

VARIOUS MEASURES

MARKUP

BEFORE THE

COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

ON

**H. Res. 422, H.R. 425, H.R. 1196, H.R. 1660,
H.R. 2658, H.R. 3320, H.R. 3329, H.R. 3342
and H.R. 3445**

SEPTEMBER 28, 2017

Serial No. 115-69

Printed for the use of the Committee on Foreign Affairs



Available via the World Wide Web: <http://www.foreignaffairs.house.gov/> or
<http://www.gpo.gov/fdsys/>

U.S. GOVERNMENT PUBLISHING OFFICE

27-013PDF

WASHINGTON : 2017

For sale by the Superintendent of Documents, U.S. Government Publishing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

COMMITTEE ON FOREIGN AFFAIRS

EDWARD R. ROYCE, California, *Chairman*

CHRISTOPHER H. SMITH, New Jersey	ELIOT L. ENGEL, New York
ILEANA ROS-LEHTINEN, Florida	BRAD SHERMAN, California
DANA ROHRABACHER, California	GREGORY W. MEEKS, New York
STEVE CHABOT, Ohio	ALBIO SIRES, New Jersey
JOE WILSON, South Carolina	GERALD E. CONNOLLY, Virginia
MICHAEL T. McCAUL, Texas	THEODORE E. DEUTCH, Florida
TED POE, Texas	KAREN BASS, California
DARRELL E. ISSA, California	WILLIAM R. KEATING, Massachusetts
TOM MARINO, Pennsylvania	DAVID N. CICILLINE, Rhode Island
JEFF DUNCAN, South Carolina	AMI BERA, California
MO BROOKS, Alabama	LOIS FRANKEL, Florida
PAUL COOK, California	TULSI GABBARD, Hawaii
SCOTT PERRY, Pennsylvania	JOAQUIN CASTRO, Texas
RON DeSANTIS, Florida	ROBIN L. KELLY, Illinois
MARK MEADOWS, North Carolina	BRENDAN F. BOYLE, Pennsylvania
TED S. YOHO, Florida	DINA TITUS, Nevada
ADAM KINZINGER, Illinois	NORMA J. TORRES, California
LEE M. ZELDIN, New York	BRADLEY SCOTT SCHNEIDER, Illinois
DANIEL M. DONOVAN, Jr., New York	THOMAS R. SUOZZI, New York
F. JAMES SENSENBRENNER, Jr., Wisconsin	ADRIANO ESPAILLAT, New York
ANN WAGNER, Missouri	TED LIEU, California
BRIAN J. MAST, Florida	
FRANCIS ROONEY, Florida	
BRIAN K. FITZPATRICK, Pennsylvania	
THOMAS A. GARRETT, Jr., Virginia	

AMY PORTER, *Chief of Staff* THOMAS SHEEHY, *Staff Director*

JASON STEINBAUM, *Democratic Staff Director*

CONTENTS

	Page
MARKUP ON	
H. Res. 422, Urging the adherence to the “one country, two systems” policy as prescribed in the Joint Declaration between the Government of the United Kingdom of Great Britain and the Government of the People’s Republic of China on the Question of the Hong Kong	2
Amendment in the nature of a substitute to H. Res. 422 offered by the Honorable Eliot L. Engel, a Representative in Congress from the State of New York	8
H.R. 425, To authorize the revocation or denial of passports to individuals affiliated with foreign terrorist organizations, and for other purposes	15
Amendment in the nature of a substitute to H.R. 425 offered by the Honorable Ted Poe, a Representative in Congress from the State of Texas	18
Amendment to the amendment in the nature of a substitute to H.R. 425 offered by the Honorable Joaquin Castro, a Representative in Congress from the State of Texas	21
H.R. 1196, To require a plan to combat international travel by terrorists and foreign fighters, accelerate the transfer of certain border security systems to foreign partner governments, establish minimum international border security standards, authorize the suspension of foreign assistance to countries not making significant efforts to comply with such minimum standards, and for other purposes	22
Amendment in the nature of a substitute to H.R. 1196 offered by the Honorable Lee M. Zeldin, a Representative in Congress from the State of New York	39
H.R. 1660, To direct the Administrator of the United States Agency for International Development to submit to Congress a report on the development and use of global health innovations in the programs, projects, and activities of the Agency	55
H.R. 2658, To provide humanitarian assistance for the Venezuelan people, to defend democratic governance and combat widespread public corruption in Venezuela, and for other purposes	59
Amendment in the nature of a substitute to H.R. 2658 offered by the Honorable Eliot L. Engel	84
H.R. 3320, To direct the Secretary of State to develop a strategy to regain observer status for Taiwan in the World Health Organization, and for other purposes	108
H.R. 3329, To amend the Hizballah International Financing Prevention Act of 2015 to impose additional sanctions with respect to Hizballah, and for other purposes	113
Amendment in the nature of a substitute to H.R. 3329 offered by the Honorable Edward R. Royce, a Representative in Congress from the State of California, and chairman, Committee on Foreign Affairs	146
Amendment to the amendment in the nature of a substitute to H.R. 3329 offered by:	
The Honorable Brendan F. Boyle, a Representative in Congress from the Commonwealth of Pennsylvania	179
The Honorable David Cicilline, a Representative in Congress from the State of Rhode Island	180
The Honorable Jeff Duncan, a Representative in Congress from the State of South Carolina	182
The Honorable Ileana Ros-Lehtinen, a Representative in Congress from the State of Florida	189

IV

	Page
Amendment in the nature of a substitute to H.R. 3329 offered by the Honorable Edward R. Royce, a Representative in Congress from the State of California, and chairman, Committee on Foreign Affairs—Contin- ued	
Amendment to the amendment in the nature of a substitute to H.R. 3329 offered by—Continued	
The Honorable Bradley S. Schneider, a Representative in Congress from the State of Illinois	191
H.R. 3342, To impose sanctions on foreign persons that are responsible for gross violations of internationally recognized human rights by reason of the use by Hizballah of civilians as human shields, and for other purposes ..	194
H.R. 3445, To enhance the transparency and accelerate the impact of pro- grams under the African Growth and Opportunity Act and the Millennium Challenge Corporation, and for other purposes	206

APPENDIX

Markup notice	228
Markup minutes	229
Markup summary	231
The Honorable Edward R. Royce: Prepared statement	232
The Honorable Gerald E. Connolly, a Representative in Congress from the Commonwealth of Virginia: Prepared statement	234
The Honorable Joe Wilson, a Representative in Congress from the State of South Carolina: Prepared statement	236
The Honorable Theodore E. Deutch, a Representative in Congress from the State of Florida: Prepared statement	237
The Honorable Ted Poe: Prepared statement	239
The Honorable David Cicilline: Prepared statement	241
The Honorable Jeff Duncan: Prepared statement	242
The Honorable Brendan F. Boyle: Prepared statement	243
The Honorable Bradley S. Schneider: Prepared statement	244
The Honorable Thomas R. Suozzi, a Representative in Congress from the State of New York: Prepared statement	245

VARIOUS MEASURES

THURSDAY, SEPTEMBER 28, 2017

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10:00 a.m., in room 2172, Rayburn House Office Building, Hon. Ed Royce (chairman of the committee) presiding.

Chairman ROYCE. This committee will come to order. Pursuant to notice we meet today to mark up nine bipartisan measures. Without objection all members may have 5 calendar days to submit statements or extraneous materials on today's business.

I am actually going to place my own prepared statement into the record to save time, as we have been notified that final floor votes for the week will start at 10:15. As members were notified yesterday, we intend to consider today's measures en bloc, and so without objection the following items previously provided to members and also in your packets will be considered en bloc and are considered as read.

House Resolution 422, urging the adherence to the "one country, two systems" policy for Hong Kong. It should not be one country, one and-a-half systems. It should be one country, two systems. Engel amendment 58 in the nature of a substitute; H.R. 425, the Foreign Terrorist Organization Passport Revocation Act of 2017, Poe amendment 45 in the nature of a substitute, Castro amendment 54; H.R. 1196, the Counterterrorism Screening and Assistance Act of 2017, Zeldin amendment 25 in the nature of a substitute; H.R. 1660, the Global Health Innovation Act of 2017; H.R. 2658, the Venezuela Humanitarian Assistance and Defense of Democratic Governance Act, Engel amendment 57 in the nature of a substitute; H.R. 3320, to Develop a Strategy to Regain Observer Status for Taiwan in the World Health Organization; H.R. 3329, the Hizballah International Financing Prevention Amendments Act, Royce amendment 56 in the nature of a substitute, Boyle amendment 9, Cicilline amendment 8, Duncan amendment 33, Ros-Lehtinen amendment 36, Schneider amendment 47; H.R. 3342, Sanctioning Hizballah's Illicit Use of Civilians As Defenseless Shields; and H.R. 3445, the AGOA and MCA Modernization Act.

[The information referred to follows:]

115TH CONGRESS
1ST SESSION

H. RES. 422

Urging adherence to the “one country, two systems” policy as prescribed in the Joint Declaration between the Government of the United Kingdom of Great Britain and the Government of the People’s Republic of China on the Question of the Hong Kong.

IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 2017

Mr. ENGEL (for himself, Mr. CHABOT, Mr. SHERMAN, Mr. YOHO, and Mr. SMITH of New Jersey) submitted the following resolution; which was referred to the Committee on Foreign Affairs

RESOLUTION

Urging adherence to the “one country, two systems” policy as prescribed in the Joint Declaration between the Government of the United Kingdom of Great Britain and the Government of the People’s Republic of China on the Question of the Hong Kong.

Whereas the People’s Republic of China assumed the exercise of sovereignty over the Hong Kong Special Administrative Region 20 years ago, on July 1, 1997;

Whereas the Joint Declaration between the Government of the United Kingdom of Great Britain and the Government of the People’s Republic of China on the Question of the Hong Kong (in this resolution referred to as the “Joint Declaration”) required China’s National People’s

Congress (NPC) to pass the “Basic Law of the Hong Kong Special Administrative Region of the People’s Republic of China” (in this resolution referred to as the “Basic Law”) consistent with the obligations contained in the Joint Declaration, which was approved by the NPC on April 4, 1990;

Whereas relations between the United States and Hong Kong are fundamentally based upon the continued maintenance of the “one country, two systems” policy stipulated in the United States-Hong Kong Policy Act of 1992 (Public Law 102–383; 22 U.S.C. 5701 et seq.) and established by the Joint Declaration;

Whereas under the “one country, two systems” policy established by the Joint Declaration, Hong Kong “will enjoy a high degree of autonomy except in foreign and defense affairs” and “will be vested with executive, legislative and independent judicial power including that of final adjudication”;

Whereas Hong Kong’s autonomy under the “one country, two systems” policy, as demonstrated by its highly developed rule of law, independent judiciary, and respect for the rights of individuals, has continued to make Hong Kong the preferred residence for over 85,000 United States citizens, and at least 1,400 United States businesses operate in Hong Kong;

Whereas the Joint Declaration and the Basic Law declare that the lifestyle and social and economic systems in Hong Kong will remain unchanged for 50 years after the 1997 reversion;

Whereas the Basic Law guarantees Hong Kong residents the freedoms of speech, press, publication, association, as-

sembly, demonstration, religious belief and activity, academic research, and the rights to form unions and to strike, among others;

Whereas the Basic Law also guarantees Hong Kong residents the right to vote and to stand for election;

Whereas although the Basic Law states that “the ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures”, the actual process for nominating eligible Chief Executive candidates remains heavily influenced by the Government of China;

Whereas widespread frustration with the lack of progress toward a democratic selection of candidates for Chief Executive provoked large-scale public demonstrations in late 2014, popularly known as the “Umbrella Movement”, that involved hundreds of thousands of demonstrators and the occupation of certain public spaces for as long as 79 days;

Whereas, although Hong Kong continues to enjoy high levels of economic freedom and judicial independence, certain recent actions by the Government of China are inconsistent with its stated commitments to Hong Kong’s high degree of autonomy and the preservation of the rule of law;

Whereas international press reported that from October through December 2015, four employees of *Might Current* publishing house and its affiliated bookstore, Causeway Bay Books, a Hong Kong seller of publications critical of Chinese leadership, disappeared under suspicious circumstances from Hong Kong, Thailand, and mainland

China, in potentially the most serious breach of the “one country, two systems” policy since 1997, which has had a chilling effect on the freedoms of speech and publication in Hong Kong;

Whereas international press reported that—

(1) Gui Minhai, a Swedish citizen and the co-owner of Mighty Current, was last seen in Thailand in October 2015;

(2) the general manager of Mighty Current, Lui Bo, and the business manager, Cheung Jiping, disappeared while on a visit to mainland China around October 2015; and

(3) Lee Bo, who holds British and Chinese citizenship and is a permanent resident of Hong Kong, disappeared from Hong Kong on December 30, 2015;

Whereas Mr. Lui, Mr. Cheung, and Mr. Lee each briefly returned to Hong Kong in March 2016 to ask Hong Kong police to drop their missing persons’ cases before immediately returning to mainland China;

Whereas Lam Wing Kee, another Causeway Bay Books bookseller, testified before the Congressional-Executive Commission on China that he was detained by officials in Shenzhen, China on October 24, 2015, moved to a detention facility more than 1,300 miles away, and held incommunicado and subjected to “endless interrogation” for seven and one-half months, during which he was forced to produce multiple, coerced confessions of “selling books illegally”;

Whereas, on November 7, 2016, while the Hong Kong High Court was considering its final ruling to determine if the oaths sworn by certain Legislative Council candidates were in accordance with Article 104 of the Basic Law,

the Standing Committee of the NPC issued its own interpretation of Article 104 of the Basic Law in an attempt to foreclose the opportunity for the legislators-elect to retake their oaths and assume office;

Whereas that interpretation of Article 104 by the Standing Committee of the NPC represented the first time it had issued such an interpretation while a Hong Kong judge was deliberating on the case in question and only the second time it had done so in the absence of a request from Hong Kong authorities;

Whereas, according to the Hong Kong Bar Association, that preemptive interpretation was “unnecessary and inappropriate” and “created the impression that the [Standing Committee] is effectively legislating for Hong Kong, thereby casting doubts on the commitment of the Central People’s Government to abide by the principles of ‘one country, two systems’ ”; and

Whereas Hong Kong’s highly developed rule of law, independent judiciary, and respect for individual rights are fundamental to its way of life and economic prosperity: Now, therefore, be it

1 *Resolved*, That the House of Representatives—

2 (1) recognizes, consistent with the United
3 States-Hong Kong Policy Act of 1992, that—

4 (A) Hong Kong continues to play an im-
5 portant role in today’s regional and world econ-
6 omy, with strong economic, cultural, and other
7 ties to the United States;

1 (B) respect for civil liberties, open mar-
2 kets, rule of law, and judicial independence are
3 all integral aspects of Hong Kong's lifestyle and
4 social and economic systems; and

5 (C) the authority of the United States
6 Government to treat Hong Kong as a non-sov-
7 ereign entity distinct from China, for the pur-
8 poses of United States laws relating to trade, fi-
9 nance, transportation, economic and cultural
10 exchange, travel, law enforcement cooperation,
11 export controls, and other matters, depends on
12 Hong Kong remaining sufficiently autonomous;
13 and

14 (2) urges adherence to the "one country, two
15 systems" policy established by the Joint Declaration
16 and the Basic Law with respect to—

17 (A) Hong Kong's exercise of a high degree
18 of autonomy;

19 (B) its enjoyment of executive, legislative,
20 and independent judicial power; and

21 (C) the robust protection of the funda-
22 mental rights of Hong Kong residents guaran-
23 teed by Chapter III of the Basic Law.

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H. RES. 422
OFFERED BY MR. ENGEL OF NEW YORK**

Strike the preamble and insert the following:

Whereas the People's Republic of China assumed the exercise of sovereignty over the Hong Kong Special Administrative Region 20 years ago, on July 1, 1997;

Whereas the Joint Declaration between the Government of the United Kingdom of Great Britain and the Government of the People's Republic of China on the Question of the Hong Kong (in this resolution referred to as the "Joint Declaration") required China's National People's Congress (NPC) to pass the "Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China" (in this resolution referred to as the "Basic Law") consistent with the obligations contained in the Joint Declaration, which was approved by the NPC on April 4, 1990;

Whereas relations between the United States and Hong Kong are fundamentally based upon the continued maintenance of the "one country, two systems" policy stipulated in the United States-Hong Kong Policy Act of 1992 (Public Law 102-383; 22 U.S.C. 5701 et seq.) and established by the Joint Declaration;

Whereas under the "one country, two systems" policy established by the Joint Declaration, Hong Kong "will enjoy a high degree of autonomy except in foreign and defense affairs" and "will be vested with executive, legislative and

independent judicial power including that of final adjudication”;

Whereas Hong Kong’s autonomy under the “one country, two systems” policy, as demonstrated by its highly developed rule of law, independent judiciary, and respect for the rights of individuals, has continued to make Hong Kong the preferred residence for over 85,000 United States citizens, and at least 1,400 United States businesses operate in Hong Kong;

Whereas the Joint Declaration and the Basic Law declare that the lifestyle and social and economic systems in Hong Kong will remain unchanged for 50 years after the 1997 reversion;

Whereas the Basic Law guarantees Hong Kong residents the freedoms of speech, press, publication, association, assembly, demonstration, religious belief and activity, academic research, and the rights to form unions and to strike, among others;

Whereas the Basic Law also guarantees Hong Kong residents the right to vote and to stand for election;

Whereas although the Basic Law states that “the ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures”, the actual process for nominating eligible Chief Executive candidates remains heavily influenced by the Government of China;

Whereas widespread frustration with the lack of progress toward a democratic selection of candidates for Chief Executive provoked large-scale public demonstrations in late 2014, popularly known as the “Umbrella Movement”,

that involved hundreds of thousands of demonstrators and the occupation of certain public spaces for as long as 79 days;

Whereas, although Hong Kong continues to enjoy high levels of economic freedom and judicial independence, certain recent actions by the Government of China are inconsistent with its stated commitments to Hong Kong's high degree of autonomy and the preservation of the rule of law;

Whereas international press reported that from October through December 2015, four employees of Mighty Current publishing house and its affiliated bookstore, Causeway Bay Books, a Hong Kong seller of publications critical of Chinese leadership, disappeared under suspicious circumstances from Hong Kong, Thailand, and mainland China, in potentially the most serious breach of the "one country, two systems" policy since 1997, which has had a chilling effect on the freedoms of speech and publication in Hong Kong;

Whereas international press reported that—

(1) Gui Minhai, a Swedish citizen and the co-owner of Mighty Current, was last seen in Thailand in October 2015;

(2) The general manager of Mighty Current, Lui Bo, and the business manager, Cheung Jiping, disappeared while on a visit to mainland China around October 2015; and

(3) Lee Bo, who holds British and Chinese citizenship and is a permanent resident of Hong Kong, disappeared from Hong Kong on December 30, 2015;

Whereas Mr. Lui, Mr. Cheung, and Mr. Lee each briefly returned to Hong Kong in March 2016 to ask Hong Kong police to drop their missing persons' cases before immediately returning to mainland China;

Whereas Lam Wing Kee, another Causeway Bay Books bookseller, testified before the Congressional-Executive Commission on China that he was detained by officials in Shenzhen, China on October 24, 2015, moved to a detention facility more than 1,300 miles away, and held incommunicado and subjected to "endless interrogation" for seven and half months, during which he was forced to produce multiple, coerced confessions of "selling books illegally";

Whereas on November 7, 2016, while the Hong Kong High Court was considering its final ruling to determine if the oaths sworn by certain Legislative Council candidates were in accordance with Article 104 of the Basic Law, the Standing Committee of the NPC issued its own interpretation of Article 104 of the Basic Law in an attempt to foreclose the opportunity for the legislators-elect to re-take their oaths and assume office;

Whereas that interpretation of Article 104 by the Standing Committee of the NPC represented the first time it had issued such an interpretation while a Hong Kong judge was deliberating on the case in question and only the second time it had done so in the absence of a request from Hong Kong authorities;

Whereas according to the Hong Kong Bar Association, that preemptive interpretation was "unnecessary and inappropriate" and "created the impression that the [Standing Committee] is effectively legislating for Hong Kong, thereby casting doubts on the commitment of the Central

People's Government to abide by the principles of 'one country, two systems'";

Whereas on November 15, 2016, the High Court ruled that the oaths taken by Yau Wai-ching and Baggio Leung Chung-hang were invalid, and barred the two from serving as members of the Legislative Council;

Whereas on December 16, 2016, then Chief Executive Leung Chun-ying and Secretary of Justice Rimsky Yuen Kwok-keung filed for judicial review of the oaths taken by Lau Sui-lai, Nathan Law, Leung Kwok-hung, and Edward Yiu Chung-yim;

Whereas on July 14, 2017, the High Court ruled that the oaths taken by Lau Sui-lai, Nathan Law, Leung Kwok-hung, and Edward Yiu Chung-yim were invalid and barred the four of them from serving as members of the Legislative Council;

Whereas in August 2017, the Hong Kong Government appealed the original sentences of three "Umbrella Movement" leaders, Joshua Wong, Nathan Law, and Alex Chow and asked for prison time after they had already completed their previous community service sentences;

Whereas the Hong Kong Court of Appeal subsequently imposed prison sentences on Joshua Wong, Nathan Law, and Alex Chow of six, seven, and eight months respectively, which effectively bars them from running for political office for five years; and

Whereas these developments have called into question Hong Kong's highly developed rule of law, independent judiciary, and respect for individual rights, which are fundamental to its way of life and economic prosperity: Now, therefore, be it

Strike all after the enacting clause and insert the following:

- 1 *Resolved*, That the House of Representatives—
- 2 (1) recognizes, consistent with the United
- 3 States-Hong Kong Policy Act of 1992, that—
- 4 (A) Hong Kong continues to play an im-
- 5 portant role in today's regional and world econ-
- 6 omy, with strong economic, cultural, and other
- 7 ties to the United States;
- 8 (B) respect for civil liberties, open mar-
- 9 kets, rule of law, and judicial independence are
- 10 all integral aspects of Hong Kong's lifestyle and
- 11 social and economic systems; and
- 12 (C) the authority of the United States
- 13 Government to treat Hong Kong as a non-sov-
- 14 ereign entity distinct from China, for the pur-
- 15 poses of United States laws relating to trade, fi-
- 16 nance, transportation, economic and cultural
- 17 exchange, travel, law enforcement cooperation,
- 18 export controls, and other matters, depends on
- 19 Hong Kong remaining sufficiently autonomous;
- 20 and
- 21 (2) urges adherence to the “one country, two
- 22 systems” policy established by the Joint Declaration
- 23 and the Basic Law with respect to—

1 (A) Hong Kong's exercise of a high degree
2 of autonomy;

3 (B) its enjoyment of executive, legislative,
4 and independent judicial power; and

5 (C) the robust protection of the funda-
6 mental rights of Hong Kong residents guaran-
7 teed by Chapter III of the Basic Law.



