

Assembly Joint Resolution

No. 3

Introduced by Assembly Member Alejo

January 5, 2015

Assembly Joint Resolution No. 3—Relative to the Cuban embargo.

LEGISLATIVE COUNSEL'S DIGEST

AJR 3, as introduced, Alejo. Cuban embargo.

This measure would urge the Congress of the United States to support President Obama's initiative to normalize diplomatic relations with Cuba and to move forward with legislation to lift the economic embargo on Cuba.

Fiscal committee: no.

1 WHEREAS, The ability of American companies to do business
2 with Cuba is curtailed by the Cuban Assets Control Regulations
3 (31 C.F.R. 515), which were issued in 1963, that lay out a
4 comprehensive set of economic sanctions, including a prohibition
5 on most financial transactions with the island; and

6 WHEREAS, These sanctions were made stronger with the Cuban
7 Democracy Act of 1992 (22 U.S.C. sec. 6001 et seq.) and the
8 Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of
9 1996, which is commonly referred to as the Helms-Burton Act.
10 Most significantly, the Helms-Burton Act codified the embargo
11 and has had a lasting impact on U.S. policy options toward Cuba
12 by imposing economic sanctions, travel restrictions, and
13 international legal penalties; and

14 WHEREAS, Prior to the embargo, the United States accounted
15 for nearly 70 percent of Cuba's international trade. Cuba was the

1 seventh largest market for U.S. exporters particularly for American
2 farm producers, and 84 percent of all food consumed in Cuba was
3 imported from the United States; and

4 WHEREAS, Despite the fact that the United States and Cuba
5 are natural trading partners, the embargo forced Cuba to seek out
6 new sources for its domestic consumption at the expense of U.S.
7 exports and American jobs; and

8 WHEREAS, According to the United States Chamber of
9 Commerce, the embargo's annual cost to the U.S. economy ranges
10 from \$1.2 to \$3.6 billion and disproportionately affects U.S. small
11 businesses who lack the transportation and financial infrastructure
12 to skirt the embargo; and

13 WHEREAS, These restrictions result in real reductions in
14 income and employment, negatively impacting U.S. small
15 businesses; and

16 WHEREAS, Allies of the United States have taken a
17 disproportionate share of the market of an island that is only 90
18 miles from our shores and is a natural market for U.S. goods and
19 services; and

20 WHEREAS, California is currently the eighth largest economy
21 in the world but exported only \$122,000 in agricultural products
22 to Cuba in 2013, approximately .00068 percent of the \$18 billion
23 of agricultural products exported from California each year; and

24 WHEREAS, California's agricultural growers face great
25 opportunities by moving to Cuba to aid in the development of
26 agricultural technology, innovation, and investment; and

27 WHEREAS, California is the high-tech capital of the nation and
28 is well positioned to export telecommunications infrastructure to
29 Cuba; and

30 WHEREAS, California pharmaceutical companies and
31 devicemakers will be able to sell their products in Cuba, a new
32 market hungry for its products; and

33 WHEREAS, California healthcare providers can benefit
34 immensely from renewed Cuban relationships; and

35 WHEREAS, Acknowledging that the embargo has not produced
36 any positive economic or political outcomes in Cuba or the United
37 States, and that lifting the embargo will better serve California's
38 interests and improve the lives of Cubans and their families; now,
39 therefore, be it

1 *Resolved by the Assembly and the Senate of the State of*
2 *California, jointly,* That the Legislature of the State of California
3 urges the Congress of the United States to support President
4 Obama’s initiative to normalize diplomatic relations with Cuba
5 and to, with all deliberate speed, move forward with legislation to
6 lift the economic embargo on Cuba; and be it further

7 *Resolved,* That the Chief Clerk of the Assembly transmit copies
8 of this resolution to the President and Vice President of the United
9 States, to the Speaker of the House of Representatives, to the
10 Minority Leader of the House of Representatives, to the Majority
11 Leader of the Senate, the Minority Leader of the Senate, and to
12 each Senator and Representative from California in the Congress
13 of the United States.

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