Corporation—known as OPIC. OPIC was established in 1971 and operates on a self-sustaining basis at no net cost to American taxpayers.

I have long supported OPIC’s mission. But for too long, OPIC has lacked a stable, legislative authorization, and was falling behind the development finance institutions of both our allies and important strategic competitors like China. So I welcome this recognition of the importance of our economic institutions, informed by our respect for human rights and other important safeguards.

I want to thank the Chairman for working with me to strengthen the development mandate of this legislation. The Chairman accommodated my desire to add a Chief Development Officer, a more robust Accountability Mechanism, a Development Advisory Council, improvements to the agency’s performance measures and reporting requirements, and enhanced lines of authority and communication between the new agency and USAID.

I also appreciate the sponsors' willingness to work with our colleagues who support the objectives of this legislation to incorporate many of their amendments into the Manager's Package. Mr. Chairman, I look forward to close oversight of this new agency.

*Cyber Diplomacy Act of 2018*

I was pleased to work with Senator Corker on the Substitute Amendment to the Cyber Diplomacy Act of 2018 before the Committee today. This Act addresses important questions related to the norms and operations in the cyber domain that are vulnerable to misuse by malign state and non-state actors.

It is critical that we have a clear and cogent whole-of-government approach to international cyber issues, in order to maintain a stable and free cyber domain that respects freedom of expression. I also want to thank the Chairman for including many of my suggestions, including measures aimed at protecting Americans' personal information in cyberspace.

I also know there are a number of amendments that have been included in a Manager's package. I believe the Manager's package adds to our efforts today and I intend to support it.

*U.S.-Israel Security Assistance Bill*

I am a cosponsor and strong supporter of the U.S.-Israel Security Assistance Authorization Act of 2018. Israel is our closest ally in the Middle East, and is facing mounting threats on all borders. We will ensure that Israel has the resources, assistance, and cooperation to respond to threats on any of her borders. I am heartened that even though we on this Committee are pushing back against assistance cuts to nearly every other account and every other country and every other crisis, at least when it comes to Israel there is no daylight and no dispute that U.S. assistance is in our national security interest.

*Zimbabwe Democracy and Economic Recovery Bill*

Mr. Chairman, I'd like to thank Senators Flake and Coons for their work on the Zimbabwe Democracy and Economic Recovery Amendment Act, and on Zimbabwe in general. I appreciate the collegial manner with which staff worked to incorporate changes into the substitute under consideration.

With elections only weeks away in Zimbabwe, I will be closely watching whether opposition candidates are allowed to campaign freely; whether international observers are accredited in a timely fashion; and whether the military—in or out of uniform—will respect the secrecy of the ballot. I hope the fact that we are considering this legislation, and the swiftness with which we have ushered through the nominee for Ambassador to Zimbabwe, will be viewed in Zimbabwe as a sign of the strong interest the Senate has in what's happening in that country.

*Elie Wiesel Genocide and Atrocities Prevention Act*

I want to thank Senator Corker and his staff for working with Senator Cardin, and myself, to get the Elie Wiesel Genocide and Atrocities Prevention Act on the agenda today. Unfortunately, we live in a world where genocide and mass atrocities are still occurring with some regularity. Most recently, we have seen these crimes perpetrated in Burma, Iraq, South Sudan and Syria. Ignoring the genocide, war crimes, and crimes against humanity that continue to rage around the world sends a message to the global community that such atrocities will be tolerated. That is not the message we want to send. I urge my colleagues to join me in supporting this bill, so that Elie Wiesel's dream of QUOTE "never again" UNQUOTE can become a reality.

Finally, I am pleased with many of the nominees before us today. In particular, I support Admiral Harris' nomination as our Ambassador to the Republic of Korea. He has a long and distinguished record of service, and his commitment to continue to serve our nation during these trying times is admirable. Our Ambassador's post in Seoul has been vacant for far too long as the administration has dithered about appointing an ambassador and other senior level State Department leadership. Given the challenges we face it is imperative that we improve our engagement across the region, especially with allies like Korea.

There is, however, one nomination I do not intend to support. I found a number of things in Robin Bernstein's paperwork and answers to questions for the record to be problematic. But I will focus on just one thing publicly here today, though, because I think we as members of this committee need to send an important message that toxic political discourse—particularly by people who would like to represent the United States as diplomats—is unacceptable.