115TH CONGRESS
1ST SESSION

H. R. 425

To authorize the revocation or denial of passports to individuals affiliated with foreign terrorist organizations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 10, 2017

Mr. POE of Texas (for himself and Mr. KEATING) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To authorize the revocation or denial of passports to individuals affiliated with foreign terrorist organizations, 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. SHORT TITLE.

4 This Act may be cited as the “FTO Passport Revoca-
5 tion Act of 2017”.

6 SEC. 2. REVOCATION OR DENIAL OF PASSPORTS TO INDIVIDUALS AFFILIATED WITH FOREIGN TERRORIST ORGANIZATIONS.

9 The Act entitled “An Act to regulate the issue and
10 validity of passports, and for other purposes”, approved

1 July 3, 1926 (22 U.S.C. 211a et seq.), commonly known
2 as the “Passport Act of 1926”, is amended by adding at
3 the end the following new section:

4 **“SEC. 4. AUTHORITY TO DENY OR REVOKE PASSPORT.**

5 “(a) INELIGIBILITY.—

6 “(1) ISSUANCE.—Except as provided under
7 subsection (b), the Secretary of State shall refuse to
8 issue a passport to any individual whom the Sec-
9 retary has determined—

10 “(A) is a member of or is otherwise affili-
11 ated with an organization the Secretary has
12 designated as a foreign terrorist organization
13 pursuant to section 219 of the Immigration and
14 Nationality Act (8 U.S.C. 1189); or

15 “(B) has aided, abetted, or provided mate-
16 rial support to such an organization.

17 “(2) REVOCATION.—The Secretary of State
18 shall revoke a passport previously issued to any indi-
19 vidual described in paragraph (1).

20 “(b) EXCEPTIONS.—

21 “(1) EMERGENCY CIRCUMSTANCES, HUMANI-
22 TARIAN REASONS, AND LAW ENFORCEMENT PUR-
23 POSES.—Notwithstanding subsection (a), the Sec-
24 retary of State may issue to or decline to revoke a
25 passport of an individual described in such sub-

1 section in emergency circumstances, for humani-
2 tarian reasons, or for law enforcement purposes.

3 “(2) LIMITATION FOR RETURN TO UNITED
4 STATES.—Notwithstanding subsection (a)(2), the
5 Secretary of State, before revocation, may—

6 “(A) limit a previously issued passport
7 only for return travel to the United States; or

8 “(B) issue a limited passport that only
9 permits return travel to the United States.

10 “(c) RIGHT OF REVIEW.—Any individual who, in ac-
11 cordance with this section, is denied issuance of a passport
12 by the Secretary of State, or whose passport is revoked
13 or otherwise limited by the Secretary, may request a hear-
14 ing before the Secretary not later than 60 days after re-
15 ceiving notice of such denial, revocation, or limitation.

16 “(d) REPORT.—If the Secretary of State denies,
17 issues, limits, or declines to revoke a passport under sub-
18 section (b), the Secretary shall, not later than 30 days
19 after such denial, issuance, limitation, or revocation, sub-
20 mit to Congress a report on such denial, issuance, limita-
21 tion, or revocation, as the case may be.

22 “(e) RULE OF CONSTRUCTION.—In this section, the
23 term ‘passport’ includes a passport card.”.

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 425
OFFERED BY MR. POE OF TEXAS**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “FTO Passport Revoca-
3 tion Act of 2017”.

**4 SEC. 2. REVOCATION OR DENIAL OF PASSPORTS TO INDI-
5 VIDUALS AFFILIATED WITH FOREIGN TER-
6 RORIST ORGANIZATIONS.**

7 The Act entitled “An Act to regulate the issue and
8 validity of passports, and for other purposes”, approved
9 July 3, 1926 (22 U.S.C. 211a et seq.), commonly known
10 as the “Passport Act of 1926”, is amended by adding at
11 the end the following new section:

12 “SEC. 4. AUTHORITY TO DENY OR REVOKE PASSPORT.

13 “(a) INELIGIBILITY.—

14 “(1) ISSUANCE.—Except as provided under
15 subsection (b), the Secretary of State may refuse to
16 issue a passport to any individual whom the Sec-
17 retary has determined has aided, assisted, abetted,
18 or otherwise helped an organization the Secretary

1 has designated as a foreign terrorist organization
2 pursuant to section 219 of the Immigration and Na-
3 tionality Act (8 U.S.C. 1189).

4 “(2) REVOCATION.—The Secretary of State
5 may revoke a passport previously issued to any indi-
6 vidual described in paragraph (1).

7 “(b) RIGHT OF REVIEW.—Any individual who, in ac-
8 cordance with this section, is denied issuance of a passport
9 by the Secretary of State, or whose passport is revoked
10 by the Secretary, may request a hearing before the Sec-
11 retary not later than 60 days after receiving notice of such
12 denial or revocation.

13 “(c) REPORT.—

14 “(1) IN GENERAL.—If the Secretary of State
15 refuses to issue or revokes a passport pursuant to
16 subsection (a), the Secretary shall, not later than 30
17 days after such refusal or revocation, submit to the
18 Committee on Foreign Affairs of the House of Rep-
19 resentatives and the Committee on Foreign Rela-
20 tions of the Senate a report on such refusal or rev-
21 ocation, as the case may be.

22 “(2) FORM.—The report submitted under para-
23 graph (1) may be submitted in classified or unclassi-
24 fied form.

1 “(d) DEFINITION.—In this section, the term ‘pass-
2 port’ includes a passport card.”.



**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 425
OFFERED BY MR. CASTRO OF TEXAS**

Page 2, line 16, insert “or if, subsequent to a hearing pursuant to subsection (b), the Secretary issues or cancels a revocation of a passport that was the subject of such a hearing,” after “subsection (a),”.

Page 2, line 17, insert “or such issuance or cancellation,” after “revocation,”.

Page 2, beginning line 20, strike “or revocation” and insert “, revocation, issuance, or cancellation”.



115TH CONGRESS
1ST SESSION

H. R. 1196

To require a plan to combat international travel by terrorists and foreign fighters, accelerate the transfer of certain border security systems to foreign partner governments, establish minimum international border security standards, authorize the suspension of foreign assistance to countries not making significant efforts to comply with such minimum standards, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 2017

Mr. ZELDIN (for himself, Mr. McCAUL, and Ms. SINEMA) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Homeland Security, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require a plan to combat international travel by terrorists and foreign fighters, accelerate the transfer of certain border security systems to foreign partner governments, establish minimum international border security standards, authorize the suspension of foreign assistance to countries not making significant efforts to comply with such minimum standards, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Counterterrorism
3 Screening and Assistance Act of 2017”.

4 **SEC. 2. FOREIGN PARTNER ENGAGEMENT PLAN.**

5 (a) FINDINGS.—Consistent with the final report of
6 the Committee on Homeland Security of the House of
7 Representatives bipartisan “Task Force on Combating
8 Terrorist and Foreign Fighter Travel”, Congress makes
9 the following findings:

10 (1) It is important for the national security of
11 the United States to assist foreign partners in clos-
12 ing security gaps which may allow terrorists and for-
13 eign fighters to travel internationally, avoiding de-
14 tection.

15 (2) Building foreign partner capacity to combat
16 terrorist travel helps extend the United States secu-
17 rity beyond its border to mitigate threats before they
18 reach the United States.

19 (3) United States Government departments and
20 agencies have spent billions of dollars to help foreign
21 partners improve their security against terrorist
22 travel since the attacks of September 11, 2001, in-
23 cluding through the provision of technical assistance,
24 equipment, training, and other tools.

25 (4) The lack of a United States Government-
26 wide, risk-based approach increases the odds that

1 systematic security gaps abroad may persist and
2 that United States response efforts will not be maxi-
3 mized in order to close these gaps.

4 (5) Failure to effectively coordinate capacity-
5 building activities also results in greater risk of over-
6 lap, waste, and unnecessary duplication between the
7 United States and international programs.

8 (b) SENSE OF CONGRESS.—It is the sense of Con-
9 gress that the United States Government must ensure ca-
10 pacity-building assistance is coordinated both among
11 United States Government departments and agencies as
12 well as with foreign implementing partners, and assistance
13 should be prioritized for the highest-risk countries for
14 travel by terrorists and foreign fighters.

15 (c) PLAN.—

16 (1) IN GENERAL.—Not later than 180 days
17 after the date of the enactment of this Act and every
18 two years thereafter at the time of the President's
19 budget submission to Congress under section 1105
20 of title 31, United States Code, until 2023, the Sec-
21 retary of State shall, in accordance with the protec-
22 tion of intelligence sources and methods, develop and
23 submit to the appropriate congressional committees
24 unclassified and classified versions of a foreign part-
25 ner engagement plan which catalogues existing ca-

1 capacity-building initiatives abroad to combat travel by
2 terrorists and foreign fighters and identifies areas
3 for adjustment to align ongoing efforts with risk-
4 based priorities.

5 (2) COORDINATION.—The plan required under
6 paragraph (1) shall be developed in coordination
7 with all relevant United States Government depart-
8 ments and agencies and in consultation with the
9 Secretary of Homeland Security, the Secretary of
10 the Treasury, the Secretary of Defense, the Attorney
11 General, the Director of National Intelligence, and
12 the Director of the Federal Bureau of Investigation.

13 (3) CONTENTS.—The plan required under para-
14 graph (1) shall—

15 (A) include an assessment of the countries
16 of greatest concern and risk for travel to the
17 United States by members of foreign terrorist
18 organizations and foreign fighters, which may
19 be based on the minimum standards described
20 in section 4(b), as well as other factors, as ap-
21 propriate, including—

22 (i) an identification of the number of
23 flights that originate from last points of
24 departure in each country to the United
25 States;

1 (ii) visa waiver program status or visa
2 application and denial rates for each coun-
3 try;

4 (iii) recent threats, terrorist and for-
5 eign fighter travel trends, and the overall
6 terror threat environment in each country;
7 and

8 (iv) other criteria as determined by
9 the Secretary of State and the Secretary of
10 Homeland Security;

11 (B) detail existing United States Govern-
12 ment programs, projects, and activities which
13 are intended to or have the substantial effect of
14 building the capacity of such countries to com-
15 bat travel by terrorists and foreign fighters, in-
16 cluding estimated spending levels by country
17 where practicable; and

18 (C) outline a plan for prioritizing United
19 States Government resources toward countries
20 referred to in subparagraph (A), including—

21 (i) identifying efforts which should be
22 reformed, consolidated, or eliminated; and

23 (ii) detailing new programs, projects,
24 or activities that are requested, being

1 planned, or are undergoing implementation
2 and associated costs.

3 **SEC. 3. SHARING SYSTEMS AND EQUIPMENT TO OBSTRUCT**
4 **TRAVEL BY TERRORISTS AND FOREIGN**
5 **FIGHTERS.**

6 (a) BORDER SECURITY AND COUNTERTERRORISM
7 SCREENING TOOLS.—

8 (1) IN GENERAL.—Subject to paragraph (2)
9 and subsection (d), the Secretary of Homeland Secu-
10 rity and the Secretary of State shall, to the extent
11 practicable, accelerate the provision of appropriate
12 versions of the following systems to foreign govern-
13 ments:

14 (A) U.S. Customs and Border Protection’s
15 global travel targeting and analysis systems.

16 (B) The Department of State’s
17 watchlisting, identification, and screening sys-
18 tems.

19 (2) PRIORITIZATION.—The Secretary of Home-
20 land Security and the Secretary of State shall co-
21 ordinate to prioritize the provision of the systems
22 specified in paragraph (1) to countries determined to
23 be countries referred to in subsection (c)(3)(A) of
24 section 2 in the foreign partner engagement plan re-
25 quired under such section.

1 (b) EQUIPMENT TRANSFER.—

2 (1) IN GENERAL.—Subject to paragraphs (2),
3 (3), and (8), the Secretary of Homeland Security is
4 authorized to provide, with or without reimburse-
5 ment, excess nonlethal equipment and supplies
6 owned by the Department of Homeland Security to
7 a foreign government.

8 (2) DETERMINATION.—The Secretary of Home-
9 land Security is authorized to provide equipment and
10 supplies pursuant to paragraph (1) if the Secretary
11 determines that the provision of such equipment and
12 supplies would—

13 (A) further the homeland security interests
14 of the United States; and

15 (B) enhance the recipient government's ca-
16 pacity to—

17 (i) mitigate the risk or threat of ter-
18 rorism, infectious disease, or natural dis-
19 aster;

20 (ii) protect and expedite lawful trade
21 and travel; or

22 (iii) enforce intellectual property
23 rights.

24 (3) LIMITATION ON TRANSFER.—The Secretary
25 of Homeland Security may not—

1 (A) provide any equipment or supplies that
2 are designated as items on the United States
3 Munitions List pursuant to section 38 of the
4 Arms Export Control Act (22 U.S.C. 2778); or
5 (B) provide any vessel or aircraft pursuant
6 to this subsection.

7 (4) RELATED TRAINING.—In conjunction with a
8 provision of equipment or supplies pursuant to para-
9 graph (1), the Secretary of Homeland Security may
10 provide such equipment-related or supplies-related
11 training and assistance as the Secretary determines
12 to be necessary.

13 (5) MAINTENANCE OF TRANSFERRED EQUIP-
14 MENT.—The Secretary of Homeland Security may
15 provide for the maintenance of transferred equip-
16 ment or supplies through service contracts or other
17 means, with or without reimbursement, as the Sec-
18 retary determines appropriate.

19 (6) REIMBURSEMENT OF EXPENSES.—The Sec-
20 retary of Homeland Security is authorized to collect
21 payment from the recipient government for the pro-
22 vision of training, shipping costs, supporting mate-
23 rials, maintenance, supplies, or other assistance in
24 support of provided equipment or supplies under this
25 subsection.

1 (7) RECEIPTS CREDITED AS OFFSETTING COL-
2 LECTIONS.—Notwithstanding section 3302 of title
3 31, United States Code, any amount collected under
4 this subsection—

5 (A) shall be credited as offsetting collec-
6 tions, subject to appropriations, to the account
7 that finances the activities and services for
8 which the payment is received; and

9 (B) shall remain available until expended
10 for the purpose of providing for the security in-
11 terests of the homeland.

12 (8) CONCURRENCE.—The Secretary of Home-
13 land Security may exercise the authority under this
14 subsection only with the concurrence of the Sec-
15 retary of State.

16 (9) RULE OF CONSTRUCTION.—Nothing in this
17 subsection may be construed as affecting, aug-
18 menting, or diminishing the authority of the Sec-
19 retary of State.

20 (10) DEFINITION.—For the purposes of this
21 section, the term “excess nonlethal equipment and
22 supplies” means equipment and supplies the Sec-
23 retary of Homeland Security has determined is ei-
24 ther not required for United States domestic oper-

1 ations, or would be more effective to homeland secu-
2 rity if deployed for use outside of the United States.

3 (c) NOTIFICATION TO CONGRESS.—

4 (1) IN GENERAL.—Not later than 15 days be-
5 fore providing any systems or equipment or supplies
6 under this section, the Secretary of Homeland Secu-
7 rity and Secretary of State shall provide notification
8 to the appropriate congressional committees of such
9 provision.

10 (2) CONTENTS.—A notification required under
11 paragraph (1) shall include the following:

12 (A) The specific vulnerability that will be
13 mitigated by the provision of any systems or
14 equipment or supplies under this section.

15 (B) An explanation as to why the recipient
16 is unable or unwilling to independently acquire
17 such systems or equipment or supplies.

18 (C) An evacuation plan for any sensitive
19 technologies in case of emergency or instability
20 in the country to which such systems or equip-
21 ment or supplies is being provided.

22 (D) How the United States Government
23 will ensure that such systems or equipment or
24 supplies are being maintained appropriately and
25 used as intended.

1 (E) The total dollar value of such systems,
2 equipment, and supplies.

3 (d) RULE OF CONSTRUCTION.—

4 (1) IN GENERAL.—The authority provided
5 under this section shall be exercised in accordance
6 with applicable provisions of the Arms Export Con-
7 trol Act (22 U.S.C. 2751 et seq.), the Export Ad-
8 ministration Regulations, or any other similar provi-
9 sion of law.

10 (2) DEFINITION.—In this subsection, the term
11 “Export Administration Regulations” means—

12 (A) the Export Administration Regulations
13 as maintained and amended under the authority
14 of the International Emergency Economic Pow-
15 ers Act (50 U.S.C. 1701 et seq.) and codified
16 in subchapter C of chapter VII of title 15, Code
17 of Federal Regulations; or

18 (B) any successor regulations.

19 **SEC. 4. ACTIONS WITH RESPECT TO FOREIGN COUNTRIES**
20 **THAT FAIL TO MEET MINIMUM STANDARDS**
21 **FOR SERIOUS AND SUSTAINED EFFORTS TO**
22 **COMBAT TERRORIST AND FOREIGN FIGHTER**
23 **TRAVEL.**

24 (a) REPORTS TO CONGRESS.—

1 (1) IN GENERAL.—Not later than April 30 of
2 each year through 2022, the Secretary of State, in
3 coordination with the Secretary of Homeland Secu-
4 rity, shall submit to the appropriate congressional
5 committees a report with respect to the status of ef-
6 forts of foreign governments to combat terrorist and
7 foreign fighter travel, which shall include an update
8 to the foreign partner engagement plan required
9 under section 2(c). Such reports shall include de-
10 scriptions of relevant United States Government ac-
11 tions taken to help countries comply with minimum
12 standards for serious and sustained efforts to com-
13 bat terrorist and foreign fighter travel, such as those
14 efforts described in subsection (b).

