

112TH CONGRESS
1ST SESSION

H. R. 2542

To withhold twenty percent of United States assessed and voluntary contributions to the Organization of American States (OAS) for every permanent council meeting that takes place where Article 20 of the Inter-American Charter is not invoked with regard to Venezuela's recent constitutional reforms, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2011

Mr. MACK (for himself, Mr. DIAZ-BALART, and Mr. SIRES) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To withhold twenty percent of United States assessed and voluntary contributions to the Organization of American States (OAS) for every permanent council meeting that takes place where Article 20 of the Inter-American Charter is not invoked with regard to Venezuela's recent constitutional reforms, and for other purposes.

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

3 **SECTION 1. FINDINGS.**

4 Congress finds the following:

5 (1) Article 3 of the Inter-American Democratic
6 Charter of the Organization of American States

1 (OAS) states that, “Essential elements of represent-
2 ative democracy include, inter alia, respect for
3 human rights and fundamental freedoms, access to
4 and the exercise of power in accordance with the
5 rule of law, the holding of periodic, free, and fair
6 elections based on secret balloting and universal suf-
7 frage as an expression of the sovereignty of the peo-
8 ple, the pluralistic system of political parties and or-
9 ganizations, and the separation of powers and inde-
10 pendence of the branches of government.”.

11 (2) Article 4 of the Inter-American Democratic
12 Charter states that “Transparency in government
13 activities, probity, responsible public administration
14 on the part of governments, respect for social rights,
15 and freedom of expression and of the press are es-
16 sential components of the exercise of democracy. The
17 constitutional subordination of all state institutions
18 to the legally constituted civilian authority and re-
19 spect for the rule of law on the part of all institu-
20 tions and sectors of society are equally essential to
21 democracy.”.

22 (3) Article 20 of the Inter-American Demo-
23 cratic Charter states that “In the event of an uncon-
24 stitutional alteration of the constitutional regime
25 that seriously impairs the democratic order in a

1 member state, any member state or the Secretary
2 General may request the immediate convocation of
3 the Permanent Council to undertake a collective as-
4 sessment of the situation and to take such decisions
5 as it deems appropriate. The Permanent Council, de-
6 pending on the situation, may undertake the nec-
7 essary diplomatic initiatives, including good offices,
8 to foster the restoration of democracy.”.

9 (4) In December 2010, Venezuela’s President,
10 Hugo Chavez, in coordination with a pliant legisla-
11 ture, passed a package of laws, including the Ena-
12 bling Act or Enabling Law, which fundamentally al-
13 tered the Venezuelan Constitution.

14 (5) As a result of the legislation, essential free-
15 doms are impaired, including the freedom of speech
16 through restrictions on the internet and television, a
17 breakdown in strong, independent, and pluralistic
18 political parties through electoral reform that expels
19 from parliament politicians who change parties, vote
20 against certain legislation, or align with ideologically
21 opposed ideas or people, separation of powers and
22 subordination of the state to the people through the
23 removal of the municipal and regional governments’
24 constitutional mandate, and fundamentally altering
25 the ability of the people to govern themselves, in ad-

1 dition to the president’s ability to rule by decree for
2 eighteen months in nine broad areas such as social,
3 economic, territorial, and national security, and re-
4 spect for social rights through changes to the edu-
5 cation sector by controlling curriculum and ideology
6 in universities.

7 (6) The package of laws, including the Enabling
8 Act, therefore violate essential elements of the exer-
9 cise of democracy as stated in Articles 3 and 4 of
10 the Inter-American Democratic Charter.

11 (7) Secretary General Jose Miguel Insulza stat-
12 ed in an interview with Associated Press that he be-
13 lieved the Enabling Act in Venezuela was “anti-
14 democratic, unconstitutional and a violation of the
15 Inter-American Charter,”.

16 (8) Assistant Secretary of State for the West-
17 ern Hemisphere, Arturo Valenzuela, reiterated the
18 description of the Enabling Law as “undemocratic”.

19 (9) The most recent Worldwide Threat Assess-
20 ment by the Director of National Intelligence found
21 that “at the end of the legislature’s lame duck term,
22 Chavez and his allies passed legislation that gives
23 more resources to his loyal community councils, al-
24 lowing Chavez to claim that he is both bolstering

1 participatory democracy and creating new means of
2 funneling resources to supporters.”.

3 (10) According to the Inter-American Demo-
4 cratic Charter, invocation of Article 20 may be made
5 by the Secretary General or any member state of the
6 Organization of the American States in the event of
7 an unconstitutional alteration of the constitutional
8 regime that seriously impairs the democratic order
9 in a member state.

10 (11) Also, according to the Inter-American
11 Democratic Charter, invocation of Article 20 sig-
12 nifies the calling of the Permanent Council to deter-
13 mine next steps, through diplomatic initiatives, to
14 foster the restoration of democracy in a member
15 state. If such initiatives fail to restore democracy,
16 Article 21 is employed to call a special session of the
17 General Assembly in order to take the decision to
18 suspend such member state from the exercise of its
19 right to participate in the OAS by an affirmative
20 vote of two-thirds of the member states in accord-
21 ance with the Charter of the OAS. The suspension
22 shall take effect immediately.

1 **SEC. 2. INVOCATION OF ARTICLE 20 OF THE INTER-AMER-**
2 **ICAN DEMOCRATIC CHARTER.**

3 (a) **WITHHOLDING OF CONTRIBUTIONS.**—For every
4 Permanent Council meeting of the Organization of Amer-
5 ican States (OAS) that, beginning after the date of the
6 enactment of this Act, meets without the invocation of Ar-
7 ticle 20 of the Inter-American Democratic Charter and the
8 ensuing discussion with regard to Venezuela’s violation of
9 such Charter, as guaranteed in such Charter, the Sec-
10 retary of State shall withhold 20 percent of assessed and
11 voluntary United States contributions to the OAS for the
12 fiscal year in which each such meeting begins (or, if 20
13 percent is not available for withholding in such fiscal year,
14 the Secretary shall withhold the highest percentage pos-
15 sible in such fiscal year and the remaining percentage in
16 the subsequent fiscal year).

17 (b) **RESUMPTION OF CONTRIBUTIONS.**—The Sec-
18 retary of State shall resume making assessed and vol-
19 untary United States contributions to the OAS upon the
20 invocation of Article 20 and the discussion of Venezuela’s
21 violation of the Inter-American Democratic Charter at a
22 meeting of the Permanent Council.

23 (c) **DEFICIT REDUCTION.**—Amounts withheld pursu-
24 ant to subsection (a) shall be applied to reduce the Federal

- 1 budget deficit, or, for any fiscal year for which there is
- 2 no Federal budget deficit, to reduce the Federal debt.

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