In 2016, Ms. Bernstein stated, “[t]his corruption that Hillary Clinton has committed [is] treasonous.” When asked about that statement by this committee, Ms. Bernstein had no satisfying explanation for what she was talking about. She showed no contrition, made no disavowal, and in Questions for the Record she offered a...how can I say this...novel definition of what the word “treason” means.

For the record, the United States Constitution defines the word “treason” very specifically. I would hope anyone seeking a high-level government position would know that. All Ms. Bernstein said in defense of these comments was that QUOTE “as a representative of the United States [her] comments must be guarded.” UNQUOTE

Of course really what Ms. Bernstein was doing when she made that statement in 2016 was recklessly throwing around what should be considered a very serious accusation—to damage the President's political opponent. Now, what she said may be evidence of loyalty to Donald Trump—but it is not the language of a diplomat.

The currency of a diplomat is her words, and Ms. Bernstein's words have contributed to the toxic nature of today's political discourse and dialogue. I have already spoken on the Senate floor about the damage caused by offensive and inappropriate statements made by Ambassador Richard Grenell who, when he came before this Committee as a nominee, similarly tried to differentiate between what he has said when he was in government and the offensive things he said when out of government.

Unfortunately, in Mr. Grenell's case, past performance was indicative of his future inappropriate behavior, which has already damaged our relationship with Germany.

Mr. Chairman, I note for the record that I also have concerns about Ms. Bernstein's record on payment of taxes as well as how she will deal with President Trump's business interests in the Dominican Republic. But I chose to emphasize her statement from the 2016 presidential campaign here today because the fact of the matter is that in public discourse, words matter. I will oppose Ms. Bernstein's nomination today and urge my colleagues to oppose as well.

Thank you, Mr. Chairman.

1           **THE CHAIRMAN.** Are there any other comments?

2           [No response.]

3           **THE CHAIRMAN.** We will now -- yes, sir.

4           **SENATOR COONS.** I will just briefly say I just want to express my thanks to you,  
5 Chairman Corker, and to Ranking Member Menendez. You have been terrific to work  
6 with on the ZDERA amendment that I have led with Senator Flake and Senator Booker.  
7 We had a terrific trip to Zimbabwe. This is an important outcome of that. I am grateful  
8 to Senator Rubio for his partnership in the U.S.-Israel Security Assistance Authorization

1 Act which I, too, am disappointed we are not taking up today and look forward to  
2 taking up. It has the support of over 60 senators.

3 But more than anything else, our work together on the BUILD Act and the very  
4 significant work Senator Menendez made to -- he insisted and focuses on development  
5 and improve the bill in the ways in which it will finally modernize and strengthen our  
6 work and private capital to fight poverty and to compete with China. I am very excited  
7 about that today, and I am grateful for your leadership on that, Mr. Chairman.

8 **THE CHAIRMAN.** Thank you. Thanks for pushing it. With that, we will move to  
9 S. 2463, the BUILD Act of 2018. I am pleased that we were able to negotiate a manager's  
10 amendment which incorporates changes from the first degree amendments filed by  
11 Senators Cardin, Kaine, and Markey. The manager's package makes a number of  
12 changes, including carrying forward existing law with respect to a number of  
13 provisions, including those on small businesses, human rights, environmental  
14 standards, and worker rights. It also clarifies that the chairman of the board of the  
15 corporation will be the Secretary of State. I will be supporting the manager's  
16 amendment and opposing other amendments.

17 I will entertain a motion to approve the manager's amendment by voice vote.

18 **SENATOR MENENDEZ.** So moved.

19 **THE CHAIRMAN.** Is there a second?

20 **SENATOR CARDIN.** Second.

1           **THE CHAIRMAN.** So moved and seconded. The question is on the motion to  
2 approve the manager's amendment.

3           All those in favor, say aye.

4           [A chorus of ayes.]

5           **SENATOR BARRASSO.** Mr. Chairman, if I could talk to this, and I am going to  
6 speak -- I want to be recorded as a no vote.

7           **THE CHAIRMAN.** Okay. All those opposed?

8           **SENATOR BARRASSO.** Opposed.