15 (2) FORM.—The reports required by paragraph
16 (1) may be submitted in unclassified or classified
17 form.

18 (3) INCLUSION IN COUNTRY REPORTS ON TER-
19 RORISM.—To the extent practicable, the Secretary of
20 State, in coordination with the Secretary of Home-
21 land Security, should incorporate the reports re-
22 quired by paragraph (1) into the annual country re-
23 ports on terrorism submitted pursuant to section
24 140 of the Foreign Relations Authorization Act, Fis-
25 cal Years 1988 and 1989 (22 U.S.C. 2656f).

1 (b) MINIMUM STANDARDS DESCRIBED.—The min-
2 imum standards for serious and sustained efforts to com-
3 bat terrorist and foreign fighter travel applicable to the
4 government of a foreign country include the following:

5 (1) The government of the country makes
6 meaningful efforts to identify and monitor terrorists
7 and foreign fighters operating within the territory of
8 the country.

9 (2) The government of the country regularly ex-
10 changes substantive counterterrorism information
11 with other foreign governments, including the
12 United States Government, through bilateral or mul-
13 tilateral channels and international organizations
14 such as INTERPOL, and cooperates with other for-
15 eign governments in the investigation and prosecu-
16 tion of terrorists and foreign fighters.

17 (3) The government of the country implements
18 effective border controls or participates in an exist-
19 ing border-crossing control regime that has been de-
20 termined by the United States Government to em-
21 ploy effective border-crossing oversight.

22 (4) The government of the country has controls
23 and systems in place to prevent and report upon
24 counterfeiting, forgery, and fraudulent use or pos-

1 session of false, stolen, or lost identity papers and
2 travel documents.

3 (5) The government of the country collects air
4 passenger data and employs evidence-based traveler
5 risk assessment and screening procedures, including
6 collection and analysis of travel data.

7 (6) The government of the country appro-
8 priately screens travelers, including vetting of trav-
9 elers at air, sea, and land ports of entry, against
10 counterterrorism and other criminal databases, as
11 appropriate.

12 (7) The government of the country submits in-
13 formation to INTERPOL databases and screens
14 travelers against INTERPOL databases at ports of
15 entry and exit.

16 (8) The government of the country has estab-
17 lished and implemented domestic laws criminalizing
18 material support to foreign terrorist organizations
19 and has the ability and willingness to prosecute
20 cases involving such material support to foreign ter-
21 rorist organizations.

22 (9) The government of the country takes meas-
23 ures to prevent individuals in its territory from trav-
24 eling abroad to enlist with or provide material sup-
25 port to foreign terrorist organizations.

1 (10) The government of the country takes
2 measures to ensure a minimal level of corruption
3 and likelihood that corruption could impact the ve-
4 racity of security and intelligence reporting from the
5 country, a minimal likelihood that such corruption
6 could adversely affect the legitimacy of national
7 identity papers of the country, and the country does
8 not shelter suspects from investigation and prosecu-
9 tion.

10 (11) The government of a country is not deter-
11 mined to be a high-risk program country under sec-
12 tion 217(c)(12) of the Immigration and Nationality
13 Act (8. U.S.C. 1187(c)(12)).

14 (c) SUSPENSION OF ASSISTANCE.—The Secretary of
15 State, in consultation with the Secretary of Homeland Se-
16 curity and the heads of other Federal agencies, as appro-
17 priate, is authorized to suspend nonhumanitarian,
18 nontrade-related foreign assistance to any government of
19 a foreign country if the foreign country is identified in
20 subparagraph (C) of subsection (a)(1) in the most recent
21 report submitted to the appropriate congressional commit-
22 tees under such subsection.

23 **SEC. 5. DEFINITIONS.**

24 In this Act:

1 (1) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term “appropriate congressional com-
3 mittees” means the Committee on Homeland Secu-
4 rity and Governmental Affairs, the Committee on
5 Foreign Relations, the Committee on the Judiciary,
6 and the Committee on Commerce, Science, and
7 Transportation of the Senate and the Committee on
8 Homeland Security, the Committee on the Judiciary,
9 and the Committee on Foreign Affairs of the House
10 of Representatives.

11 (2) FOREIGN TERRORIST ORGANIZATION.—The
12 term “foreign terrorist organization” means an or-
13 ganization that is designated as a foreign terrorist
14 organization pursuant to section 219 of the Immi-
15 gration and Nationality Act (8 U.S.C. 1189).

16 (3) NONHUMANITARIAN, NONTRADE-RELATED
17 FOREIGN ASSISTANCE.—The term “nonhumani-
18 tarian, nontrade-related foreign assistance” has the
19 meaning given the term in section 103 of the Traf-
20 ficking Victims Protection Act of 2000 (22 U.S.C.
21 7102).

1 **SEC. 6. NO ADDITIONAL FUNDS AUTHORIZED.**

2 No additional funds are authorized to carry out the
3 requirements of this Act. Such requirements shall be ear-
4 ried out using amounts otherwise authorized.



**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 1196
OFFERED BY MR. ZELDIN OF NEW YORK**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Counterterrorism
3 Screening and Assistance Act of 2017”.

4 SEC. 2. FOREIGN PARTNER ENGAGEMENT PLAN.

5 (a) FINDINGS.—Consistent with the final report of
6 the Committee on Homeland Security of the House of
7 Representatives bipartisan “Task Force on Combating
8 Terrorist and Foreign Fighter Travel”, Congress makes
9 the following findings:

10 (1) It is important for the national security of
11 the United States to assist foreign partners in clos-
12 ing security gaps which may allow terrorists and for-
13 eign fighters to travel internationally, avoiding de-
14 tection.

15 (2) Building foreign partner capacity to combat
16 terrorist travel helps extend the United States secu-
17 rity beyond its border to mitigate threats before they
18 reach the United States.

1 (3) United States Government departments and
2 agencies have spent billions of dollars to help foreign
3 partners improve their security against terrorist
4 travel since the attacks of September 11, 2001, in-
5 cluding through the provision of technical assistance,
6 equipment, training, and other tools.

7 (4) The lack of a United States Government-
8 wide, risk-based approach increases the odds that
9 systematic security gaps abroad may persist and
10 that United States response efforts will not be maxi-
11 mized in order to close these gaps.

12 (5) Failure to effectively coordinate capacity-
13 building activities also results in greater risk of over-
14 lap, waste, and unnecessary duplication between the
15 United States and international programs.

16 (b) SENSE OF CONGRESS.—It is the sense of Con-
17 gress that the United States Government must ensure ca-
18 pacity-building assistance to deter travel by terrorists and
19 foreign fighters is coordinated both among United States
20 Government departments and agencies as well as with for-
21 eign implementing partners.

22 (c) PLAN.—

23 (1) IN GENERAL.—Not later than 180 days
24 after the date of the enactment of this Act and every
25 two years thereafter at the time of the President's

1 budget submission to Congress under section 1105
2 of title 31, United States Code, until 2023, the Sec-
3 retary of State shall, in accordance with the protec-
4 tion of intelligence sources and methods, develop and
5 submit to the appropriate congressional committees
6 unclassified and classified versions of a foreign part-
7 ner engagement plan which catalogues existing ca-
8 pacity-building initiatives abroad to combat travel by
9 terrorists and foreign fighters and identifies areas
10 for adjustment to align ongoing efforts with risk-
11 based priorities.

12 (2) COORDINATION.—The plan required under
13 paragraph (1) shall be developed in coordination
14 with all relevant United States Government depart-
15 ments and agencies and in consultation with the
16 Secretary of Homeland Security, the Secretary of
17 the Treasury, the Secretary of Defense, the Attorney
18 General, the Director of National Intelligence, and
19 the Director of the Federal Bureau of Investigation.

20 (3) CONTENTS.—The plan required under para-
21 graph (1) shall—

22 (A) include an assessment of the countries
23 of greatest concern and risk for travel to the
24 United States by members of foreign terrorist
25 organizations and foreign fighters, which may

1 be based on the minimum standards described
2 in section 4(b), as well as other factors, as ap-
3 propriate, including—

4 (i) an identification of the number of
5 flights that originate from last points of
6 departure in each country to the United
7 States;

8 (ii) visa waiver program status or visa
9 application and denial rates for each coun-
10 try;

11 (iii) recent threats, terrorist and for-
12 eign fighter travel trends, and the overall
13 terror threat environment in each country;
14 and

15 (iv) other criteria as determined by
16 the Secretary of State and the Secretary of
17 Homeland Security;

18 (B) detail existing United States Govern-
19 ment programs, projects, and activities which
20 are intended to or have the substantial effect of
21 building the capacity of such countries to com-
22 bat travel by terrorists and foreign fighters, in-
23 cluding estimated spending levels by country
24 where practicable; and

1 (C) outline a plan for prioritizing United
2 States Government resources toward countries
3 referred to in subparagraph (A), including—

4 (i) identifying efforts which should be
5 reformed, consolidated, or eliminated; and

6 (ii) detailing new programs, projects,
7 or activities that are requested, being
8 planned, or are undergoing implementation
9 and associated costs.

10 **SEC. 3. SHARING SYSTEMS AND EQUIPMENT TO OBSTRUCT**
11 **TRAVEL BY TERRORISTS AND FOREIGN**
12 **FIGHTERS.**

13 (a) BORDER SECURITY AND COUNTERTERRORISM
14 SCREENING TOOLS.—

15 (1) IN GENERAL.—Subject to paragraph (2)
16 and subsection (d), the Secretary of Homeland Secu-
17 rity and the Secretary of State shall, to the extent
18 practicable and consistent with the national security
19 of the United States, accelerate the provision of ap-
20 propriate versions of the following systems to foreign
21 governments:

22 (A) U.S. Customs and Border Protection’s
23 global travel targeting and analysis systems.

1 (B) The Department of State's
2 watchlisting, identification, and screening sys-
3 tems.

4 (2) PRIORITIZATION.—The Secretary of Home-
5 land Security and the Secretary of State shall co-
6 ordinate to prioritize the provision of the systems
7 specified in paragraph (1) to countries determined to
8 be countries referred to in subsection (c)(3)(A) of
9 section 2 in the foreign partner engagement plan re-
10 quired under such section.

11 (b) EQUIPMENT TRANSFER.—

12 (1) IN GENERAL.—Subject to paragraphs (2),
13 (3), and (8), the Secretary of Homeland Security is
14 authorized to provide, with or without reimburse-
15 ment, excess nonlethal equipment and supplies
16 owned by the Department of Homeland Security to
17 a foreign government.

18 (2) DETERMINATION.—The Secretary of Home-
19 land Security is authorized to provide equipment and
20 supplies pursuant to paragraph (1) if the Secretary
21 determines that the provision of such equipment and
22 supplies would—

23 (A) further the homeland security interests
24 of the United States; and

1 (B) enhance the recipient government's ca-
2 pacity to—

3 (i) mitigate the risk or threat of ter-
4 rorism, infectious disease, or natural dis-
5 aster;

6 (ii) protect and expedite lawful trade
7 and travel; or

8 (iii) protect the legal framework relat-
9 ing to intellectual property rights and en-
10 force such rights.

11 (3) LIMITATION ON TRANSFER.—The Secretary
12 of Homeland Security may not—

13 (A) provide any equipment or supplies that
14 are designated as items on the United States
15 Munitions List pursuant to section 38 of the
16 Arms Export Control Act (22 U.S.C. 2778); or

17 (B) provide any vessel or aircraft pursuant
18 to this subsection.

19 (4) RELATED TRAINING.—In conjunction with a
20 provision of equipment or supplies pursuant to para-
21 graph (1), the Secretary of Homeland Security may
22 provide such equipment-related or supplies-related
23 training and assistance as the Secretary determines
24 to be necessary.

1 (5) MAINTENANCE OF TRANSFERRED EQUIP-
2 MENT.—The Secretary of Homeland Security may
3 provide for the maintenance of transferred equip-
4 ment or supplies through service contracts or other
5 means, with or without reimbursement, as the Sec-
6 retary determines appropriate.

7 (6) REIMBURSEMENT OF EXPENSES.—The Sec-
8 retary of Homeland Security is authorized to collect
9 payment from the recipient government for the pro-
10 vision of training, shipping costs, supporting mate-
11 rials, maintenance, supplies, or other assistance in
12 support of provided equipment or supplies under this
13 subsection.

14 (7) RECEIPTS CREDITED AS OFFSETTING COL-
15 LECTIONS.—Notwithstanding section 3302 of title
16 31, United States Code, any amount collected under
17 this subsection—

18 (A) shall be credited as offsetting collec-
19 tions, subject to appropriations, to the account
20 that finances the activities and services for
21 which the payment is received; and

22 (B) shall remain available until expended
23 for the purpose of providing for the security in-
24 terests of the homeland.

1 (8) CONCURRENCE.—The Secretary of Home-
2 land Security may exercise the authority under this
3 subsection only with the concurrence of the Sec-
4 retary of State.

5 (9) RULE OF CONSTRUCTION.—Nothing in this
6 subsection may be construed as affecting, aug-
7 menting, or diminishing the authority of the Sec-
8 retary of State.

9 (10) DEFINITION.—For the purposes of this
10 section, the term “excess nonlethal equipment and
11 supplies” means equipment and supplies the Sec-
12 retary of Homeland Security has determined is ei-
13 ther not required for United States domestic oper-
14 ations, or would be more effective to homeland secu-
15 rity if deployed for use outside of the United States.

16 (c) NOTIFICATION TO CONGRESS.—

17 (1) IN GENERAL.—Not later than 15 days be-
18 fore providing any systems or equipment or supplies
19 under this section, the Secretary of Homeland Secu-
20 rity and Secretary of State shall provide notification
21 to the appropriate congressional committees of such
22 provision.

23 (2) CONTENTS.—A notification required under
24 paragraph (1) shall include the following:

1 (A) The specific vulnerability, risk, or
2 threat that will be mitigated by the provision of
3 any systems or equipment or supplies under
4 this section.

5 (B) An explanation as to why the recipient
6 is unable or unwilling to independently acquire
7 such systems or equipment or supplies.

8 (C) An evacuation plan for any sensitive
9 technologies in case of emergency or instability
10 in the country to which such systems or equip-
11 ment or supplies is being provided.

12 (D) How the United States Government
13 will ensure that such systems or equipment or
14 supplies are being maintained appropriately and
15 used as intended.

16 (E) The total dollar value of such systems,
17 equipment, or supplies.

18 (d) RULE OF CONSTRUCTION.—

19 (1) IN GENERAL.—The authority provided
20 under this section shall be exercised in accordance
21 with applicable provisions of the Arms Export Con-
22 trol Act (22 U.S.C. 2751 et seq.), the Export Ad-
23 ministration Regulations, or any other similar provi-
24 sion of law.

1 (2) DEFINITION.—In this subsection, the term
2 “Export Administration Regulations” means—

3 (A) the Export Administration Regulations
4 as maintained and amended under the authority
5 of the International Emergency Economic Pow-
6 ers Act (50 U.S.C. 1701 et seq.) and codified
7 in subchapter C of chapter VII of title 15, Code
8 of Federal Regulations; or

9 (B) any successor regulations.

10 **SEC. 4. ACTIONS WITH RESPECT TO FOREIGN COUNTRIES**
11 **THAT FAIL TO MEET MINIMUM STANDARDS**
12 **FOR SERIOUS AND SUSTAINED EFFORTS TO**
13 **COMBAT TERRORIST AND FOREIGN FIGHTER**
14 **TRAVEL.**

15 (a) REPORTS TO CONGRESS.—

16 (1) IN GENERAL.—Not later than April 30 of
17 each year through 2022, the Secretary of State, in
18 coordination with the Secretary of Homeland Secu-
19 rity, shall submit to the appropriate congressional
20 committees a report with respect to the status of ef-
21 forts of foreign governments to combat terrorist and
22 foreign fighter travel, which shall include an update
23 to the foreign partner engagement plan required
24 under section 2(c). Such reports shall include de-
25 scriptions of relevant United States Government ac-

1 tions taken to help countries comply with minimum
2 standards for serious and sustained efforts to com-
3 bat terrorist and foreign fighter travel, such as those
4 efforts described in subsection (b).

5 (2) FORM.—The reports required by paragraph
6 (1) shall be submitted in unclassified and classified
7 form.

8 (3) INCLUSION IN COUNTRY REPORTS ON TER-
9 RORISM.—To the extent practicable, the Secretary of
10 State, in coordination with the Secretary of Home-
11 land Security, should incorporate the reports re-
12 quired by paragraph (1) into the annual country re-
13 ports on terrorism submitted pursuant to section
14 140 of the Foreign Relations Authorization Act, Fis-
15 cal Years 1988 and 1989 (22 U.S.C. 2656f).

16 (b) MINIMUM STANDARDS DESCRIBED.—The min-
17 imum standards for serious and sustained efforts to com-
18 bat terrorist and foreign fighter travel applicable to the
19 government of a foreign country include the following:

20 (1) The government of the foreign country
21 makes meaningful efforts to identify and monitor
22 terrorists and foreign fighters operating within the
23 territory of the country.

24 (2) The government of the foreign country reg-
25 ularly exchanges substantive counterterrorism infor-

1 mation with other foreign governments, including
2 the United States Government, through bilateral or
3 multilateral channels and international organizations
4 such as INTERPOL, and cooperates with other for-
5 eign governments in the investigation and prosecu-
6 tion of terrorists and foreign fighters.

7 (3) The government of the foreign country im-
8 plements effective border controls or participates in
9 an existing border-crossing control regime that has
10 been determined by the United States Government
11 to employ effective border-crossing oversight.

12 (4) The government of the foreign country has
13 controls and systems in place to prevent and report
14 upon counterfeiting, forgery, and fraudulent use or
15 possession of false, stolen, or lost identity papers
16 and travel documents.

17 (5) The government of the foreign country col-
18 lects air passenger data and employs evidence-based
19 traveler risk assessment and screening procedures,
20 including collection and analysis of travel data.

21 (6) The government of the foreign country ap-
22 propriately screens travelers, including vetting of
23 travelers at air, sea, and land ports of entry, against
24 counterterrorism and other criminal databases, as
25 appropriate.

1 (7) The government of the foreign country sub-
2 mits information to INTERPOL databases and
3 screens travelers against INTERPOL databases at
4 ports of entry and exit.

5 (8) The government of the foreign country has
6 established and implemented domestic laws criminal-
7 izing material support to foreign terrorist organiza-
8 tions and has the ability and willingness to prosecute
9 cases involving such material support to foreign ter-
10 rorist organizations.

11 (9) The government of the foreign country
12 takes measures to prevent individuals in its territory
13 from traveling abroad to enlist with or provide mate-
14 rial support to foreign terrorist organizations.

15 (10) The government of the foreign country—

16 (Δ) takes measures to minimize—

17 (i) corruption and the likelihood that
18 corruption could impact the veracity of se-
19 curity and intelligence reporting from the
20 country; and

21 (ii) the likelihood that such corruption
22 could adversely affect the legitimacy of na-
23 tional identity papers of the country; and

24 (B) does not shelter suspects from inves-
25 tigation and prosecution.

1 (11) The government of the foreign country is
2 not determined to be a high-risk program country
3 under section 217(c)(12) of the Immigration and
4 Nationality Act (8. U.S.C. 1187(c)(12)).

5 (c) SUSPENSION OF ASSISTANCE.—

6 (1) IN GENERAL.—The Secretary of State, in
7 consultation with the Secretary of Homeland Secu-
8 rity and the heads of other Federal agencies, as ap-
9 propriate, is authorized to suspend nonhumani-
10 tarian, nontrade-related foreign assistance to a gov-
11 ernment of a foreign country if such government is
12 not making significant efforts to comply with the
13 minimum standards for serious and sustained efforts
14 to combat terrorist and foreign fighter travel de-
15 scribed in subsection (b).

16 (2) CONGRESSIONAL NOTIFICATION PROCE-
17 DURES.—Any suspension of assistance under para-
18 graph (1) shall be subject to the prior notification
19 procedures applicable to reprogrammings pursuant
20 to section 634A of the Foreign Assistance Act of
21 1961 (22 U.S.C. 2394-1).

