

DESCRIPTION OF A MODIFICATION TO THE CHAIRMAN'S MARK ON
THE EXTENSION OF NONDISCRIMINATORY
TREATMENT (NORMAL TRADE RELATIONS TREATMENT)
TO PRODUCTS OF THE RUSSIAN FEDERATION AND MOLDOVA

Scheduled for Markup
by the
Senate Committee on Finance
on July 18, 2012

I. Introduction

The Senate Committee on Finance has scheduled a markup of a bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to products of the Russian Federation and Moldova. The Chairman is modifying his mark by making the following two changes.

II. Modification

1. Page 3 of the Chairman's mark requires a report under section 182 of the Trade Act of 1974 on laws, policies, or practices of the Russian Federation that deny fair and equitable treatment to U.S. digital trade. The modification requires that the report be under section 181 of the Trade Act of 1974, rather than section 182.

2. The modification adds on page 3, prior to the description of Moldova PNTR, the Sergei Magnitsky Rule of Law Accountability Act of 2011 as reported out of the Senate Committee on Foreign Relations on June 26, 2012.

In addition to extensive findings with respect to the case of Sergei Magnitsky and the human rights situation in Russia, the modification directs the Secretary of State to submit to appropriate congressional committees a list of persons the Secretary of State determines to have been involved in the death of Sergei Magnitsky or those who benefitted from that death or sought to conceal legal liability, as well as other human rights violators in Russia and around the world. The list must be updated and published, but may include a classified annex if the Secretary of State determines that is necessary for U.S. national security interests, and justifies that determination in a notice to appropriate congressional committees. The modification also provides that the Secretary of State must respond to requests from the Chair and Ranking Member of appropriate congressional committees as to whether individuals should be included in the list.

An individual may be removed from the list if the Secretary of State determines that the person did not engage in the activity for which the person was placed on the list.

Individuals included on the list are ineligible to hold a visa to enter the United States, with the possibility of a waiver if the Secretary of State determines that to be in U.S. national security interests or necessary to comply with the United Nations Headquarters Agreement. In either case, the Secretary must justify that determination in a notice to the appropriate congressional committees

The modification also requires the Secretary of Treasury to freeze the property of those on the list, subject to a waiver of this requirement if the Secretary of Treasury determines that to be in U.S. national security interests, and that determination is justified in a notice to the appropriate congressional committees.

The modification also requires the Secretaries of State and Treasury to report annually on actions taken under the act and on efforts to encourage other countries to take such actions.