9           **THE CHAIRMAN.** Anybody else -- with that, the ayes have it, and the amendment  
10 is agreed to.

11           Are there any others that would like to be recorded as a no? Senator Barrasso.

12           **SENATOR CARDIN.** I would just ask to be added as a co-sponsor.

13           **THE CHAIRMAN.** Okay, thank you. Without objection. Are there further  
14 amendments?

15           **SENATOR BARRASSO.** Well, I have additional amendments as well, Mr.  
16 Chairman.

17           **THE CHAIRMAN.** Yeah, and you wanted -- I thought you wanted to speak to  
18 those.

19           **SENATOR BARRASSO.** I do, and then I want to speak to the reason I opposed the  
20 manager's amendment.

1           **THE CHAIRMAN.** Absolutely.

2           **SENATOR BARRASSO.** Just with regard to the BUILD Act first, Mr. Chairman, I  
3 support reorganizing, consolidating, streamlining programs, which is the stated goal of  
4 the BUILD Act, because I think it can help to eliminate duplication and focus on the  
5 strategic priorities that we agree on. It is important for Congress to work to improve  
6 coordination, the efficiencies, effectiveness. I think we really do need to reform the  
7 Overseas Private Investment Corporation, OPIC. I think it has been long overdue. I  
8 think we need a smarter OPIC, not a larger OPIC, which is, I think, what we are getting  
9 here, and the manager's amendment contributes to that.

10           You know, in May of this year, Daniel Runde of the CSIS testified before our  
11 committee in support of the BUILD Act. He said, "As I wrote in an article, we should  
12 not be eliminating OPIC. We should be putting it on steroids," his words. He went on  
13 to say, "And so, I am pleased to see that we are putting it on steroids." I think we  
14 should all be wary any time that there is an effort to put a government program on  
15 steroids.

16           This bill doubles the liability limit, and I have an amendment about that. It  
17 allows the U.S. government to be a minority owner in private enterprises overseas. It  
18 picks winners and losers in the energy space, which I think the manager's amendment  
19 goes on to do more of that. So, my amendments are intended to address the concerns  
20 that I have and hopefully improve the bill. So, thank you, Mr. Chairman.



1           **THE CHAIRMAN.** Thank you. Thank you for the comments, and do you want to  
2 offer some amendments?

3           **SENATOR BARRASSO.** Yes.

4           **THE CHAIRMAN.** Let us see here. Do you want to have votes on the  
5 amendments?

6           **SENATOR BARRASSO.** I do on my two amendments, but we are now on the  
7 manager's -- the manager's amendment has been adopted with me as a no vote.

8           **THE CHAIRMAN.** Have we gone all the way through? Okay. Okay. All right. Let  
9 us go ahead. Do you want to call them all up?

10          **SENATOR BARRASSO.** Just the -- I will start with Barrasso Amendment Number 4  
11 and Barrasso Amendment Number 2.

12          **THE CHAIRMAN.** Okay. Do you want to speak to those?

13          **SENATOR BARRASSO.** I would. I would like to call up Barrasso Amendment  
14 Number 4. This amendment is one that deals with the contingent liability which is  
15 currently at \$29 billion. I say it should go to \$35 billion with my amendment. The  
16 maximum contingent liability in the bill, the manager's approved bill, is at \$60 billion.  
17 So, we are currently at \$29. It goes to \$60. I am saying let us take it up to \$35 instead of  
18 to \$60.

19                 When you take a look at OPIC's exposure as of September of this past year, we  
20 have been \$23 billion total. So, as a result, OPIC still has over -- about \$6 billion in

1 unused contingent liability. The other programs, including the Development Credit  
2 Authority, have a portfolio of around \$5 billion. So, under my amendment, the new  
3 corporation would have an additional \$7 billion on top of the current amount which we  
4 already have excess availability. So, this is still a huge increase in OPIC's liability  
5 ceiling, but not as much as proposed in the legislation ahead of us.