22 **SEC. 5. DEFINITIONS.**

23 In this Act:

24 (1) APPROPRIATE CONGRESSIONAL COMMIT-
25 TEES.—The term “appropriate congressional com-

mittees” means the Committee on Homeland Security and Governmental Affairs, the Committee on Foreign Relations, the Committee on the Judiciary, and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Homeland Security, the Committee on the Judiciary, and the Committee on Foreign Affairs of the House of Representatives.

(2) FOREIGN TERRORIST ORGANIZATION.—The term “foreign terrorist organization” means an organization that is designated as a foreign terrorist organization pursuant to section 219 of the Immigration and Nationality Act (8 U.S.C. 1189).

(3) NONHUMANITARIAN, NONTRADE-RELATED FOREIGN ASSISTANCE.—The term “nonhumanitarian, nontrade-related foreign assistance” has the meaning given the term in section 103(8)(B) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102(8)(B)).

SEC. 6. NO ADDITIONAL FUNDS AUTHORIZED.

No additional funds are authorized to carry out the requirements of this Act. Such requirements shall be carried out using amounts otherwise authorized.



115TH CONGRESS
1ST SESSION

H. R. 1660

To direct the Administrator of the United States Agency for International Development to submit to Congress a report on the development and use of global health innovations in the programs, projects, and activities of the Agency.

IN THE HOUSE OF REPRESENTATIVES

MARCH 21, 2017

Mr. SIREs (for himself, Mr. DIAZ-BALART, Mr. CONNOLLY, Mr. ENGEL, Mr. SHERMAN, Mr. CICILLINE, Mr. KEATING, Ms. ROS-LEHTINEN, Mr. DONOVAN, and Mr. SMITH of New Jersey) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To direct the Administrator of the United States Agency for International Development to submit to Congress a report on the development and use of global health innovations in the programs, projects, and activities of the Agency.

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. SHORT TITLE.

4 This Act may be cited as the “Global Health Innova-
5 tion Act of 2017”.

1 **SEC. 2. ANNUAL REPORT.**

2 (a) IN GENERAL.—Not later than 180 days after the
3 date of the enactment of this Act, and annually thereafter
4 for a period of 4 years, the Administrator of the United
5 States Agency for International Development shall submit
6 to Congress a report on the development and use of global
7 health innovations in the programs, projects, and activities
8 of the Agency.

9 (b) MATTERS TO BE INCLUDED.—The report re-
10 quired by subsection (a) shall include the following:

11 (1) A description of—

12 (A) the extent to which global health inno-
13 vations described in subsection (a) include
14 drugs, diagnostics, devices, vaccines, electronic
15 and mobile health technologies, and related be-
16 havior change and service delivery innovations;

17 (B) how innovation has advanced the
18 Agency's commitments to achieving an HIV/
19 AIDS-free generation, ending preventable child
20 and maternal deaths, and protecting commu-
21 nities from infectious diseases, as well as
22 furthered by the Global Health Strategic
23 Framework;

24 (C) how goals are set for health product
25 development in relation to the Agency's health-

1 related goals and how progress and impact are
2 measured towards those goals;

3 (D) how the Agency's investments in inno-
4 vation relate to its stated goals; and

5 (E) progress made towards health product
6 development goals.

7 (2) How the Agency, both independently and
8 with partners, donors, and public-private partner-
9 ships, is—

10 (A) leveraging United States investments
11 to achieve greater impact in health innovation;

12 (B) engaging in activities to develop, ad-
13 vance, and introduce affordable, available, and
14 appropriate global health products; and

15 (C) scaling up appropriate health innova-
16 tions in the development pipeline.

17 (3) A description of collaboration and coordina-
18 tion with other Federal departments and agencies,
19 including the Centers for Disease Control and Pre-
20 vention, in support of global health product develop-
21 ment, including a description of how the Agency is
22 working to ensure critical gaps in product develop-
23 ment for global health are being filled.

24 (4) A description of how the Agency is coordi-
25 nating and aligning global health innovation activi-

- 1 ties between the Global Development Lab, the Cen-
- 2 ter for Accelerating Innovation and Impact, and the
- 3 Bureau for Global Health.



115TH CONGRESS
1ST SESSION

H. R. 2658

To provide humanitarian assistance for the Venezuelan people, to defend democratic governance and combat widespread public corruption in Venezuela, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 25, 2017

Mr. ENGEL (for himself, Ms. ROS-LEHTINEN, Mr. SIREs, and Mr. DIAZ-BALART) introduced the following bill, which was referred to the Committee on Foreign Affairs, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide humanitarian assistance for the Venezuelan people, to defend democratic governance and combat widespread public corruption in Venezuela, 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. SHORT TITLE; TABLE OF CONTENTS.

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Venezuela Humanitarian Assistance and Defense of
6 Democratic Governance Act of 2017”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Sense of Congress.
- Sec. 4. Humanitarian assistance for the people of Venezuela.
- Sec. 5. Requirement for strategy to coordinate international humanitarian assistance.
- Sec. 6. Support for efforts at the United Nations on the humanitarian and political crisis in Venezuela.
- Sec. 7. Support for Organization of American States Inter-American Democratic Charter.
- Sec. 8. Support for international election observation missions and democratic civil society in Venezuela.
- Sec. 9. Concerns and report on the involvement of Venezuelan officials in corruption and illicit narcotics trafficking.
- Sec. 10. Sanctions on persons responsible for public corruption and undermining democratic governance in Venezuela.
- Sec. 11. Concerns over PDVSA transactions with Rosneft.
- Sec. 12. Report on Government of the Russian Federation's activities in Venezuela.

3 SEC. 2. FINDINGS.

4 Congress makes the following findings:

- 5 (1) The deterioration of democratic governance
 6 and the economic crisis in Venezuela have led to an
 7 unprecedented humanitarian situation in which peo-
 8 ple are suffering from severe shortages of essential
 9 medicines and basic food products.
- 10 (2) According to the World Health Organiza-
 11 tion, Venezuela had a shortage of necessary medica-
 12 tions and medical supplies of—
 - 13 (A) 55 percent in 2014;
 - 14 (B) 67 percent in 2015; and
 - 15 (C) 75 percent in 2016.

1 (3) According to a Human Rights Watch 2016
2 report, it is increasingly difficult for many Ven-
3 ezuelans, particularly those in lower- or middle-in-
4 come families, to obtain adequate nutrition and
5 there are reports of symptoms of malnutrition, par-
6 ticularly in children.

7 (4) Maternal deaths in Venezuela increased by
8 66 percent from 2015 to 2016 while infant deaths
9 increased by 30 percent.

10 (5) There were 240,000 confirmed malaria
11 cases in Venezuela in 2016—a 76 percent increase
12 over 2015.

13 (6) A recent survey—conducted jointly by the
14 Central University of Venezuela, the Andrés Bello
15 Catholic University, and the Simón Bolívar Univer-
16 sity—found that almost 75 percent of Venezuelans
17 lost an average of at least 19 pounds in 2016 as a
18 result of a lack of proper nutrition amidst the coun-
19 try’s economic crisis.

20 (7) Despite massive shortages of basic food-
21 stuffs and essential medicines, Nicolás Maduro has
22 rejected repeated requests from the Venezuelan Na-
23 tional Assembly and civil society organizations to
24 bring humanitarian aid into the country.

1 (8) The International Monetary Fund has esti-
2 mated that in Venezuela in 2016 the country's gross
3 domestic product contracted by 12 percent and infla-
4 tion rate reached 720 percent, and has stated that
5 Venezuela had the worst growth and inflation per-
6 formance in the world.

7 (9) The International Monetary Fund has not
8 convened an Article IV Executive Board consultation
9 for Venezuela since September 13, 2004, which
10 greatly limits the extent of information available to
11 the international community about the severity of
12 the Venezuelan economic crisis.

13 (10) Venezuela's political, economic, and hu-
14 manitarian crisis is fueling social tensions that are
15 resulting in growing incidents of public unrest,
16 looting, violence among citizens, and an exodus of
17 Venezuelans abroad.

18 (11) These social distortions are taking place
19 amidst an alarming climate of criminal violence. Ac-
20 cording to the United Nations Office on Drug and
21 Crime, Caracas, Venezuela had the highest per cap-
22 ita homicide rate of any capital city in the world in
23 2015 at 120 murders per 100,000 citizens.

24 (12) In 2016, 18,155 Venezuelans submitted
25 asylum requests in the United States, which was the

1 greatest number of requests by any nationality, ac-
2 cording to U.S. Citizenship and Immigration Serv-
3 ices.

4 (13) International and domestic human rights
5 groups, such as Foro Penal Venezolano, recognize
6 more than 108 political prisoners in Venezuela, in-
7 cluding opposition leader and former Chacao mayor
8 Leopoldo López, Judge María Lourdes Afiuni, Cara-
9 cas Mayor Antonio José Ledezma Díaz, National
10 Assembly Deputy Gilber Caro, and former San Cris-
11 tobal mayor Daniel Ceballos.

12 (14) According to media accounts, over 40 peo-
13 ple lost their lives as the result of public demonstra-
14 tions and protests in Venezuela in April 2017.

15 **SEC. 3. SENSE OF CONGRESS.**

16 It is the sense of Congress that—

17 (1) Nicolás Maduro should permit the delivery
18 of international humanitarian assistance to address
19 the widespread and deeply concerning shortages of
20 essential medicines and basic food products faced by
21 the people of Venezuela;

22 (2) it is in the best interest of the Venezuelan
23 people for the Government of Venezuela to engage
24 with multilateral institutions to ameliorate the ef-

1 fects of the country's ongoing economic, social, and
2 humanitarian crisis;

3 (3) Nicolás Maduro should immediately release
4 all political prisoners and respect internationally rec-
5 ognized human rights in order to facilitate the con-
6 ditions for political negotiations and dialogue in
7 Venezuela;

8 (4) Nicolás Maduro and the Supreme Tribunal
9 of Justice of Venezuela should take steps to rein-
10 state the full powers and authorities of the National
11 Assembly of Venezuela in accordance with the Con-
12 stitution of the Bolivarian Republic of Venezuela;

13 (5) Venezuela's National Electoral Council
14 should establish a specific timeline to hold national,
15 regional, and municipal elections in accordance with
16 the Constitution of the Bolivarian Republic of Ven-
17 ezuela and allow supervision of credible international
18 electoral observers; and

19 (6) the United States should support meaning-
20 ful efforts towards a substantive dialogue through
21 which all parties uphold their commitments and
22 agree to specific deadlines to restore respect for Ven-
23 ezuela's constitutional mechanisms and resolve the
24 country's political, economic, and humanitarian cri-
25 sis.

1 **SEC. 4. HUMANITARIAN ASSISTANCE FOR THE PEOPLE OF**
2 **VENEZUELA.**

3 (a) IN GENERAL.—The Secretary of State, in coordi-
4 nation with the Administrator of the United States Agen-
5 cy for International Development, subject to the avail-
6 ability of appropriations, shall work through credible and
7 independent nongovernmental organizations to provide—

8 (1) public health commodities to Venezuelan
9 health facilities and services, including medicines on
10 the World Health Organization's List of Essential
11 Medicines and basic medical supplies and equipment;

12 (2) the basic food commodities and nutritional
13 supplements needed to address growing malnutrition
14 and improve food security for the people of Ven-
15 ezuela, with a specific emphasis on the most vulner-
16 able populations; and

17 (3) technical assistance to ensure health and
18 food commodities are appropriately selected, pro-
19 cured, and distributed, predominantly through local
20 nongovernmental organizations.

21 (b) PLAN REQUIREMENT.—Not later than 90 days
22 after the date of the enactment of this Act, the Secretary
23 of State shall submit a plan for carrying out the activities
24 described in subsection (a) which also identifies United
25 States Agency for International Development best prac-

1 tices in delivering humanitarian assistance and how they
2 are being utilized in the Venezuela context to—

3 (1) the Committee on Foreign Relations of the
4 Senate;

5 (2) the Committee on Appropriations of the
6 Senate;

7 (3) the Committee on Foreign Affairs of the
8 House of Representatives; and

9 (4) the Committee on Appropriations of the
10 House of Representatives.

11 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
12 authorized to be appropriated to the Secretary of State
13 \$10,000,000 for fiscal year 2018 to carry out the activities
14 described in subsection (a) in accordance with this section.

15 (d) BRIEFINGS.—Upon a request from one of the
16 committees listed in subsection (b), the Secretary of State
17 and the Administrator of the United States Agency for
18 International Development shall brief the committee on
19 the progress made in implementing the plan submitted
20 under subsection (b).

21 **SEC. 5. REQUIREMENT FOR STRATEGY TO COORDINATE**
22 **INTERNATIONAL HUMANITARIAN ASSIST-**
23 **ANCE.**

24 (a) SENSE OF CONGRESS.—It is the sense of Con-
25 gress that the appropriate United Nations humanitarian

1 agencies should conduct and publish an independent as-
2 sessment on—

3 (1) the extent and impact of the shortages of
4 food and medicine in Venezuela; and

5 (2) the efforts needed to resolve such shortages.

6 (b) STRATEGY.—Not later than 90 days after the
7 date of the enactment of this Act, the Secretary of State,
8 in consultation with the Administrator of the United
9 States Agency for International Development, shall submit
10 a multi-year strategy to the Committee on Foreign Rela-
11 tions of the Senate and the Committee on Foreign Affairs
12 of the House of Representatives that—

13 (1) describes how the United States will secure
14 support from international donors, including re-
15 gional partners in Latin America and the Caribbean,
16 for the provision of humanitarian assistance to the
17 people of Venezuela; and

18 (2) identifies governments that are willing to
19 provide financial and technical assistance for the
20 provision of such humanitarian assistance to the
21 people of Venezuela and a description of such assist-
22 ance.

23 (c) BRIEFINGS.—Upon a request from the Committee
24 on Foreign Relations of the Senate or the Committee on
25 Foreign Affairs of the House of Representatives, the Sec-

1 retary of State and the Administrator of the United States
2 Agency for International Development shall brief such
3 committee on the progress made in implementing the
4 strategy submitted under subsection (b).

5 **SEC. 6. SUPPORT FOR EFFORTS AT THE UNITED NATIONS**
6 **ON THE HUMANITARIAN AND POLITICAL CRI-**
7 **SIS IN VENEZUELA.**

8 (a) INITIAL EFFORTS.—The President shall instruct
9 the Permanent Representative of the United States to the
10 United Nations to use the voice and vote of the United
11 States to secure the necessary votes—

12 (1) to place the humanitarian and political cri-
13 sis in Venezuela on the agenda of the United Na-
14 tions Security Council; and

15 (2) to secure a Presidential Statement from the
16 United Nations Security Council urging the Govern-
17 ment of Venezuela to allow the delivery of humani-
18 tarian relief and to lift bureaucratic impediments or
19 any other obstacles so that independent nongovern-
20 mental organizations can provide the proper assist-
21 ance to the people of Venezuela without any inter-
22 ference by such government.

23 (b) ADDITIONAL EFFORTS.—

24 (1) IN GENERAL.—If the Government of Ven-
25 ezuela refuses to allow the delivery of humanitarian

1 relief and lift bureaucratic impediments and any
2 other obstacles described in subsection (a)(2), then
3 beginning not later than 30 days after the conclu-
4 sion of the efforts of the United Nations described
5 in such subsection, the President shall instruct the
6 Permanent Representative of the United States to
7 the United Nations to use the voice and vote of the
8 United States to secure the adoption of a resolution
9 of the United Nations Security Council described in
10 paragraph (2).

11 (2) RESOLUTION DESCRIBED.—The resolution
12 of the United Nations Security Council described in
13 paragraph (1) is a resolution—

14 (A) directing the Government of Venezuela
15 to promptly allow safe and unhindered access
16 for humanitarian agencies and their imple-
17 menting partners, including possible support
18 from neighboring countries; and

19 (B) calling on the Government of Ven-
20 ezuela to—

21 (i) allow the delivery of food and med-
22 icine;

23 (ii) end human rights violations;

1 (iii) agree to free, fair and trans-
2 parent elections with credible international
3 observers;

4 (iv) cease violence; and

5 (v) release all political prisoners.

6 **SEC. 7. SUPPORT FOR ORGANIZATION OF AMERICAN**
7 **STATES INTER-AMERICAN DEMOCRATIC**
8 **CHARTER.**

9 (a) FINDINGS.—Congress makes the following find-
10 ings:

11 (1) Article 1 of the Inter-American Democratic
12 Charter, adopted by the Organization of American
13 States in Lima on September 11, 2001, affirms,
14 “The peoples of the Americas have a right to democ-
15 racy and their governments have an obligation to
16 promote and defend it.”.

17 (2) Article 19 of the Inter-American Demo-
18 cratic Charter states “an unconstitutional interrup-
19 tion of the democratic order or an unconstitutional
20 alteration of the constitutional regime that seriously
21 impairs the democratic order in a member state,
22 constitutes, while it persists, an insurmountable ob-
23 stacle to its government’s participation in sessions of
24 the General Assembly . . . and other bodies of the
25 Organization.”.

1 (3) Article 20 of the Inter-American Demo-
2 cratic Charter provides—

3 (A) “In the event of an unconstitutional al-
4 teration of the constitutional regime that seri-
5 ously impairs the democratic order in a member
6 state, any member state or the Secretary Gen-
7 eral may request the immediate convocation of
8 the Permanent Council to undertake a collective
9 assessment of the situation and to take such de-
10 cisions as it deems appropriate.”; and

11 (B) “The Permanent Council, depending
12 on the situation, may undertake the necessary
13 diplomatic initiatives, including good offices, to
14 foster the restoration of democracy.”.

15 (b) SENSE OF CONGRESS.—It is the sense of Con-
16 gress that—

17 (1) Nicolás Maduro and the Supreme Tribunal
18 of Justice of Venezuela have carried out systematic
19 efforts to undermine, block, and circumvent the au-
20 thorities and responsibilities of the Venezuelan Na-
21 tional Assembly as mandated in the Constitution of
22 the Bolivarian Republic of Venezuela;

23 (2) such efforts by Nicolás Maduro and the Su-
24 preme Tribunal of Justice of Venezuela amount to
25 an unconstitutional alternation of the constitutional

1 regime that seriously impairs the democratic order
2 in Venezuela; and

3 (3) the Secretary of State, working through the
4 United States Permanent Mission to the Organiza-
5 tion of American States, should take additional steps
6 to support ongoing efforts by the Secretary General
7 of the Organization of American States—

8 (A) to invoke the Inter-American Demo-
9 cratic Charter;

10 (B) to advance a collective assessment of
11 the situation in Venezuela; and

12 (C) to promote diplomatic initiatives to
13 foster the restoration of Venezuelan democracy.

14 **SEC. 8. SUPPORT FOR INTERNATIONAL ELECTION OBSER-**
15 **VATION MISSIONS AND DEMOCRATIC CIVIL**
16 **SOCIETY IN VENEZUELA.**

17 (a) IN GENERAL.—Subject to the availability of ap-
18 propriations, the Secretary of State, in coordination with
19 the Administrator of the United States Agency for Inter-
20 national Development, shall work—

21 (1) with the Organization of American States
22 and other entities to ensure credible international
23 observation that contributes to free, fair, and trans-
24 parent democratic electoral processes in Venezuela;
25 and

1 (2) directly, or through independent nongovern-
2 mental organizations—

3 (A) to defend internationally recognized
4 human rights for the people of Venezuela;

5 (B) to support the efforts of independent
6 media outlets to broadcast, distribute, and
7 share information beyond the limited channels
8 made available by the Government of Ven-
9 ezuela;

10 (C) to facilitate open and uncensored ac-
11 cess to the Internet for the people of Venezuela;
12 and

13 (D) to combat corruption and improve the
14 transparency and accountability of institutions
15 that are part of the Government of Venezuela.

16 (b) VOICE AND VOTE AT THE OAS.—The Secretary
17 of State, acting through the United States Permanent
18 Representative to the Organization of American States,
19 should advocate and build diplomatic support for sending
20 an election observation mission to Venezuela to ensure
21 that democratic electoral processes are organized and car-
22 ried out in a free, fair, and transparent manner.

23 (c) AUTHORIZATION OF APPROPRIATIONS.—There
24 are authorized to be appropriated to the Secretary of State
25 for fiscal year 2018—

1 (1) \$500,000 to carry out the activities set
2 forth in subsection (a)(1); and

3 (2) \$9,500,000 to carry out the activities set
4 forth in subsection (a)(2).

5 (d) BRIEFINGS.—Upon a request from one of the
6 committees listed in subsection (c), the Secretary of State
7 and the Administrator of the United States Agency for
8 International Development shall brief the committee on
9 the progress made in implementing the strategy submitted
10 under subsection (c).

11 **SEC. 9. CONCERNS AND REPORT ON THE INVOLVEMENT OF**
12 **VENEZUELAN OFFICIALS IN CORRUPTION**
13 **AND ILLICIT NARCOTICS TRAFFICKING.**

14 (a) FINDINGS.—Congress makes the following find-
15 ings:

16 (1) The deterioration of governance in Ven-
17 ezuela has been exacerbated by the involvement of
18 senior officials of the Government of Venezuela, in-
19 cluding members of the National Electoral Council,
20 the judicial system, and the Venezuelan security
21 forces, in acts of corruption and illicit narcotics traf-
22 ficking and related money laundering.

23 (2) In March 2015, the Department of the
24 Treasury's Financial Crimes Enforcement Network
25 determined that approximately \$2,000,000,000 had

1 been siphoned from Venezuela’s public oil company,
2 Petróleos de Venezuela S.A., in conjunction with its
3 designation of the Banca Privada d’Andorra as a
4 Foreign Financial Institution of Primary Money
5 Laundering Concern.

6 (3) On August 1, 2016, General Nestor
7 Reverol, Venezuela’s current Minister of Interior and
8 former National Guard commander, was indicted in
9 a United States district court for participating in an
10 international cocaine trafficking conspiracy.

11 (4) On November 18, 2016, Franqui Francisco
12 Flores de Freitas and Efraim Antonio Campo Flores,
13 nephews of Nicolás Maduro and Venezuelan First
14 Lady Cilia Flores, were convicted in a United States
15 district court on charges of conspiring to import co-
16 caine into the United States.

17 (5) On February 13, 2017, the Department of
18 the Treasury’s Office of Foreign Assets Control des-
19 ignated Tarek Zaidan El Aissami Maddah for his
20 involvement in illicit narcotics trafficking, pursuant
21 to the Foreign Narcotics Kingpin Designation Act
22 (21 U.S.C. 1901 et seq.; title VIII of Public Law
23 106–120).

24 (6) The Department of the Treasury’s Office of
25 Foreign Assets Control has designated additional in-

1 individuals and senior Venezuelan officials for their in-
2 volvement in illicit narcotics trafficking, pursuant to
3 such Act, including—

4 (A) Venezuelan national Samark Jose
5 Lopez Bello, who is the primary front man and
6 money launderer for Tareek Zaidan El Aissami
7 Maddah;

8 (B) Hugo Armando Carvajal Barrios, who
9 is the current National Assembly Deputy and
10 the former Director of Venezuela’s Military In-
11 telligence Directorate;

12 (C) Henry de Jesus Rangel Silva, who is
13 the current Governor of Trujillo State and the
14 former Director of Venezuela’s Directorate of
15 Intelligence and Prevention Services;

16 (D) Ramon Emilio Rodriguez Chacin, who
17 previously served as the Minister of Interior;
18 and

19 (E) Freddy Alirio Bernal Rosales, who pre-
20 viously served as the Mayor of the Libertador
21 municipality of Caracas.

22 (b) DEFINITIONS.—In this section:

23 (1) CORRUPTION.—The term “corruption”
24 means the extent to which public power is exercised

1 for private gain, including by bribery, nepotism,
2 fraud, or embezzlement.

3 (2) GRAND CORRUPTION.—The term “grand
4 corruption” means corruption committed at a high
5 level of government that—

6 (A) distorts policies or the central func-
7 tioning of the country; and

8 (B) enables leaders to benefit at the ex-
9 pense of the public good.

10 (c) REPORTING REQUIREMENT.—

11 (1) IN GENERAL.—Not later than 180 days
12 after the date of the enactment of this Act, the Sec-
13 retary of State, acting through the Bureau of Intel-
14 ligence and Research, and in consultation with the
15 intelligence community (as defined in section 3(4) of
16 the National Security Act of 1947 (50 U.S.C.
17 3003(4))), shall submit a report to Congress that
18 describes the involvement of senior officials of the
19 Government of Venezuela, including members of the
20 National Electoral Council, the judicial system, and
21 the Venezuelan security forces, in acts of corruption
22 in Venezuela, with a specific emphasis on acts of
23 grand corruption.

24 (2) ADDITIONAL ELEMENTS.—The report sub-
25 mitted under paragraph (1) shall—

1 (A) describe how the acts of corruption de-
2 scribed in the report pose direct challenges for
3 United States national security and inter-
4 national security;

5 (B) identify individuals that frustrate the
6 ability of the United States to combat illicit
7 narcotics trafficking; and

8 (C) include input from the Drug Enforce-
9 ment Administration, the Office of Foreign As-
10 sets Control, and the Financial Crimes Enforce-
11 ment Network.

12 (3) FORM.—The report under paragraph (1)
13 shall be submitted in unclassified form, but may in-
14 clude a classified annex. The unclassified portion of
15 the report shall be made available to the public.

16 **SEC. 10. SANCTIONS ON PERSONS RESPONSIBLE FOR PUB-**
17 **LIC CORRUPTION AND UNDERMINING DEMO-**
18 **CRATIC GOVERNANCE IN VENEZUELA.**

19 (a) FINDING.—Executive Order 13692 (50 U.S.C.
20 1701 note), which was signed on March 8, 2015, estab-
21 lished sanctions against individuals responsible for under-
22 mining democratic processes and institutions and involved
23 in acts of public corruption that were not included in the
24 Venezuela Defense of Human Rights and Civil Society Act
25 of 2014 (Public Law 113–278).

1 (b) SANCTIONS.—Section 5 of the Venezuela Defense
2 of Human Rights and Civil Society Act of 2014 (Public
3 Law 113–278) is amended—

4 (1) in subsection (a)—

5 (A) in paragraph (2), by striking “or” at
6 the end;

7 (B) by redesignating paragraph (3) as
8 paragraph (5); and

9 (C) by inserting after paragraph (2) the
10 following:

11 “(3) has perpetrated, or is responsible for or-
12 dering or otherwise directing, significant actions or
13 policies that undermine democratic processes or in-
14 stitutions;

15 “(4) has perpetrated, or is responsible for or-
16 dering or otherwise directing, significant acts of pub-
17 lic corruption; or”;

18 (2) by redesignating subsections (c) and (f) as
19 subsections (f) and (g), respectively;

20 (3) by inserting after subsection (d) the fol-
21 lowing:

22 “(e) BRIEFINGS.—Upon a request from the Com-
23 mittee on Foreign Relations of the Senate or the Com-
24 mittee on Foreign Affairs of the House of Representatives,
25 the Secretary of State, in conjunction with the Secretary

1 of the Treasury, shall offer a classified briefing on the ef-
 2 forts to impose sanctions under this section and the im-
 3 pact of such sanctions.”; and

4 (4) in subsection (f), as redesignated, by strik-
 5 ing “December 31, 2019” and inserting “December
 6 31, 2022”.

7 (c) SENSE OF CONGRESS.—It is the sense of Con-
 8 gress that the President and Secretary of State should
 9 seek to encourage partner countries of the Organization
 10 of American States and the United Nations to impose
 11 sanctions with respect to Venezuelan individuals that are
 12 similar to sanctions imposed by the United States with
 13 respect to such Venezuelan individuals.

14 **SEC. 11. CONCERNS OVER PDVSA TRANSACTIONS WITH**
 15 **ROSNEFT.**

16 (a) FINDINGS.—Congress makes the following find-
 17 ings:

18 (1) In late 2016, Venezuelan state-owned oil
 19 company Petróleos de Venezuela, S.A. (referred to in
 20 this section as “PDVSA”), through a no-compete
 21 transaction, secured a loan from Russian govern-
 22 ment-controlled oil company Rosneft, using 49.9 per-
 23 cent of PDVSA’s American subsidiary, CITGO Pe-
 24 troleum Corporation, including its assets in the
 25 United States, as collateral. As a result of this

1 transaction, 100 percent of CITGO is held as collat-
2 eral by PDVSA's creditors.

3 (2) CITGO, a wholly owned subsidiary of
4 PDVSA, is engaged in interstate commerce and
5 owns and controls critical energy infrastructure in
6 19 States in the United States, including an exten-
7 sive network of pipelines, 48 terminals, and 3 refin-
8 eries, with a combined oil refining capacity of
9 749,000 barrels per day. CITGO's refinery in Lake
10 Charles, Louisiana is the sixth largest refinery in the
11 United States.

12 (3) The Department of the Treasury imposed
13 sanctions on Rosneft, which is controlled by the Rus-
14 sian Government, and its Executive Chairman, Igor
15 Sechin, following Russia's military invasion of
16 Ukraine and its illegal annexation of Crimea in
17 2014.

18 (4) The Department of Homeland Security has
19 designated the energy sector as critical to United
20 States infrastructure.

21 (5) The growing economic crisis in Venezuela
22 raises the probability that the Government of Ven-
23 ezuela and PDVSA will default on their inter-
24 national debt obligations, resulting in a scenario in

1 which Rosneft could come into control of CITGO's
2 United States energy infrastructure holdings.

3 (b) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that—

5 (1) control of critical United States energy in-
6 frastructure by Rosneft, a Russian government-con-
7 trolled entity currently under United States sanc-
8 tions, would pose a significant risk to United States
9 national security and energy security;

10 (2) the President should take all necessary
11 steps to prevent Rosneft from gaining control of
12 critical United States interstate energy infrastruc-
13 ture;

14 (3) a default by PDVSA on its loan from
15 Rosneft, resulting in Rosneft coming into possession
16 of PDVSA's United States CITGO assets, would
17 warrant careful consideration by the Committee on
18 Foreign Investment in the United States;

19 (4) if PDVSA defaults on its debt obligations,
20 the Department of the Treasury's Office of Foreign
21 Asset Control should review CITGO's transactions
22 with United States persons to assess and ensure
23 compliance with United States sanctions policies and
24 regulations; and

1 (5) the Department of Homeland Security
2 should conduct an assessment of the security risks
3 posed by foreign control of CITGO's United States
4 energy infrastructure holdings.

5 **SEC. 12. REPORT ON GOVERNMENT OF THE RUSSIAN FED-**
6 **ERATION'S ACTIVITIES IN VENEZUELA.**

7 (a) IN GENERAL.—Not later than 180 days after the
8 date of the enactment of this Act, the Secretary of State,
9 acting through the Bureau of Intelligence and Research
10 of the Department of State and in consultation with the
11 intelligence community, shall submit to Congress a report
12 that describes the full extent of the Government of the
13 Russian Federation's cooperation with the Government of
14 Venezuela and the Venezuelan armed forces.

15 (b) FORM.—The report under subsection (a) shall be
16 submitted in unclassified form, but may include a classi-
17 fied annex. The unclassified portion of the report shall be
18 made available to the public.

19 (c) DEFINITION.—In this section, the term “intel-
20 ligence community” has the meaning given such term in
21 section 3(4) of the National Security Act of 1947 (50
22 U.S.C. 3003(4)).

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 2658
OFFERED BY MR. ENGEL OF NEW YORK**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Venezuela Humanitarian Assistance and Defense of
4 Democratic Governance Act of 2017”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Sense of Congress.
- Sec. 4. Humanitarian assistance for the people of Venezuela.
- Sec. 5. Requirement for strategy to coordinate international humanitarian assistance.
- Sec. 6. Support for efforts at the United Nations on the humanitarian and political crisis in Venezuela.
- Sec. 7. Support for Organization of American States Inter-American Democratic Charter.
- Sec. 8. Support for international election observation missions and democratic civil society in Venezuela.
- Sec. 9. Concerns and report on the involvement of Venezuelan officials in corruption and illicit narcotics trafficking.
- Sec. 10. Sanctions on persons responsible for public corruption and undermining democratic governance in Venezuela.
- Sec. 11. Concerns over PDVSA transactions with Rosneft.
- Sec. 12. Report on activities of certain governments in Venezuela.

7 SEC. 2. FINDINGS.

8 Congress makes the following findings:

1 (1) The deterioration of democratic governance
2 and the economic crisis in Venezuela have led to an
3 unprecedented humanitarian situation in which peo-
4 ple are suffering from severe shortages of essential
5 medicines and basic food products.

6 (2) According to the World Health Organiza-
7 tion, Venezuela had a shortage of necessary medica-
8 tions and medical supplies of—

9 (A) 55 percent in 2014;

10 (B) 67 percent in 2015; and

11 (C) 75 percent in 2016.

12 (3) According to a Human Rights Watch 2016
13 report, it is increasingly difficult for many Ven-
14 ezuelans, particularly those in lower- or middle-in-
15 come families, to obtain adequate nutrition and
16 there are reports of symptoms of malnutrition, par-
17 ticularly in children.

18 (4) Maternal deaths in Venezuela increased by
19 66 percent from 2015 to 2016 while infant deaths
20 increased by 30 percent.

21 (5) There were 240,000 confirmed malaria
22 cases in Venezuela in 2016—a 76 percent increase
23 over 2015.

24 (6) A survey—conducted jointly by the Central
25 University of Venezuela, the Andrés Bello Catholic

1 University, and the Simón Bolívar University—
2 found that almost 75 percent of Venezuelans lost an
3 average of at least 19 pounds in 2016 as a result
4 of a lack of proper nutrition amidst the country's
5 economic crisis.

6 (7) Despite massive shortages of basic food-
7 stuffs and essential medicines, Nicolás Maduro has
8 rejected repeated requests from the Venezuelan Na-
9 tional Assembly and civil society organizations to
10 bring humanitarian aid into the country.

11 (8) The International Monetary Fund has esti-
12 mated that in Venezuela in 2016 the country's gross
13 domestic product contracted by 12 percent and infla-
14 tion rate reached 720 percent, and has stated that
15 Venezuela had the worst growth and inflation per-
16 formance in the world.

17 (9) The International Monetary Fund has not
18 convened an Article IV Executive Board consultation
19 for Venezuela since September 13, 2004, which
20 greatly limits the extent of information available to
21 the international community about the severity of
22 the Venezuelan economic crisis.

23 (10) Venezuela's political, economic, and hu-
24 manitarian crisis is fueling social tensions that are
25 resulting in growing incidents of public unrest,

1 looting, violence among citizens, and an exodus of
2 Venezuelans abroad.

3 (11) These social distortions are taking place
4 amidst an alarming climate of criminal violence. Ac-
5 cording to the United Nations Office on Drug and
6 Crime, Caracas, Venezuela had the highest per cap-
7 ita homicide rate of any capital city in the world in
8 2015 at 120 murders per 100,000 citizens.

9 (12) In 2016, 18,155 Venezuelans submitted
10 asylum requests in the United States, which was the
11 greatest number of requests by any nationality, ac-
12 cording to U.S. Citizenship and Immigration Serv-
13 ices.

14 (13) International and domestic human rights
15 groups, such as Foro Penal Venezolano, recognize
16 more than 600 political prisoners in Venezuela, in-
17 cluding opposition leader and former Chacao mayor
18 Leopoldo López, Judge María Lourdes Afiuni, Cara-
19 cas Mayor Antonio José Ledezma Díaz, National
20 Assembly Deputy Gilber Caro, and former San Cris-
21 tobal mayor Daniel Ceballos.

22 (14) According to media accounts, over 125
23 people lost their lives as the result of public dem-
24 onstrations and protests in Venezuela since April
25 2017.

1 **SEC. 3. SENSE OF CONGRESS.**

2 It is the sense of Congress that—

3 (1) Nicolás Maduro should permit the delivery
4 of international humanitarian assistance to address
5 the widespread and deeply concerning shortages of
6 essential medicines and basic food products faced by
7 the people of Venezuela;

8 (2) it is in the best interest of the Venezuelan
9 people for the Government of Venezuela to engage
10 with multilateral institutions to ameliorate the ef-
11 fects of the country's ongoing economic, social, and
12 humanitarian crisis;

13 (3) Nicolás Maduro should immediately release
14 all political prisoners and respect internationally rec-
15 ognized human rights in order to facilitate the con-
16 ditions for political negotiations and dialogue in
17 Venezuela;

18 (4) Nicolás Maduro and the Supreme Tribunal
19 of Justice of Venezuela should take steps to rein-
20 state the full powers and authorities of the National
21 Assembly of Venezuela in accordance with the Con-
22 stitution of the Bolivarian Republic of Venezuela;

23 (5) Venezuela's National Electoral Council
24 should establish a specific timeline to hold national,
25 regional, and municipal elections in accordance with
26 the Constitution of the Bolivarian Republic of Ven-

1 ezuela and allow supervision of credible international
2 electoral observers; and

3 (6) the United States should support meaning-
4 ful efforts towards a substantive dialogue through
5 which all parties uphold their commitments and
6 agree to specific deadlines to restore respect for Ven-
7 ezuela's constitutional mechanisms and resolve the
8 country's political, economic, and humanitarian cri-
9 sis.

10 **SEC. 4. HUMANITARIAN ASSISTANCE FOR THE PEOPLE OF**
11 **VENEZUELA.**

12 (a) IN GENERAL.—The Secretary of State, in coordi-
13 nation with the Administrator of the United States Agen-
14 cy for International Development, subject to the avail-
15 ability of appropriations, shall work through credible and
16 independent nongovernmental organizations operating in
17 Venezuela or in neighboring countries to alleviate the suf-
18 fering of the Venezuelan people in order to provide—

19 (1) public health commodities to Venezuelan
20 health facilities and services, including medicines on
21 the World Health Organization's List of Essential
22 Medicines and basic medical supplies and equipment;

23 (2) the basic food commodities and nutritional
24 supplements needed to address growing malnutrition
25 and improve food security for the people of Ven-

1 ezuela, with a specific emphasis on the most vulner-
2 able populations; and

3 (3) technical assistance to ensure health and
4 food commodities are appropriately selected, pro-
5 cured, and distributed, predominantly through local
6 nongovernmental organizations.

7 (b) PLAN REQUIREMENT.—Not later than 90 days
8 after the date of the enactment of this Act, the Secretary
9 of State shall submit a plan for carrying out the activities
10 described in subsection (a) which also identifies United
11 States Agency for International Development best prac-
12 tices in delivering humanitarian assistance and how they
13 are being utilized in the Venezuela context to—

14 (1) the Committee on Foreign Relations of the
15 Senate;

16 (2) the Committee on Appropriations of the
17 Senate;

18 (3) the Committee on Foreign Affairs of the
19 House of Representatives; and

20 (4) the Committee on Appropriations of the
21 House of Representatives.

1 **SEC. 5. REQUIREMENT FOR STRATEGY TO COORDINATE**
2 **INTERNATIONAL HUMANITARIAN ASSIST-**
3 **ANCE.**

4 (a) SENSE OF CONGRESS.—It is the sense of Con-
5 gress that the appropriate United Nations humanitarian
6 agencies should conduct and publish an independent as-
7 sessment on—

8 (1) the extent and impact of the shortages of
9 food and medicine in Venezuela; and

10 (2) the efforts needed to resolve such shortages.

11 (b) STRATEGY.—Not later than 90 days after the
12 date of the enactment of this Act, the Secretary of State,
13 in consultation with the Administrator of the United
14 States Agency for International Development, shall submit
15 a multi-year strategy to the Committee on Foreign Rela-
16 tions of the Senate and the Committee on Foreign Affairs
17 of the House of Representatives that—

18 (1) describes how the United States will secure
19 support from international donors, including re-
20 gional partners in Latin America and the Caribbean,
21 for the provision of humanitarian assistance to the
22 people of Venezuela; and

23 (2) identifies governments that are willing to
24 provide financial and technical assistance for the
25 provision of such humanitarian assistance to the

1 people of Venezuela and a description of such assist-
2 ance.