6 The BUILD Act doubles the size of OPIC. It provides for a mechanism for  
7 automatic growth, which is my other amendment dealing with automatic growth. I  
8 support reorganizing, consolidating, streamlining the programs which is a stated goal  
9 of the BUILD Act. And, you know, it can help to eliminate duplication. It can focus on  
10 our priorities. But I do not support doubling the liability risk, and I think that a  
11 reasonable increase would be more appropriate, especially as a new corporation is  
12 being created. So, you know, we can work within existing budgetary commitments to  
13 achieve our goals, and if this new corporation demonstrates effectiveness, responsible  
14 use of taxpayer money, then we can come back and revisit, and I would not have any  
15 problem increasing contingency liability. But I do recommend at this time a positive  
16 vote on Amendment Number 4, and I would ask for a roll call vote.

17 **THE CHAIRMAN.** Thank you, sir. Any other comments? Yes?

18 **SENATOR COONS.** I will just simply add, if I might, Mr. Chairman, that the  
19 Senate has not reconsidered this cap in 20 years. And for comparison, China  
20 Development Bank has a loan book size of \$400 billion, and if you were to benchmark

1 our DFI against our European allies as a percentage of GDP, it is significantly  
2 underpowered. Some had initially urged \$100 billion, and we ended up at \$60 as a  
3 compromise. I urge a no vote on this amendment.

4 **THE CHAIRMAN.** I am going to vote no also and call on Senator Portman. When  
5 we began this, and Ted Yoho, I guess, is leading this effort in the House, they were  
6 pushing for \$100 billion. I think the Administration may have even been pushing for  
7 \$100 billion. When you look at this compared to what other countries are doing, it is  
8 significantly different. This is done expectedly at no cost to the taxpayers, and,  
9 therefore, I oppose the amendment, but I appreciate it. And in fairness, I mean, we  
10 stepped it back \$40 billion from the original request, and that is why there is a cost of  
11 living increase that is built into it.

12 Senator Portman.

13 **SENATOR PORTMAN.** Well, you said pretty much what I was planning to say.  
14 First, I thank Senator Barrasso for being a watchdog on the fiscal side. I do not think  
15 this will end up costing the taxpayer anything. That is the idea. What it will do, I think,  
16 is position us to be able to compete.

17 I just left a hearing on the European Subcommittee, and the comment was made  
18 that \$24 billion has been invested by China in Europe just since 2001. Of course, we all  
19 know of the massive investment in Africa, which dwarfs anything the United States has  
20 done and, frankly, puts us at a competitive disadvantage. So, this enables our

1 companies at least to have the ability to try to get in there and compete. I think it is in  
2 our national security interest.

3 And you are right, some wanted to go for a higher, \$60 to \$100 billion, and I  
4 think this is the reasonable amount. I am an original co-sponsor of the legislation. I am  
5 planning to vote no, but understanding that your concerns are well placed and we need  
6 to watch it carefully.

7 **THE CHAIRMAN.** Absolutely. I agree.

8 **SENATOR BARRASSO.** I will go after Senator Shaheen.

9 **SENATOR SHAHEEN.** Mr. Chairman, I just wanted to echo what Senator  
10 Portman said because we just left that hearing with Assistant Secretary of State Wess  
11 Mitchell, who made the point very strongly that we are not doing enough to invest in  
12 parts of Europe, particularly the Balkans and Eastern Mediterranean, and that we are  
13 being way outspent by China and Russia, and we need to do more. So, I think this  
14 gives us an opportunity to do that.

15 **THE CHAIRMAN.** Thank you. Yes, sir?

16 **SENATOR BARRASSO.** Just as a final comment, when last I was in Africa, and we  
17 talk about correctly the investment made by China. If you take the road up in Addis  
18 Ababa to Project Mercy Hospital that we are very involved in there, and I had students  
19 from the United States go to help. And you are taking this big road with a sign built by

1 the French and the people of China -- from China. So, you are right, China is making an  
2 incredible -- and doing it in a different way to influence minds there in a different way.

3 And there are ways to look into the way that we do that, but China is reportedly  
4 committing a trillion dollars, listening to President Xi's speech, to their Belt and Road  
5 Initiative. We are not going to be able to match China's spending dollar for dollar. I am  
6 just making sure we use our resources strategically to address China's increasing  
7 influence, but it is not that we have a dollar for dollar match. We will never be able to  
8 do that. With that, I would happy with a roll call vote. Thank you, Mr. Chairman.

9 **THE CHAIRMAN.** Senator Flake?

10 **SENATOR FLAKE.** I appreciate the concerns that Senator Barrasso has. I share his  
11 concern in terms of exposure to the taxpayer.

12 **THE CHAIRMAN.** Yeah, thank you. Thank you both. With that, the clerk will call  
13 the roll.

14 **THE CHAIRMAN.** The clerk will call the roll.

15 **THE CLERK.** Mr. Risch?

16 **SENATOR RISCH.** Aye.

17 **THE CLERK.** Mr. Rubio?

18 **SENATOR RUBIO.** No.

19 **THE CLERK.** Mr. Johnson?

20 **THE CHAIRMAN.** Aye by proxy.

1 THE CLERK. Mr. Flake?  
2 SENATOR FLAKE. Aye.  
3 THE CLERK. Mr. Gardner?  
4 THE CHAIRMAN. No by proxy.  
5 THE CLERK. Mr. Young?  
6 SENATOR YOUNG. No.  
7 THE CLERK. Mr. Barrasso?  
8 SENATOR BARRASSO. Aye.  
9 THE CLERK. Mr. Isakson?  
10 THE CHAIRMAN. No by proxy.  
11 THE CLERK. Mr. Portman?  
12 SENATOR PORTMAN. No.  
13 THE CLERK. Mr. Paul?  
14 THE CHAIRMAN. Aye by proxy.  
15 THE CLERK. Mr. Menendez?  
16 SENATOR MENENDEZ. No.  
17 THE CLERK. Mr. Cardin?  
18 SENATOR CARDIN. No.  
19 THE CLERK. Mrs. Shaheen?  
20 SENATOR SHAHEEN. No.

1 THE CLERK. Mr. Coons?

2 SENATOR COONS. No.

3 THE CLERK. Mr. Udall?

4 SENATOR UDALL. No.

5 THE CLERK. Mr. Murphy?

6 SENATOR MENENDEZ. No by proxy.

7 THE CLERK. Mr. Kaine?

8 SENATOR KAINE. No.

9 THE CLERK. Mr. Markey?

10 SENATOR MARKEY. No.

11 THE CLERK. Mr. Merkley?

12 SENATOR MERKLEY. No.

13 THE CLERK. Mr. Booker?

14 SENATOR BOOKER. No.

15 THE CLERK. Mr. Chairman?

16 THE CHAIRMAN. Aye. No.

17 [Laughter.]

18 SENATOR SHAHEEN. You are just voting against Booker no matter what he

19 does?

20 [Laughter.]

1           **THE CHAIRMAN.** Typically, it is a good signal.

2           **SENATOR RISCH.** That is not a bad position to be in.

3           **THE CLERK.** Mr. Chairman, the noes are 16, the ayes are 5.

4           **THE CHAIRMAN.** The amendment fails, and I think you may have another one  
5 you --

6           **SENATOR BARRASSO.** Yes, I do, Mr. Chairman, and I did talk to Representative  
7 Yoho this morning along these lines. He knew I was going to bring these amendments  
8 up. I would like to call up Barrasso Amendment Number 2. This is the only other  
9 amendment I will bring up. This amendment removes this mechanized automatic  
10 increase to the maximum contingent liability. The maximum liability is the total  
11 amount of insurance and financing that OPIC can have, understanding at any  
12 outstanding length of time under this bill, the liability limit would automatically  
13 increase every 5 years based on the Consumer Price Index.

14           This would allow for the corporation to continue to grow into perpetuity without  
15 any additional congressional authorization required. In essence, this eliminates the  
16 congressional authorization process in favor of a mechanism underlaid into program  
17 performance, risk, or even necessity. And Congress' role and responsibility, I think, is to  
18 evaluate the program and make decisions on authorization levels.

19           As complicated as it might be at times, the appropriations and authorization  
20 process is fundamental to our oversight, so I want to increase the amount of liability



1 taken by the -- if you want to increase the amount of liability taken by the U.S.  
2 government, we ought to step in and do so. So, it should not be the Consumer Price  
3 Index making those decisions for us. So, that is my amendment, and I recommend  
4 adoption, and would ask for a roll call vote. Thank you, Mr. Chairman.