3 **SEC. 6. SUPPORT FOR EFFORTS AT THE UNITED NATIONS**
4 **ON THE HUMANITARIAN AND POLITICAL CRI-**
5 **SIS IN VENEZUELA.**

6 (a) INITIAL EFFORTS.—The President shall instruct
7 the Permanent Representative of the United States to the
8 United Nations to use the voice and vote of the United
9 States to secure the necessary votes—

10 (1) to place the humanitarian and political cri-
11 sis in Venezuela on the agenda at the United Na-
12 tions; and

13 (2) to secure a Presidential Statement from the
14 United Nations urging the Government of Venezuela
15 to allow the delivery of humanitarian relief and to
16 lift bureaucratic impediments or any other obstacles
17 so that independent nongovernmental organizations
18 can provide the proper assistance to the people of
19 Venezuela without any interference by such govern-
20 ment.

21 (b) ADDITIONAL EFFORTS.—

22 (1) IN GENERAL.—If the Government of Ven-
23 ezuela refuses to allow the delivery of humanitarian
24 relief and lift bureaucratic impediments and any
25 other obstacles described in subsection (a)(2), then

1 beginning not later than 30 days after the conclu-
2 sion of the efforts of the United Nations described
3 in such subsection, the President shall instruct the
4 Permanent Representative of the United States to
5 the United Nations to use the voice and vote of the
6 United States to secure the adoption of a resolution
7 described in paragraph (2).

8 (2) RESOLUTION DESCRIBED.—The resolution
9 of the United Nations described in paragraph (1) is
10 a resolution—

11 (A) directing the Government of Venezuela
12 to promptly allow safe and unhindered access
13 for humanitarian agencies and their imple-
14 menting partners, including possible support
15 from neighboring countries; and

16 (B) calling on the Government of Ven-
17 ezuela to—

18 (i) allow the delivery of food and med-
19 icine;

20 (ii) end human rights violations;

21 (iii) agree to free, fair and trans-
22 parent elections with credible international
23 observers;

24 (iv) cease violence; and

25 (v) release all political prisoners.

1 **SEC. 7. SUPPORT FOR ORGANIZATION OF AMERICAN**
2 **STATES INTER-AMERICAN DEMOCRATIC**
3 **CHARTER.**

4 (a) FINDINGS.—Congress makes the following find-
5 ings:

6 (1) Article 1 of the Inter-American Democratic
7 Charter, adopted by the Organization of American
8 States in Lima on September 11, 2001, affirms,
9 “The peoples of the Americas have a right to democ-
10 racy and their governments have an obligation to
11 promote and defend it.”.

12 (2) Article 19 of the Inter-American Demo-
13 cratic Charter states “an unconstitutional interrup-
14 tion of the democratic order or an unconstitutional
15 alteration of the constitutional regime that seriously
16 impairs the democratic order in a member state,
17 constitutes, while it persists, an insurmountable ob-
18 stacle to its government’s participation in sessions of
19 the General Assembly . . . and other bodies of the
20 Organization.”.

21 (3) Article 20 of the Inter-American Demo-
22 cratic Charter provides—

23 (A) “In the event of an unconstitutional al-
24 teration of the constitutional regime that seri-
25 ously impairs the democratic order in a member
26 state, any member state or the Secretary Gen-

1 eral may request the immediate convocation of
2 the Permanent Council to undertake a collective
3 assessment of the situation and to take such de-
4 cisions as it deems appropriate.”; and

5 (B) “The Permanent Council, depending
6 on the situation, may undertake the necessary
7 diplomatic initiatives, including good offices, to
8 foster the restoration of democracy.”.

9 (b) SENSE OF CONGRESS.—It is the sense of Con-
10 gress that—

11 (1) Nicolás Maduro, the National Electoral
12 Council of Venezuela, and the Supreme Tribunal of
13 Justice of Venezuela have carried out systematic ef-
14 forts to undermine, block, and circumvent the au-
15 thorities and responsibilities of the Venezuelan Na-
16 tional Assembly as mandated in the Constitution of
17 the Bolivarian Republic of Venezuela;

18 (2) such efforts by Nicolás Maduro and the Su-
19 preme Tribunal of Justice of Venezuela amount to
20 an unconstitutional alternation of the constitutional
21 regime that seriously impairs the democratic order
22 in Venezuela; and

23 (3) the Secretary of State, working through the
24 United States Permanent Mission to the Organiza-
25 tion of American States, should take additional steps

1 to support ongoing efforts by the Secretary General
2 of the Organization of American States—

3 (A) to invoke the Inter-American Demo-
4 cratic Charter;

5 (B) to advance a collective assessment of
6 the situation in Venezuela; and

7 (C) to promote diplomatic initiatives to
8 foster the restoration of Venezuelan democracy.

9 **SEC. 8. SUPPORT FOR INTERNATIONAL ELECTION OBSER-**
10 **VATION MISSIONS AND DEMOCRATIC CIVIL**
11 **SOCIETY IN VENEZUELA.**

12 (a) IN GENERAL.—Subject to the availability of ap-
13 propriations, the Secretary of State, in coordination with
14 the Administrator of the United States Agency for Inter-
15 national Development, shall work—

16 (1) with the Organization of American States
17 and other entities to ensure credible international
18 observation that contributes to free, fair, and trans-
19 parent democratic electoral processes in Venezuela;
20 and

21 (2) directly, or through independent nongovern-
22 mental organizations—

23 (A) to defend internationally recognized
24 human rights for the people of Venezuela;

1 (B) to support the efforts of independent
2 media outlets to broadcast, distribute, and
3 share information beyond the limited channels
4 made available by the Government of Ven-
5 ezuela;

6 (C) to facilitate open and uncensored ac-
7 cess to the Internet for the people of Venezuela;
8 and

9 (D) to combat corruption and improve the
10 transparency and accountability of institutions
11 that are part of the Government of Venezuela.

12 (b) VOICE AND VOTE AT THE OAS.—The Secretary
13 of State, acting through the United States Permanent
14 Representative to the Organization of American States,
15 should advocate and build diplomatic support for sending
16 an election observation mission to Venezuela to ensure
17 that democratic electoral processes are organized and car-
18 ried out in a free, fair, and transparent manner.

19 **SEC. 9. CONCERNS AND REPORT ON THE INVOLVEMENT OF**
20 **VENEZUELAN OFFICIALS IN CORRUPTION**
21 **AND ILLICIT NARCOTICS TRAFFICKING.**

22 (a) FINDINGS.—Congress makes the following find-
23 ings:

24 (1) The deterioration of governance in Ven-
25 ezuela has been exacerbated by the involvement of

1 senior officials of the Government of Venezuela, in-
2 cluding members of the National Electoral Council,
3 the judicial system, and the Venezuelan security
4 forces, in acts of corruption and illicit narcotics traf-
5 ficking and related money laundering.

6 (2) In March 2015, the Department of the
7 Treasury's Financial Crimes Enforcement Network
8 determined that approximately \$2,000,000,000 had
9 been siphoned from Venezuela's public oil company,
10 Petróleos de Venezuela S.A., in conjunction with its
11 designation of the Banca Privada d'Andorra as a
12 Foreign Financial Institution of Primary Money
13 Laundering Concern.

14 (3) On August 1, 2016, General Nestor
15 Reverol, Venezuela's current Minister of Interior and
16 former National Guard commander, was indicted in
17 a United States district court for participating in an
18 international cocaine trafficking conspiracy.

19 (4) On November 18, 2016, Franqui Francisco
20 Flores de Freitas and Efrain Antonio Campo Flores,
21 nephews of Nicolás Maduro and Venezuelan First
22 Lady Cilia Flores, were convicted in a United States
23 district court on charges of conspiring to import co-
24 caine into the United States.

1 (5) On February 13, 2017, the Department of
2 the Treasury’s Office of Foreign Assets Control des-
3 ignated Tareek Zaidan El Aissami Maddah for his
4 involvement in illicit narcotics trafficking, pursuant
5 to the Foreign Narcotics Kingpin Designation Act
6 (21 U.S.C. 1901 et seq.; title VIII of Public Law
7 106–120).

8 (6) The Department of the Treasury’s Office of
9 Foreign Assets Control has designated additional in-
10 dividuals and senior Venezuelan officials for their in-
11 volvement in illicit narcotics trafficking, pursuant to
12 such Act, including—

13 (A) Venezuelan national Samark Jose
14 Lopez Bello, who is the primary front man and
15 money launderer for Tareek Zaidan El Aissami
16 Maddah;

17 (B) Hugo Armando Carvajal Barrios, who
18 is the current National Assembly Deputy and
19 the former Director of Venezuela’s Military In-
20 telligence Directorate;

21 (C) Henry de Jesus Rangel Silva, who is
22 the current Governor of Trujillo State and the
23 former Director of Venezuela’s Directorate of
24 Intelligence and Prevention Services;

1 (D) Ramon Emilio Rodriguez Chacin, who
2 previously served as the Minister of Interior;
3 and

4 (E) Freddy Alirio Bernal Rosales, who pre-
5 viously served as the Mayor of the Libertador
6 municipality of Caracas.

7 (7) On September 12, 2017, Ambassador Wil-
8 liam Brownfield testified before the Senate Caucus
9 on International Narcotics Control that drug traf-
10 ficking organizations in Venezuela have “completely
11 penetrated virtually every security, law enforcement,
12 and justice-related institution” and that “there will
13 be no long-term, democratic, prosperous and secure
14 solution in Venezuela until there is a solution to the
15 drug trafficking organization presence”.

16 (b) DEFINITIONS.—In this section:

17 (1) CORRUPTION.—The term “corruption”
18 means the extent to which public power is exercised
19 for private gain, including by bribery, nepotism,
20 fraud, or embezzlement.

21 (2) GRAND CORRUPTION.—The term “grand
22 corruption” means corruption committed at a high
23 level of government that—

24 (A) distorts policies or the central func-
25 tioning of the country; and

1 (B) enables leaders to benefit at the ex-
2 pense of the public good.

3 (c) REPORTING REQUIREMENT.—

4 (1) IN GENERAL.—Not later than 180 days
5 after the date of the enactment of this Act, the Sec-
6 retary of State, acting through the Bureau of Intel-
7 ligence and Research, and in consultation with the
8 intelligence community (as defined in section 3(4) of
9 the National Security Act of 1947 (50 U.S.C.
10 3003(4))), shall submit a report to Congress that
11 describes the involvement of senior officials of the
12 Government of Venezuela, including members of the
13 National Electoral Council, the judicial system, and
14 the Venezuelan security forces, in acts of corruption
15 in Venezuela, with a specific emphasis on acts of
16 grand corruption.

17 (2) ADDITIONAL ELEMENTS.—The report sub-
18 mitted under paragraph (1) shall—

19 (A) describe how the acts of corruption de-
20 scribed in the report pose direct challenges for
21 United States national security and inter-
22 national security;

23 (B) identify individuals that frustrate the
24 ability of the United States to combat illicit
25 narcotics trafficking; and

1 (C) include input from the Drug Enforce-
 2 ment Administration, the Office of Foreign As-
 3 sets Control, and the Financial Crimes Enforce-
 4 ment Network.

5 (3) FORM.—The report under paragraph (1)
 6 shall be submitted in unclassified form, but may in-
 7 clude a classified annex. The unclassified portion of
 8 the report shall be made available to the public.

9 **SEC. 10. SANCTIONS ON PERSONS RESPONSIBLE FOR PUB-**
 10 **LIC CORRUPTION AND UNDERMINING DEMO-**
 11 **CRATIC GOVERNANCE IN VENEZUELA.**

12 (a) FINDING.—Executive Order 13692 (50 U.S.C.
 13 1701 note), which was signed on March 8, 2015, estab-
 14 lished sanctions against individuals responsible for under-
 15 mining democratic processes and institutions and involved
 16 in acts of public corruption that were not included in the
 17 Venezuela Defense of Human Rights and Civil Society Act
 18 of 2014 (Public Law 113–278).

19 (b) SANCTIONS.—Section 5 of the Venezuela Defense
 20 of Human Rights and Civil Society Act of 2014 (Public
 21 Law 113–278) is amended—

22 (1) in subsection (a)—

23 (A) in paragraph (2), by striking “or” at
 24 the end;

1 (B) by redesignating paragraph (3) as
2 paragraph (5);

3 (C) by inserting after paragraph (2) the
4 following:

5 “(3) is responsible for, or complicit in, ordering,
6 controlling, or otherwise directing, significant actions
7 or policies that undermine democratic processes or
8 institutions;

9 “(4) is a government official, or a senior asso-
10 ciate of such an official, that is responsible for, or
11 complicit in, ordering, controlling, or otherwise di-
12 recting, acts of significant corruption, including the
13 expropriation of private or public assets for personal
14 gain, corruption related to government contracts or
15 the extraction of natural resources, bribery, or the
16 facilitation or transfer of the proceeds of corruption
17 to foreign jurisdictions; or”; and

18 (D) in paragraph (5) (as redesignated), by
19 striking “paragraph (1) or (2)” and inserting
20 “paragraph (1), (2), (3), or (4)”; and

21 (2) in subsection (e), by striking “December 31,
22 2019” and inserting “December 31, 2022”.

23 (c) SENSE OF CONGRESS.—It is the sense of Con-
24 gress that the President and Secretary of State should
25 seek to encourage partner countries of the Organization

1 of American States, the European Union, and the United
2 Nations to impose sanctions with respect to Venezuelan
3 individuals that are similar to sanctions imposed by the
4 United States with respect to such Venezuelan individuals.

5 **SEC. 11. CONCERNS OVER PDVSA TRANSACTIONS WITH**
6 **ROSNEFT.**

7 (a) FINDINGS.—Congress makes the following find-
8 ings:

9 (1) In late 2016, Venezuelan state-owned oil
10 company Petróleos de Venezuela, S.A. (referred to in
11 this section as “PDVSA”), through a no-compete
12 transaction, secured a loan from Russian govern-
13 ment-controlled oil company Rosneft, using 49.9 per-
14 cent of PDVSA’s American subsidiary, CITGO Pe-
15 troleum Corporation, including its assets in the
16 United States, as collateral. As a result of this
17 transaction, 100 percent of CITGO is held as collat-
18 eral by PDVSA’s creditors.

19 (2) CITGO, a wholly owned subsidiary of
20 PDVSA, is engaged in interstate commerce and
21 owns and controls critical energy infrastructure in
22 19 States in the United States, including an exten-
23 sive network of pipelines, 48 terminals, and 3 refin-
24 eries, with a combined oil refining capacity of
25 749,000 barrels per day. CITGO’s refinery in Lake

1 Charles, Louisiana is the sixth largest refinery in the
2 United States.

3 (3) The Department of the Treasury imposed
4 sanctions on Rosneft, which is controlled by the Rus-
5 sian Government, and its Executive Chairman, Igor
6 Sechin, following Russia's military invasion of
7 Ukraine and its illegal annexation of Crimea in
8 2014.

9 (4) The Department of Homeland Security has
10 designated the energy sector as critical to United
11 States infrastructure.

12 (5) The growing economic crisis in Venezuela
13 raises the probability that the Government of Ven-
14 ezuela and PDVSA will default on their inter-
15 national debt obligations, resulting in a scenario in
16 which Rosneft could come into control of CITGO's
17 United States energy infrastructure holdings.

18 (b) SENSE OF CONGRESS.—It is the sense of Con-
19 gress that—

20 (1) control of critical United States energy in-
21 frastructure by Rosneft, a Russian government-con-
22 trolled entity currently under United States sanc-
23 tions, would pose a significant risk to United States
24 national security and energy security;

1 (2) the President should take all necessary
2 steps to prevent Rosneft from gaining control of
3 critical United States interstate energy infrastruc-
4 ture;

5 (3) a default by PDVSA on its loan from
6 Rosneft, resulting in Rosneft coming into possession
7 of PDVSA's United States CITGO assets, would
8 warrant careful consideration by the Committee on
9 Foreign Investment in the United States;

10 (4) if PDVSA defaults on its debt obligations,
11 the Department of the Treasury's Office of Foreign
12 Asset Control should review CITGO's transactions
13 with United States persons to assess and ensure
14 compliance with United States sanctions policies and
15 regulations; and

16 (5) the Department of Homeland Security
17 should conduct an assessment of the security risks
18 posed by foreign control of CITGO's United States
19 energy infrastructure holdings and keep the relevant
20 committees of Congress fully informed of its findings
21 and any subsequent strategy to address
22 vulnerabilities to United States energy security as a
23 result.

1 **SEC. 12. REPORT ON ACTIVITIES OF CERTAIN GOVERN-**
2 **MENTS IN VENEZUELA.**

3 (a) IN GENERAL.—Not later than 180 days after the
4 date of the enactment of this Act, the Secretary of State,
5 acting through the Bureau of Intelligence and Research
6 of the Department of State and in consultation with the
7 intelligence community, shall submit to Congress a report
8 that describes the full extent of cooperation by the Govern-
9 ments of the Russian Federation, the People’s Republic
10 of China, Cuba, and Iran with the Government of Ven-
11 ezuela and the Venezuelan armed forces.

12 (b) FORM.—The report under subsection (a) shall be
13 submitted in unclassified form, but may include a classi-
14 fied annex. The unclassified portion of the report shall be
15 made available to the public.

16 (c) DEFINITION.—In this section, the term “intel-
17 ligence community” has the meaning given such term in
18 section 3(4) of the National Security Act of 1947 (50
19 U.S.C. 3003(4)).



115TH CONGRESS
1ST SESSION

H. R. 3320

To direct the Secretary of State to develop a strategy to regain observer status for Taiwan in the World Health Organization, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 19, 2017

Mr. YOHO (for himself, Mr. ROYCE of California, Mr. ENGEL, Mr. SHERMAN, Mr. CHABOT, and Mr. CONNOLLY) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To direct the Secretary of State to develop a strategy to regain observer status for Taiwan in the World Health Organization, 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. PARTICIPATION OF TAIWAN IN THE WORLD**
4 **HEALTH ORGANIZATION.**

5 (a) FINDINGS.—Congress makes the following find-
6 ings:

7 (1) The World Health Organization (WHO) is
8 a specialized agency of the United Nations, charged
9 with coordinating health efforts within the United

1 Nations system. The World Health Assembly
2 (WHA) is the decision-making body of the WHO,
3 which convenes annually in May to set the policies
4 and priorities of the organization. Statehood is not
5 a requirement for attendance at the WHA, and nu-
6 merous observers, including non-members and non-
7 governmental organizations, attended the most re-
8 cent WHA in May 2017.

9 (2) Taiwan began seeking to participate in the
10 WHO as an observer in 1997. In 2009, with strong
11 support from successive United States Administra-
12 tions, Congress, and like-minded WHO Member
13 States, and during a period of improved Cross-Strait
14 relations, Taiwan received an invitation to attend
15 the WHA as an observer under the name “Chinese
16 Taipei”. Taiwan received the same invitation each
17 year until 2016, when following the election of Presi-
18 dent Tsai-Ing Wen of the Democratic Progressive
19 Party, Taiwan’s engagement in the international
20 community began facing increased resistance from
21 the People’s Republic of China (PRC). Taiwan’s in-
22 vitation to the 2016 WHA was received late and in-
23 cluded new language conditioning Taiwan’s partici-
24 pation on the PRC’s “one China principle”. In 2017,
25 Taiwan did not receive an invitation to the WHA.

1 (3) Taiwan remains a model contributor to
2 world health, having provided financial and technical
3 assistance to respond to numerous global health
4 challenges. Taiwan has invested over \$6 billion in
5 international medical and humanitarian aid efforts
6 impacting over 80 countries since 1996. In 2014,
7 Taiwan responded to the Ebola crisis by donating \$1
8 million and providing 100,000 sets of personal pro-
9 tective equipment. Through the Global Cooperation
10 and Training Framework, the United States and
11 Taiwan have jointly conducted training programs for
12 experts to combat MERS, Dengue Fever, and Zika.
13 These diseases know no borders, and Taiwan's need-
14 less exclusion from global health cooperation in-
15 creases the dangers presented by global pandemics.

16 (4) Taiwan's international engagement has
17 faced increased resistance from the PRC. Taiwan
18 was not invited to the 2016 Assembly of the Inter-
19 national Civil Aviation Organization (ICAO), despite
20 participating as a guest at the organization's prior
21 summit in 2013. Taiwan's request to participate in
22 the 2016 General Assembly of the International
23 Criminal Police Organization (INTERPOL) was also
24 rejected. In May 2017, PRC delegates disrupted a
25 meeting of the Kimberley Process on conflict dia-

1 monds held in Perth, Australia, until delegates from
2 Taiwan were asked to leave. In June 2017, the Re-
3 public of Panama granted diplomatic recognition to
4 the PRC, terminating a longstanding diplomatic re-
5 lationship with Taiwan.