5 **THE CHAIRMAN.** Thank you. Thanks for your comments and the way you have  
6 handled this, and I know that you and Ted have had conversations, and you have had  
7 them with our office. Again, the push in the beginning was for \$100 billion. We were  
8 able to negotiate it in a bipartisan way at \$60 billion with the COLA. The bill only  
9 authorizes for 7 years, so we have a chance to look at it again in 7 years. It will not just  
10 go on ad infinitum, but I appreciate your fiscal concerns and those of Amber.

11 And with that, the clerk will call the roll.

12 **THE CLERK.** Mr. Risch?

13 **SENATOR RISCH.** Aye.

14 **THE CLERK.** Mr. Rubio?

15 **SENATOR RUBIO.** No.

16 **THE CLERK.** Mr. Johnson?

17 **THE CHAIRMAN.** Aye by proxy.

18 **THE CLERK.** Mr. Flake?

19 **SENATOR FLAKE.** Aye.

20 **THE CLERK.** Mr. Gardner?

1 THE CHAIRMAN. Aye by proxy. No by proxy. Excuse me.

2 THE CLERK. Mr. Young?

3 SENATOR YOUNG. No.

4 THE CLERK. Mr. Barrasso?

5 SENATOR BARRASSO. Aye.

6 THE CLERK. Mr. Isakson?

7 THE CHAIRMAN. No by proxy.

8 THE CLERK. Mr. Portman?

9 SENATOR PORTMAN. No.

10 THE CLERK. Mr. Paul?

11 THE CHAIRMAN. Aye by proxy.

12 THE CLERK. Mr. Menendez?

13 SENATOR MENENDEZ. No.

14 THE CLERK. Mr. Cardin?

15 SENATOR CARDIN. No.

16 THE CLERK. Mrs. Shaheen?

17 SENATOR SHAHEEN. No.

18 THE CLERK. Mr. Coons?

19 SENATOR COONS. No.

20 THE CLERK. Mr. Udall?

1           **SENATOR UDALL.** No.

2           **THE CLERK.** Mr. Murphy?

3           **SENATOR MENENDEZ.** No by proxy.

4           **THE CLERK.** Mr. Kaine?

5           **SENATOR KAINE.** No.

6           **THE CLERK.** Mr. Markey?

7           **SENATOR MARKEY.** No.

8           **THE CLERK.** Mr. Merkley?

9           **SENATOR MERKLEY.** No.

10          **THE CLERK.** Mr. Booker?

11          **SENATOR BOOKER.** Mr. Chairman, I will be a no.

12          [Laughter.]

13          **THE CLERK.** Mr. Chairman?

14          **THE CHAIRMAN.** Mr. Booker, I will be a no.

15          [Laughter.]

16          **THE CHAIRMAN.** The clerk will report.

17          **THE CLERK.** Mr. Chairman, the noes are 16, the ayes are 5.

18          **THE CHAIRMAN.** The amendment fails. Are there any other amendments?

19          [No response.]

20          **THE CHAIRMAN.** Is there a motion to approve S. 2463, as amended?

1           **SENATOR MENENDEZ.** So moved.

2           **THE CHAIRMAN.** Is there a second?

3           **SENATOR BOOKER.** Second.

4           **THE CHAIRMAN.** So moved and seconded. The question is on the motion to  
5 approve S. 2463, as amended.

6           All those in favor, say aye.

7           [A chorus of ayes.]

8           **THE CHAIRMAN.** Opposed?

9           **SENATOR BARRASSO.** No.

10          **THE CHAIRMAN.** Barrasso recorded as a “no.” With that, the ayes have it, and  
11 the legislation is agreed to, and I want to thank everybody for working hard on a very  
12 important piece of legislation. Would you like to say something, sir?

13          **SENATOR MARKEY.** Yes, I do. I just want to thank you and the other members  
14 for helping to include the environmental language in the bill. I think it was a very  
15 important statement that we continue to make to ensure that we continue to impress  
16 upon these other countries how important this is, so I just wanted to --

17          **THE CHAIRMAN.** Thank you, and before you step down, thank you for your  
18 efforts in helping us with that, so thank you for mentioning that.

19          Now, we will move to H.R. 3776, the Cyber Diplomacy Act. I would like to  
20 thank Senators Gardner, Kaine, and Cardin for working with us on the manager's

1 amendment, which incorporates each of their first degree amendments. I would also  
2 like to thank Senator Markey for agreeing to work with us on his Digital Age bill at a  
3 future business meeting. I want to thank you for not adding it to this, but working with  
4 us in the future.

5 **SENATOR MARKEY.** And if I may, Mr. Chairman, and I thank you for that.

6 **THE CHAIRMAN.** Yeah.

7 **SENATOR MARKEY.** I support, you know, the legislation and the way you are  
8 moving it out. But I do think it is important for us to look at the totality of what China  
9 and is doing in terms of its digital innovations, their development strategy, their  
10 political strategy, but also so that we understand that we do not have a play in terms of  
11 how it is impacting democracy in countries around the world. So, that is the other piece  
12 of legislation I am withdrawing.

13 **THE CHAIRMAN.** Thank you.

14 **SENATOR MARKEY.** But I think it is important for us to work on that aspect of it,  
15 and I am looking forward to working with you.

16 **THE CHAIRMAN.** Thank you. After we have had time to fully discuss and work  
17 through the provisions, we look forward to bringing it forward. I will be supporting  
18 the revised manager's amendment and opposing other amendments. I will entertain a  
19 motion to approve the revised manager's amendment by voice vote.

20 **SENATOR MENENDEZ.** So moved.

1           **THE CHAIRMAN.** Is there a second?

2           **SENATOR RISCH.** Second.

3           **THE CHAIRMAN.** So moved and seconded. The question is on the motion to  
4 approve the revised manager's amendment.

5           All those in favor, say aye.

6           [A chorus of ayes.]

7           **THE CHAIRMAN.** Opposed?

8           [No response.]

9           **THE CHAIRMAN.** With that, the ayes have it, and the amendment is agreed to.

10          Is there a motion to approve H.R. 3776, as amended?

11          **SENATOR MENENDEZ.** So moved.

12          **THE CHAIRMAN.** Is there a second?

13          **SENATOR CARDIN.** Second.

14          **THE CHAIRMAN.** So moved and seconded. The question is on the motion to  
15 approve H.R. 3776, as amended.

16          All those in favor, say aye.

17          [A chorus of ayes.]

18          **THE CHAIRMAN.** Opposed?

19          [No response.]

20          **THE CHAIRMAN.** With that, the ayes have it, and the legislation is agreed to.

1           Next, without objection, we will consider en bloc S. 1158, the Elie Wiesel  
2   Genocide and Atrocities Prevention Act, as amended by the substitute amendment, and  
3   S. 2779, the Zimbabwe Democracy and Economic Recovery Amendment Act of 2018, as  
4   amended by the substitute and the revised Flake 1 Amendment to the substitute.  
5   Would any members like to give additional comments on either of these pieces of  
6   legislation before we approve them?

7           **SENATOR CARDIN.**   Mr. Chairman, if I might.

8           **THE CHAIRMAN.**   Yeah, absolutely.

9           **SENATOR CARDIN.**   I want to thank you and Senator Menendez for your work  
10   on the Eli Wiesel Genocide and Atrocities Prevention Act, and I want to thank Senator  
11   Young for his leadership in putting that together, and Senator Rubio and other  
12   members of this committee. Thank you very much.

13          **THE CHAIRMAN.**   Thank you. Anyone else?

14          **SENATOR FLAKE.**   Mr. Chair?

15          **THE CHAIRMAN.**   Yes? Senator Flake.

16          **SENATOR FLAKE.**   I want to thank the chair and ranking member for working  
17   with Senator Coons and me, and Senator Booker and others, on this ZDERA Act. This  
18   is important, and incorporating the amendment, which is technical. And also we had  
19   great help from our post in Zimbabwe to work through this and make sure that this just

1 is -- it just affects in a positive way the elections coming up in less than a month. And it  
2 is important after 37 years to have elections in Zimbabwe. So, thank you.

3 **THE CHAIRMAN.** Well, thank you both, Senator Flake and Senator Coons, for  
4 pushing us on this and making this happen.

5 Is there a motion to approve en bloc these two -- these two bills?

6 **SENATOR MENENDEZ.** So moved.