6 (5) Congress has established a policy of support
7 for Taiwan's participation in international bodies
8 that address shared transnational challenges, par-
9 ticularly in the WHO. Congress passed H.R. 1794
10 in the 106th Congress, H.R. 428 in the 107th Con-
11 gress, and S. 2092 in the 108th Congress to direct
12 the Secretary of State to establish a strategy for,
13 and to report annually to Congress on, efforts to ob-
14 tain observer status for Taiwan at the WHA. Con-
15 gress also passed H.R. 1151 in the 113th Congress,
16 directing the Secretary to report on a strategy to
17 gain observer status for Taiwan at the ICAO Assem-
18 bly, and H.R. 1853 in the 114th Congress, directing
19 the Secretary to report on a strategy to gain ob-
20 server status for Taiwan at the INTERPOL Assem-
21 bly. However, in 2016 Taiwan did not receive invita-
22 tions to attend any of these events as an observer.

23 (b) AUGMENTATION OF REPORT CONCERNING THE
24 PARTICIPATION OF TAIWAN IN THE WORLD HEALTH OR-
25 GANIZATION.—

1 (1) IN GENERAL.—Subsection (c) of section 1
2 of Public Law 108–235 (118 Stat. 656) is amended
3 by adding at the end the following new paragraph:

4 “(3) An account of the changes and improve-
5 ments the Secretary of State has made to the
6 United States plan to endorse and obtain observer
7 status for Taiwan at the World Health Assembly,
8 following any annual meetings of the World Health
9 Assembly at which Taiwan did not obtain observer
10 status.”.

11 (2) EFFECTIVE DATE.—The amendment made
12 by paragraph (1) shall take effect and apply begin-
13 ning with the first report required under subsection
14 (c) of section 1 of Public Law 108–235 that is sub-
15 mitted after the date of the enactment of this Act.

115TH CONGRESS
1ST SESSION

H. R. 3329

To amend the Hizballah International Financing Prevention Act of 2015 to impose additional sanctions with respect to Hizballah, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 2017

Mr. ROYCE of California (for himself and Mr. ENGEL) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Hizballah International Financing Prevention Act of 2015 to impose additional sanctions with respect to Hizballah, 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. SHORT TITLE; TABLE OF CONTENTS.

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Hizballah International Financing Prevention Amend-
6 ments Act of 2017”.

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

Sec. 1. Short title; table of contents.

**TITLE I—PREVENTION OF ACCESS BY HIZBALLAH TO
INTERNATIONAL FINANCIAL AND OTHER INSTITUTIONS**

Sec. 101. Mandatory sanctions with respect to fundraising and recruitment activities for Hizballah.

Sec. 102. Modification of report with respect to financial institutions that engage in certain transactions.

Sec. 103. Sanctions against foreign states that support Hizballah.

Sec. 104. Prohibitions and conditions with respect to certain accounts held by foreign financial institutions.

**TITLE II—NARCOTICS TRAFFICKING AND SIGNIFICANT
TRANSNATIONAL CRIMINAL ACTIVITIES OF HIZBALLAH**

Sec. 201. Blocking of property of Hizballah.

Sec. 202. Report on racketeering activities engaged in by Hizballah.

Sec. 203. Modification of report on activities of foreign governments to disrupt global logistics networks and fundraising, financing, and money laundering activities of Hizballah.

Sec. 204. Report on combating the illicit tobacco trafficking networks used by Hizballah and other foreign terrorist organizations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Regulatory authority.

Sec. 302. Implementation; penalties; judicial review; exemptions.

**TITLE I—PREVENTION OF ACCESS BY HIZBALLAH TO
INTERNATIONAL FINANCIAL AND OTHER INSTITUTIONS**

**SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO
FUNDRAISING AND RECRUITMENT ACTIVITIES FOR HIZBALLAH.**

(a) IN GENERAL.—Section 101 of the Hizballah International Financing Prevention Act of 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is amended to read as follows:

1 **“SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO**
2 **FUNDRAISING AND RECRUITMENT ACTIVI-**
3 **TIES FOR HIZBALLAH.**

4 “(a) IN GENERAL.—The President shall impose the
5 sanctions described in subsection (b) with respect to any
6 foreign person that the President determines knowingly
7 assists, sponsors, or, provides significant financial, mate-
8 rial, or technological support for—

9 “(1) Bayt al-Mal, Jihad al-Bina, the Islamic
10 Resistance Support Association, the Foreign Rela-
11 tions Department of Hizballah, the External Secu-
12 rity Organization of Hizballah, or any successor or
13 affiliate thereof;

14 “(2) al-Manar TV, al Nour Radio, or the Leba-
15 nese Media Group, or any successor or affiliate
16 thereof;

17 “(3) a foreign person determined by the Presi-
18 dent to be engaged in fundraising or recruitment ac-
19 tivities for Hizballah; or

20 “(4) a foreign person owned or controlled by a
21 foreign person described in paragraph (1), (2), or
22 (3).

23 “(b) SANCTIONS DESCRIBED.—

24 “(1) IN GENERAL.—The sanctions described in
25 this subsection are the following:

1 “(A) ASSET BLOCKING.—The exercise of
2 all powers granted to the President by the
3 International Emergency Economic Powers Act
4 (50 U.S.C. 1701 et seq.) (except that the re-
5 quirements of section 202 of such Act (50
6 U.S.C. 1701) shall not apply) to the extent nec-
7 essary to block and prohibit all transactions in
8 all property and interests in property of a for-
9 eign person determined by the President to be
10 subject to subsection (a) if such property and
11 interests in property are in the United States,
12 come within the United States, or are or come
13 within the possession or control of a United
14 States person.

15 “(B) ALIENS INELIGIBLE FOR VISAS, AD-
16 MISSION, OR PAROLE.—

17 “(i) VISAS, ADMISSION, OR PAROLE.—
18 An alien who the President determines is
19 subject to subsection (a) is—

20 “(I) inadmissible to the United
21 States;

22 “(II) ineligible to receive a visa
23 or other documentation to enter the
24 United States; and

1 “(III) otherwise ineligible to be
2 admitted or paroled into the United
3 States or to receive any other benefit
4 under the Immigration and Nation-
5 ality Act (8 U.S.C. 1101 et seq.).

6 “(ii) CURRENT VISAS REVOKED.—

7 “(I) IN GENERAL.—The issuing
8 consular officer, the Secretary of
9 State, or the Secretary of Homeland
10 Security shall revoke any visa or other
11 entry documentation issued to an
12 alien who the President determines is
13 subject to subsection (a), regardless of
14 when issued.

15 “(II) EFFECT OF REVOCATION.—

16 A revocation under subclause (I) shall
17 take effect immediately and shall
18 automatically cancel any other valid
19 visa or entry documentation that is in
20 the possession of the alien.

21 “(2) PENALTIES.—The penalties provided for
22 in subsections (b) and (c) of section 206 of the
23 International Emergency Economic Powers Act (50
24 U.S.C. 1705) shall apply to a person that violates,
25 attempts to violate, conspires to violate, or causes a

1 violation of regulations prescribed under paragraph
2 (1)(A) to the same extent that such penalties apply
3 to a person that commits an unlawful act described
4 in subsection (a) of such section 206.

5 “(c) IMPLEMENTATION.—The President may exercise
6 all authorities provided under sections 203 and 205 of the
7 International Emergency Economic Powers Act (50
8 U.S.C. 1702 and 1704) to carry out this section.

9 “(d) WAIVER.—

10 “(1) IN GENERAL.—The President may, for pe-
11 riods not to exceed 180 days, waive the imposition
12 of sanctions under this section with respect to a for-
13 eign person or foreign persons if the President cer-
14 tifies to the appropriate congressional committees
15 that such waiver is in the national security interests
16 of the United States.

17 “(2) CONSULTATION.—

18 “(A) BEFORE WAIVER EXERCISED.—Be-
19 fore a waiver under paragraph (1) takes effect
20 with respect to a foreign person, the President
21 shall notify and brief the appropriate congres-
22 sional committees on the status of the involve-
23 ment of the foreign person in activities de-
24 scribed in subsection (a).

1 “(B) AFTER WAIVER EXERCISED.—Not
2 later than 90 days after the issuance of a waiv-
3 er under paragraph (1) with respect to a for-
4 eign person, and every 120 days thereafter
5 while the waiver remains in effect, the Presi-
6 dent shall brief the appropriate congressional
7 committees on the status of the involvement of
8 the foreign person in activities described in sub-
9 section (a).

10 “(e) REPORT.—Not later than 90 days after the date
11 of the enactment of the Hizballah International Financing
12 Prevention Amendments Act of 2017, and every 180 days
13 thereafter, the President shall submit to the appropriate
14 congressional committees a report that lists the foreign
15 persons that the President has credible evidence knowingly
16 assists, sponsors, or provides significant financial, mate-
17 rial, or technological support for the foreign persons de-
18 scribed in paragraph (1), (2), (3), or (4) of subsection (a).

19 “(f) DEFINITIONS.—In this section:

20 “(1) ADMITTED; ALIEN.—The terms ‘admitted’
21 and ‘alien’ have meanings given those terms in sec-
22 tion 101 of the Immigration and Nationality Act (8
23 U.S.C. 1101).

1 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term ‘appropriate congressional com-
3 mittees’ means—

4 “(A) the Committee on Foreign Affairs,
5 the Committee on Ways and Means, the Com-
6 mittee on the Judiciary, and the Committee on
7 Financial Services of the House of Representa-
8 tives; and

9 “(B) the Committee on Foreign Relations,
10 the Committee on Banking, Housing, and
11 Urban Affairs, and the Committee on the Judi-
12 ciary of the Senate.

13 “(3) ENTITY.—The term ‘entity’ means a part-
14 nership, association, corporation, or other organiza-
15 tion, group, or subgroup.

16 “(4) FUNDRAISING OR RECRUITMENT ACTIVI-
17 TIES.—The term ‘fundraising or recruitment activi-
18 ties’ includes online fundraising and other online
19 commercial activities, or other means of such fund-
20 raising, recruitment, and retention, as determined by
21 the President.

22 “(5) HIZBALLAH.—The term ‘Hizballah’ has
23 the meaning given such term in section 102(f).

24 “(6) PERSON.—The term ‘person’ means an in-
25 dividual or entity.

1 “(7) UNITED STATES PERSON.—The term
2 ‘United States person’ means a United States cit-
3 izen, permanent resident alien, entity organized
4 under the laws of the United States (including for-
5 eign branches), or a person in the United States.”.

6 (b) CLERICAL AMENDMENT.—The table of contents
7 for the Hizballah International Financing Prevention Act
8 of 2015 is amended by striking the item relating to section
9 101 and inserting the following new item:

 “Sec. 101. Mandatory sanctions with respect to fundraising and recruitment
 activities for Hizballah.”.

10 **SEC. 102. MODIFICATION OF REPORT WITH RESPECT TO FI-**
11 **NANCIAL INSTITUTIONS THAT ENGAGE IN**
12 **CERTAIN TRANSACTIONS.**

13 (a) IN GENERAL.—Subsection (d) of section 102 of
14 the Hizballah International Financing Prevention Act of
15 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is
16 amended to read as follows:

17 “(d) REPORT ON FINANCIAL INSTITUTIONS ORGA-
18 NIZED UNDER THE LAWS OF STATE SPONSORS OF TER-
19 RORISM.—

20 “(1) IN GENERAL.—Not later than 90 days
21 after the date of the enactment of the Hizballah
22 International Financing Prevention Amendments
23 Act of 2017, and annually thereafter for a period
24 not to exceed three years, the President shall submit

1 to the appropriate congressional committees a report
2 that—

3 “(A) identifies each foreign financial insti-
4 tution described in paragraph (2) that the
5 President determines engages in one or more
6 activities described in subsection (a)(2);

7 “(B) provides a detailed description of
8 each such activity; and

9 “(C) contains a determination with respect
10 to each such foreign financial institution that is
11 identified under subparagraph (A) as engaging
12 in one or more activities described in subsection
13 (a)(2) as to whether or not such foreign finan-
14 cial institution is in violation of Executive
15 Order 13224 (50 U.S.C. 1701 note; relating to
16 blocking property and prohibiting transactions
17 with persons who commit, threaten to commit,
18 or support terrorism) by reason of engaging in
19 one or more such activities.

20 “(2) FOREIGN FINANCIAL INSTITUTION DE-
21 SCRIBED.—

22 “(A) IN GENERAL.—A foreign financial in-
23 stitution described in this paragraph is a for-
24 eign financial institution—

25 “(i) that, wherever located, is—

1 “(I) organized under the laws of
2 a state sponsor of terrorism or any ju-
3 risdiction within a state sponsor of
4 terrorism;

5 “(II) owned or controlled by the
6 government of a state sponsor of ter-
7 rorism;

8 “(III) located in the territory of
9 a state sponsor of terrorism; or

10 “(IV) owned or controlled by a
11 foreign financial institution described
12 in subelause (I), (II), or (III); and

13 “(ii) the capitalization of which ex-
14 ceeds \$10,000,000.

15 “(B) STATE SPONSOR OF TERRORISM.—In
16 this paragraph, the term ‘state sponsor of ter-
17 rorism’ means a country the government of
18 which the Secretary of State has determined is
19 a government that has repeatedly provided sup-
20 port for acts of international terrorism for pur-
21 poses of—

22 “(i) section 6(j) of the Export Admin-
23 istration Act of 1979 (50 U.S.C. 4605(j))
24 (as continued in effect pursuant to the

1 International Emergency Economic Powers
2 Act (50 U.S.C. 1701 et seq.);

3 “(ii) section 620A of the Foreign As-
4 sistance Act of 1961 (22 U.S.C. 2371);

5 “(iii) section 40 of the Arms Export
6 Control Act (22 U.S.C. 2780); or

7 “(iv) any other provision of law.”.

8 (b) SENSE OF CONGRESS.—It is the sense of the
9 Congress that the President should apply the sanctions
10 contained in section 102 of the Hizballah International Fi-
11 nancing Prevention Act with respect to foreign financial
12 institutions that engage in prohibited activities described
13 in such section with respect to any member of parliament
14 or any cabinet official of the Lebanese Republic who is
15 a member of Hizballah, or any affiliate of Hizballah.

16 **SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT SUP-**
17 **PORT HIZBALLAH.**

18 (a) IN GENERAL.—Title I of the Hizballah Inter-
19 national Financing Prevention Act of 2015 (Public Law
20 114–102; 50 U.S.C. 1701 note) is amended by adding at
21 the end the following:

22 **“SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT**
23 **SUPPORT HIZBALLAH.**

24 “(a) SANCTIONS AGAINST CERTAIN AGENCIES AND
25 INSTRUMENTALITIES OF FOREIGN STATES.—

1 “(1) IN GENERAL.—Not later than 120 days
2 after the date of the enactment of this section, and
3 as appropriate thereafter, the President shall impose
4 the sanctions described in paragraph (3) with re-
5 spect to any agency or instrumentality of a foreign
6 state described in paragraph (2).

7 “(2) AGENCY OR INSTRUMENTALITY DE-
8 SCRIBED.—An agency or instrumentality of a for-
9 eign state described in this paragraph is an agency
10 or instrumentality of a foreign state that the Presi-
11 dent determines has, on or after the date of the en-
12 actment of this section, knowingly provided signifi-
13 cant financial or material support for, or arms or re-
14 lated material to—

15 “(A) Hizballah; or

16 “(B) an entity owned or controlled by
17 Hizballah.

18 “(3) SANCTIONS DESCRIBED.—The sanctions
19 described in this paragraph are the exercise of all
20 powers granted to the President by the International
21 Emergency Economic Powers Act (50 U.S.C. 1701
22 et seq.) (except that the requirements of section 202
23 of such Act (50 U.S.C. 1701) shall not apply) to the
24 extent necessary to block and prohibit all trans-
25 actions in all property and interests in property of

1 an agency or instrumentality of a foreign state if
2 such property and interests in property are in the
3 United States, come within the United States, or are
4 or come within the possession or control of a United
5 States person.

6 “(b) SANCTIONS AGAINST STATE SPONSORS OF TER-
7 RORISM.—

8 “(1) IN GENERAL.—In the case of an agency or
9 instrumentality of a foreign state that engages in
10 the activities described in subsection (a) that is an
11 agency or instrumentality of a foreign state de-
12 scribed in paragraph (2), the President shall, pursu-
13 ant to section 6 of the Export Administration Act of
14 1979 (as continued in effect pursuant to the Inter-
15 national Emergency Economic Powers Act (50
16 U.S.C. 1701 et seq.)), require a license under the
17 Export Administration Regulations to export or re-
18 export to that foreign state any item designated by
19 the Secretary of Commerce as ‘EAR 99’, other than
20 food, medicine, medical devices, or similarly licensed
21 items.

22 “(2) FOREIGN STATE DESCRIBED.—A foreign
23 state described in this paragraph is a foreign state
24 that—

1 “(A) the President determines has, on or
2 after the date of the enactment of this section,
3 knowingly provided significant financial or ma-
4 terial support for, or arms or related material
5 to—

6 “(i) Hizballah; or

7 “(ii) an entity owned or controlled by
8 Hizballah; and

9 “(B) is a state sponsor of terrorism.

10 “(c) WAIVER.—

11 “(1) IN GENERAL.—The President may, for pe-
12 riods not to exceed 180 days, waive the imposition
13 of sanctions under this section with respect to a for-
14 eign state or an agency or instrumentality of a for-
15 eign state if the President certifies to the appro-
16 priate congressional committees that such waiver is
17 vital to the national security interests of the United
18 States.

19 “(2) CONSULTATION.—

20 “(A) BEFORE WAIVER EXERCISED.—Be-
21 fore a waiver under paragraph (1) takes effect
22 with respect to a foreign state or an agency or
23 instrumentality of a foreign state, the President
24 shall notify and brief the appropriate congres-
25 sional committees on the status of the involve-

1 ment of the foreign state in activities described
2 in subsection (b)(2) or involvement of the agen-
3 cy or instrumentality of a foreign state in ac-
4 tivities described in subsection (a)(2), as the
5 case may be.

6 “(B) AFTER WAIVER EXERCISED.—Not
7 later than 90 days after the issuance of a waiv-
8 er under paragraph (1) with respect to a for-
9 eign state or an agency or instrumentality of a
10 foreign state, and every 120 days thereafter
11 while the waiver remains in effect, the Presi-
12 dent shall brief the appropriate congressional
13 committees on the status of the involvement of
14 the foreign state in activities described in sub-
15 section (b)(2) or involvement of the agency or
16 instrumentality of a foreign state in activities
17 described in subsection (a)(2), as the case may
18 be.

19 “(d) DEFINITIONS.—In this section:

20 “(1) AGENCY OR INSTRUMENTALITY OF A FOR-
21 EIGN STATE; FOREIGN STATE.—The terms ‘agency
22 or instrumentality of a foreign state’ and ‘foreign
23 state’ have the meanings given those terms in sec-
24 tion 1603 of title 28, United States Code.

1 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term ‘appropriate congressional com-
3 mittees’ means—

4 “(A) the Committee on Foreign Affairs,
5 the Committee on Financial Services, the Com-
6 mittee on Ways and Means, and the Committee
7 on the Judiciary of the House of Representa-
8 tives; and

9 “(B) the Committee on Foreign Relations,
10 the Committee on Banking, Housing, and
11 Urban Affairs, and the Committee on the Judi-
12 ciary of the Senate.

13 “(3) ARMS OR RELATED MATERIAL.—The term
14 ‘arms or related material’ means—

15 “(A) nuclear, biological, chemical, or radio-
16 logical weapons or materials or components of
17 such weapons;

18 “(B) ballistic or cruise missile weapons or
19 materials or components of such weapons;

20 “(C) destabilizing numbers and types of
21 advanced conventional weapons;

22 “(D) defense articles or defense services,
23 as those terms are defined in paragraphs (3)
24 and (4), respectively, of section 47 of the Arms
25 Export Control Act (22 U.S.C. 2794);

1 “(E) defense information, as that term is
2 defined in section 644 of the Foreign Assist-
3 ance Act of 1961 (22 U.S.C. 2403); or

4 “(F) items designated by the President for
5 purposes of the United States Munitions List
6 under section 38(a)(1) of the Arms Export
7 Control Act (22 U.S.C. 2778(a)(1)).