7 **THE CHAIRMAN.** Is there a second?

8 **SENATOR RISCH.** Second.

9 **THE CHAIRMAN.** So moved and seconded. The question is on the motion to  
10 approve S. 1158 and S. 2779, as amended.

11 All those in favor will say aye.

12 [A chorus of ayes.]

13 **THE CHAIRMAN.** Opposed?

14 [No response.]

15 **THE CHAIRMAN.** With that, the ayes have it, and the legislation, as amended, is  
16 agreed to.

17 Finally, we will consider all of the nominations on the agenda and the noticed  
18 FSO list, including Mr. Stephen Akard to be director of the Office of Foreign Missions,  
19 Ms. Robin Bernstein to be the ambassador to the Dominican Republic, the Honorable  
20 Kenneth George to be ambassador to Uruguay, Mr. Harry Harris to be the ambassador



1 to the Republic of Korea, Mr. Joseph Mondello to be ambassador to Trinidad, the  
2 Honorable Georgette Mosbacher to be ambassador to Poland, the Honorable Tibor  
3 Nagy to be assistant secretary of state for African affairs, Mr. Gordon Sondland to be  
4 ambassador to the European Union, Mr. Ronald Gidwitz to be ambassador to Belgium,  
5 Ms. Cherith Chalet to be alternate representative to the UN General Assembly and  
6 representative to the United Nations for UN Management and Reform, and the  
7 Honorable Brian Nichols to be ambassador to Zimbabwe.

8 Is there a motion to report favorably these nominations and the FSO list, en bloc,  
9 by voice vote?

10 **SENATOR RISCH.** So moved.

11 **THE CHAIRMAN.** Is there a second?

12 **SENATOR CARDIN.** Second.

13 **THE CHAIRMAN.** So moved and seconded. The question is on the motion to  
14 report favorably the nominations and FSO List.

15 All in favor will say aye.

16 [A chorus of ayes.]

17 **THE CHAIRMAN.** Opposed?

18 **SENATOR MENENDEZ.** Mr. Chairman, I am in favor of all except that I ask to be  
19 recorded as a "no" on Bernstein, and I understand that Senators Markey and Kaine  
20 would also like to be recorded as a "no".

1           **SENATOR BOOKER.**    Would you add me to that list as well?

2           **SENATOR COONS.**    And I will join as a no as well.

3           **SENATOR UDALL.**    The same.

4           **SENATOR MERKLEY.**   And I --

5           Voice: Do you want to do a roll call?

6           **THE CHAIRMAN.** I do not really want to do a roll call on that one.

7           [Laughter.]

8           **THE CHAIRMAN.** What is that? Yeah. So, we have already -- we have already  
9 approved the list en bloc, and I think what you all are saying is even though they are all  
10 approved, you would like to be recorded as disapproving.

11          **SENATOR BOOKER.**    Exactly.

12          **THE CHAIRMAN.** Is that acceptable --

13          **SENATOR MENENDEZ.**   I did not object to your en bloc motion in order to move  
14 everything. But I want to, and I believe others want as well, to be recorded as a "no" on  
15 the Bernstein nomination based on her outrageous comments about a presidential  
16 candidate.

17          **THE CHAIRMAN.** Understood. So, those that want to be recorded as a "no", even  
18 though they have all passed, are Senators Menendez, Shaheen, Coons, Udall, Merkley,  
19 and Booker, Markey, and Kaine.

20          **SENATOR MENENDEZ.**   Markey and Kaine.

1           **SENATOR RISCH.** Everybody with a "D."

2           **THE CHAIRMAN.** So, with that, the ayes have it, and the nominations and the FSO  
3 List are agreed to.

4           That completes the committee's business. I ask unanimous consent that staff be  
5 authorized to make technical and conforming changes.

6           Without objection, so ordered.

7           I want to thank the ranking member for working with us the way he did and the  
8 other members of the committee. Yes, sir.

9           **SENATOR COONS.** Mr. Chairman, I also just wanted to thank the staff, your  
10 staff, and Senator Menendez's staff --

11           **THE CHAIRMAN.** And with that, without objection, the committee will stand  
12 adjourned. The meeting is adjourned.

**[Whereupon, at 11:50 a.m., the hearing was adjourned.]**