8 “(4) EXPORT ADMINISTRATION REGULA-
9 TIONS.—The term ‘Export Administration Regula-
10 tions’ means subchapter C of chapter VII of title 15,
11 Code of Federal Regulations (as in effect on the
12 date of the enactment of this Act).

13 “(5) HIZBALLAH.—The term ‘Hizballah’ has
14 the meaning given that term in section 102(f).

15 “(6) STATE SPONSOR OF TERRORISM.—In this
16 paragraph, the term ‘state sponsor of terrorism’
17 means a country the government of which the Sec-
18 retary of State has determined is a government that
19 has repeatedly provided support for acts of inter-
20 national terrorism for purposes of—

21 “(A) section 6(j) of the Export Adminis-
22 tration Act of 1979 (50 U.S.C. 4605(j)) (as
23 continued in effect pursuant to the Inter-
24 national Emergency Economic Powers Act (50
25 U.S.C. 1701 et seq.));

1 “(B) section 620A of the Foreign Assist-
2 ance Act of 1961 (22 U.S.C. 2371);

3 “(C) section 40 of the Arms Export Con-
4 trol Act (22 U.S.C. 2780); or

5 “(D) any other provision of law.”.

6 (b) CLERICAL AMENDMENT.—The table of contents
7 for the Hizballah International Financing Prevention Act
8 of 2015 is amended by inserting after the item relating
9 to section 102 the following new item:

 “Sec. 103. Sanctions against foreign states that support Hizballah.”.

10 **SEC. 104. PROHIBITIONS AND CONDITIONS WITH RESPECT**
11 **TO CERTAIN ACCOUNTS HELD BY FOREIGN**
12 **FINANCIAL INSTITUTIONS.**

13 Section 104(c)(2)(A)(ii) of the Comprehensive Iran
14 Sanctions, Accountability, and Divestment Act of 2010
15 (22 U.S.C. 8513(c)(2)(A)(ii)) is amended by inserting be-
16 fore “or support for acts of international terrorism” the
17 following “, including Hizballah (as defined in section
18 102(f)(1)(E) of the Hizballah International Financing
19 Prevention Act of 2015 (Public Law 114–102; 50 U.S.C.
20 1701 note), and any affiliates or successors thereof,”.

1 **TITLE II—NARCOTICS TRAF-**
2 **FICKING AND SIGNIFICANT**
3 **TRANSNATIONAL CRIMINAL**
4 **ACTIVITIES OF HIZBALLAH**

5 **SEC. 201. BLOCKING OF PROPERTY OF HIZBALLAH.**

6 (a) IN GENERAL.—Section 201 of the Hizballah
7 International Financing Prevention Act of 2015 (Public
8 Law 114–102; 50 U.S.C. 1701 note) is amended to read
9 as follows:

10 **“SEC. 201. IMPOSITION OF SANCTIONS WITH RESPECT TO**
11 **HIZBALLAH.**

12 “(a) IN GENERAL.—Not later than 120 days after
13 the date of the enactment of this section, and as appro-
14 priate thereafter, the President shall impose the sanctions
15 described in subsection (b) with respect to Hizballah, in-
16 cluding by reason of Hizballah’s significant transnational
17 criminal activities.

18 “(b) SANCTIONS DESCRIBED.—The sanctions de-
19 scribed in this subsection are sanctions applied with re-
20 spect to a foreign person pursuant to Executive Order
21 13581 (75 Fed. Reg. 44,757) (as such Executive order
22 was in effect on the day before the date of the enactment
23 of this section).

1 “(c) DEFINITION.—In this section, the term
2 ‘Hizballah’ has the meaning given such term in section
3 102(f).”.

4 (b) CLERICAL AMENDMENTS.—The table of contents
5 for the Hizballah International Financing Prevention Act
6 of 2015 is amended—

7 (1) by striking the item relating to title II and
8 inserting the following:

“TITLE II—IMPOSITION OF SANCTIONS WITH RESPECT TO
HIZBALLAH AND REPORTS AND BRIEFINGS ON NARCOTICS
TRAFFICKING AND SIGNIFICANT TRANSNATIONAL CRIMINAL
ACTIVITIES OF HIZBALLAH”;

9 and

10 (2) by striking the item relating to section 201
11 and inserting the following:

“Sec. 201. Imposition of sanctions with respect to Hizballah.”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section take effect on the date that is 90 days after
14 the date of the enactment of this Act.

15 **SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**
16 **GAGED IN BY HIZBALLAH.**

17 (a) IN GENERAL.—Section 202 of the Hizballah
18 International Financing Prevention Act of 2015 (Public
19 Law 114–102; 50 U.S.C. 1701 note) is amended to read
20 as follows:

1 **“SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**
2 **GAGED IN BY HIZBALLAH.**

3 “(a) IN GENERAL.—Not later than 120 days after
4 the date of the enactment of the Hizballah International
5 Financing Prevention Amendments Act of 2017, and an-
6 nually thereafter for the following 5 years, the Assistant
7 Attorney General for the Criminal Division of the Depart-
8 ment of Justice and the Administrator of the Drug En-
9 forcement Administration, in coordination with the Sec-
10 retary of the Treasury and the heads of other applicable
11 Federal agencies, shall jointly submit to the appropriate
12 congressional committees a report on the following:

13 “(1) Activities that Hizballah, and agents and
14 affiliates of Hizballah, have engaged in that are
15 racketeering activities.

16 “(2) The extent to which Hizballah, and agents
17 and affiliates of Hizballah, engage in a pattern of
18 such racketeering activities.

19 “(b) FORM OF REPORT.—Each report required under
20 subsection (a) shall be submitted in an unclassified form
21 but may contain a classified annex.

22 “(c) DEFINITIONS.—In this section:

23 “(1) APPROPRIATE CONGRESSIONAL COMMIT-
24 TEES.—The term ‘appropriate congressional com-
25 mittees’ means—

1 “(A) the Committee on the Judiciary and
2 the Committee on Foreign Affairs of the House
3 of Representatives; and

4 “(B) the Committee on the Judiciary and
5 the Committee on Foreign Relations of the Sen-
6 ate.

7 “(2) HIZBALLAH.—The term ‘Hizballah’ has
8 the meaning given that term in section 102(f).

9 “(3) RACKETEERING ACTIVITY.—The term
10 ‘racketeering activity’ has the meaning given that
11 term in section 1961(1) of title 18, United States
12 Code.”.

13 (b) CLERICAL AMENDMENT.—The table of contents
14 for the Hizballah International Financing Prevention Act
15 of 2015 is amended by striking the item relating to section
16 202 and inserting the following:

“Sec. 202. Report on racketeering activities engaged in by Hizballah.”.

17 **SEC. 203. MODIFICATION OF REPORT ON ACTIVITIES OF**
18 **FOREIGN GOVERNMENTS TO DISRUPT GLOB-**
19 **AL LOGISTICS NETWORKS AND FUND-**
20 **RAISING, FINANCING, AND MONEY LAUN-**
21 **DERING ACTIVITIES OF HIZBALLAH.**

22 (a) IN GENERAL.—Section 204(a)(1) of the
23 Hizballah International Financing Prevention Act of 2015
24 (Public Law 114–102; 50 U.S.C. 1701 note) is amend-
25 ed—

1 (1) in the matter preceding subparagraph (A),
2 by striking “this Act” and inserting “the Hizballah
3 International Financing Prevention Amendments
4 Act of 2017, and annually thereafter for the fol-
5 lowing 5 years”;

6 (2) in subparagraph (D)(ii)(II), by striking
7 “and” at the end;

8 (3) in subparagraph (E), by striking “and free-
9 trade zones.” and inserting “free-trade zones, busi-
10 ness partnerships and joint ventures, and other in-
11 vestments in small and medium-sized enterprises.”;
12 and

13 (4) by adding at the end the following:

14 “(F) a list of provinces, municipalities, and
15 local governments outside of Lebanon that ex-
16 pressly consent to, or with knowledge allow, tol-
17 erate, or disregard the use of their territory by
18 Hizballah to carry out terrorist activities, in-
19 cluding training, financing, and recruitment;

20 “(G) a description of the total aggregate
21 revenues and remittances that Hizballah re-
22 ceives from the global logistics networks of
23 Hizballah, including—

24 “(i) a list of Hizballah’s sources of
25 revenue, including sources of revenue

1 based on illicit activity, revenues from
2 Iran, charities, and other business activi-
3 ties; and

4 “(ii) a list of Hizballah’s expenditures,
5 including expenditures for ongoing military
6 operations, social networks, and external
7 operations; and

8 “(H) a survey of national and
9 transnational legal measures available to target
10 Hizballah’s financial networks.”.

11 (b) REPORT ON ESTIMATED NET WORTH OF SENIOR
12 HIZBALLAH MEMBERS.—

13 (1) IN GENERAL.—Not later than 180 days
14 after the date of the enactment of this Act, and not
15 less frequently than annually thereafter for the fol-
16 lowing 2 years, the President shall submit to the ap-
17 propriate congressional committees a report that
18 contains—

19 (A) the estimated total net worth of each
20 individual described in paragraph (2); and

21 (B) a description of how funds of each in-
22 dividual described in paragraph (2) were ac-
23 quired, and how such funds have been used or
24 employed.

1 (2) INDIVIDUALS DESCRIBED.—The individuals
2 described in this paragraph are the following:

3 (A) The Secretary General of Hizballah.

4 (B) Members of the Hizballah Politburo.

5 (C) Any other individual that the President
6 determines is a senior foreign political figure of
7 Hizballah, is associated with Hizballah, or oth-
8 erwise provides significant support to Hizballah.

9 (3) FORM OF REPORT; PUBLIC AVAILABILITY.—

10 (A) FORM.—The report required under
11 paragraph (1) shall be submitted in unclassified
12 form but may contain a classified annex.

13 (B) PUBLIC AVAILABILITY.—The unclassi-
14 fied portion of the report required under para-
15 graph (1) shall be made available to the public
16 and posted on the website of the Department of
17 State and all United States Embassy websites.

18 (4) DEFINITIONS.—In this subsection:

19 (A) APPROPRIATE CONGRESSIONAL COM-
20 MITTEES.—The term “appropriate congres-
21 sional committees” means—

22 (i) the Committee on Foreign Affairs
23 and the Committee on Financial Services
24 of the House of Representatives; and

1 (ii) the Committee on Foreign Rela-
2 tions and the Committee on Banking,
3 Housing, and Urban Affairs of the Senate.

4 (B) FUNDS.—The term “funds” means—

5 (i) cash;

6 (ii) equity;

7 (iii) any other intangible asset the
8 value of which is derived from a contrac-
9 tual claim, including bank deposits, bonds,
10 stocks, a security (as defined in section
11 2(a) of the Securities Act of 1933 (15
12 U.S.C. 77b(a))), or a security or an equity
13 security (as those terms are defined in sec-
14 tion 3(a) of the Securities Exchange Act of
15 1934 (15 U.S.C. 78c(a))); and

16 (iv) anything else of value that the
17 Secretary determines to be appropriate.

18 (C) SENIOR FOREIGN POLITICAL FIG-
19 URE.—The term “senior foreign political fig-
20 ure” has the meaning given that term in section
21 1010.605 of title 31, Code of Federal Regula-
22 tions (or any successor regulation).

1 **SEC. 204. REPORT ON COMBATING THE ILLICIT TOBACCO**
2 **TRAFFICKING NETWORKS USED BY**
3 **HIZBALLAH AND OTHER FOREIGN TER-**
4 **RORIST ORGANIZATIONS.**

5 (a) **IN GENERAL.**—Not later than 180 days after the
6 date of the enactment of this Act, the President shall sub-
7 mit to the appropriate congressional committees a report
8 on combating the illicit tobacco trafficking networks used
9 by Hizballah and other foreign terrorist organizations to
10 finance their operations, as described in the report sub-
11 mitted to Congress in December 2015 by the Department
12 of State, the Department of Justice, the Department of
13 the Treasury, the Department of Homeland Security, and
14 the Department of Health and Human Services entitled,
15 “The Global Illicit Trade in Tobacco: A Threat to Na-
16 tional Security.”.

17 (b) **MATTERS TO BE ADDRESSED.**—The report re-
18 quired by subsection (a) shall include the following:

19 (1) A description of the steps to be taken by
20 Federal agencies to combat the illicit tobacco traf-
21 ficking networks used by Hizballah, other foreign
22 terrorist organizations, and other illicit actors.

23 (2) A description of the steps to be taken to en-
24 gage State and local law enforcement authorities in
25 efforts to combat illicit tobacco trafficking networks
26 operating within the United States.

1 (3) A description of the steps to be taken to en-
2 gage foreign government law enforcement and intel-
3 ligence authorities in efforts to combat illicit tobacco
4 trafficking networks operating outside the United
5 States.

6 (4) Recommendations for legislative or adminis-
7 trative action needed to address the threat of illicit
8 tobacco trafficking networks.

9 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
10 FINED.—In this section, the term “appropriate congres-
11 sional committees” means—

12 (1) the Committee on Foreign Affairs, the
13 Committee on Armed Services, the Committee on
14 Homeland Security, the Committee on the Judiciary,
15 the Committee on Financial Services, and the Com-
16 mittee on Ways and Means of the House of Rep-
17 resentatives; and

18 (2) the Committee on Foreign Relations, the
19 Committee on Armed Services, the Committee on
20 Homeland Security and Governmental Affairs, the
21 Committee on the Judiciary, the Committee on
22 Banking, Housing, and Urban Affairs, and the Com-
23 mittee on Finance of the Senate.

**TITLE III—GENERAL
PROVISIONS**

SEC. 301. REGULATORY AUTHORITY.

(a) IN GENERAL.—The President shall, not later than 180 days after the date of the enactment of this Act, prescribe regulations as necessary for the implementation of this Act and the amendments made by this Act.

(b) BRIEFING TO CONGRESS.—Not later than 10 days before the prescription of regulations under subsection (a), the President shall brief the appropriate congressional committees of the proposed regulations and the provisions of this Act and the amendments made by this Act that the regulations are implementing.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means—

(1) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and

(2) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.

1 **SEC. 302. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**
2 **VIEW; EXEMPTIONS.**

3 (a) IN GENERAL.—Title I of the Hizballah Inter-
4 national Financing Prevention Act of 2015 (Public Law
5 114–102; 50 U.S.C. 1701 note), as amended by section
6 103 of this Act, is further amended by adding at the end
7 the following:

8 **“SEC. 104. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**
9 **VIEW; EXEMPTIONS; RULE OF CONSTRUC-**
10 **TION.**

11 “(a) IMPLEMENTATION.—The President may exercise
12 all authorities provided under sections 203 and 205 of the
13 International Emergency Economic Powers Act (50
14 U.S.C. 1702 and 1704) to carry out sections 101 and 103.

15 “(b) PENALTIES.—The penalties provided for in sub-
16 sections (b) and (c) of section 206 of the International
17 Emergency Economic Powers Act (50 U.S.C. 1705) shall
18 apply to a person that violates, attempts to violate, con-
19 spires to violate, or causes a violation of regulations pre-
20 scribed to carry out section 101 or 103 to the same extent
21 that such penalties apply to a person that commits an un-
22 lawful act described in subsection (a) of such section 206.

23 “(c) PROCEDURES FOR JUDICIAL REVIEW OF CLAS-
24 SIFIED INFORMATION.—

25 “(1) IN GENERAL.—If a finding, or a prohibi-
26 tion, condition, or penalty imposed as a result of any

1 such finding, is based on classified information (as
2 defined in section 1(a) of the Classified Information
3 Procedures Act (18 U.S.C. App.)) and a court re-
4 views the finding or the imposition of the prohibi-
5 tion, condition, or penalty, the President may submit
6 such information to the court ex parte and in cam-
7 era.

8 “(2) RULE OF CONSTRUCTION.—Nothing in
9 this subsection shall be construed to confer or imply
10 any right to judicial review of any finding under sec-
11 tion 101 or 103 or any prohibition, condition, or
12 penalty imposed as a result of any such finding.

13 “(d) EXEMPTIONS.—The following activities shall be
14 exempt from sections 101 and 103:

15 “(1) Any authorized intelligence, law enforce-
16 ment, or national security activities of the United
17 States.

18 “(2) Any transaction necessary to comply with
19 United States obligations under the Agreement be-
20 tween the United Nations and the United States of
21 America regarding the Headquarters of the United
22 States, signed at Lake Success June 26, 1947, and
23 entered into force November 21, 1947, or under the
24 Convention on Consular Relations, done at Vienna
25 April 24, 1963, and entered into force March 19,

1 1967, or any other United States international trea-
2 ties.

3 “(e) RULE OF CONSTRUCTION.—Nothing in section
4 101 or 103 shall be construed to limit the authority of
5 the President under the International Emergency Eco-
6 nomic Powers Act (50 U.S.C. 1701 et seq.) or under any
7 other provision of law.”.

8 (b) CLERICAL AMENDMENT.—The table of contents
9 for the Hizballah International Financing Prevention Act
10 of 2015 is amended by inserting after the item relating
11 to section 103, as added by section 103(b) of this Act,
12 the following new item:

“Sec. 104. Implementation; penalties; judicial review; exemptions; rule of construction.”.



**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3329
OFFERED BY MR. ROYCE OF CALIFORNIA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Hizballah International Financing Prevention Amend-
4 ments Act of 2017”.

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

Sec. 1. Short title; table of contents.

**TITLE I—PREVENTION OF ACCESS BY HIZBALLAH TO
INTERNATIONAL FINANCIAL AND OTHER INSTITUTIONS**

Sec. 101. Mandatory sanctions with respect to fundraising and recruitment activities for Hizballah.

Sec. 102. Modification of report with respect to financial institutions that engage in certain transactions.

Sec. 103. Sanctions against foreign states that support Hizballah.

Sec. 104. Prohibitions and conditions with respect to certain accounts held by foreign financial institutions.

**TITLE II—NARCOTICS TRAFFICKING AND SIGNIFICANT
TRANSNATIONAL CRIMINAL ACTIVITIES OF HIZBALLAH**

Sec. 201. Blocking of property of affiliated networks of Hizballah.

Sec. 202. Report on racketeering activities engaged in by Hizballah.

Sec. 203. Modification of report on activities of foreign governments to disrupt global logistics networks and fundraising, financing, and money laundering activities of Hizballah.

Sec. 204. Report on combating the illicit tobacco trafficking networks used by Hizballah and other foreign terrorist organizations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Regulatory authority.

Sec. 302. Implementation; penalties; judicial review; exemptions.

1 **TITLE I—PREVENTION OF AC-**
2 **CESS BY HIZBALLAH TO**
3 **INTERNATIONAL FINANCIAL**
4 **AND OTHER INSTITUTIONS**

5 **SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO**
6 **FUNDRAISING AND RECRUITMENT ACTIVI-**
7 **TIES FOR HIZBALLAH.**

8 (a) IN GENERAL.—Section 101 of the Hizballah
9 International Financing Prevention Act of 2015 (Public
10 Law 114–102; 50 U.S.C. 1701 note) is amended to read
11 as follows:

12 **“SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO**
13 **FUNDRAISING AND RECRUITMENT ACTIVI-**
14 **TIES FOR HIZBALLAH.**

15 “(a) IN GENERAL.—The President shall, on or after
16 the date of the enactment of this section, impose the sanc-
17 tions described in subsection (b) with respect to any for-
18 eign person that the President determines knowingly as-
19 sists, sponsors, or, provides significant financial, material,
20 or technological support for—

21 “(1) Bayt al-Mal, Jihad al-Bina, the Islamic
22 Resistance Support Association, the Foreign Rela-
23 tions Department of Hizballah, the External Secu-

1 rity Organization of Hizballah, or any successor or
2 affiliate thereof;

3 “(2) al-Manar TV, al Nour Radio, or the Leba-
4 nese Media Group, or any successor or affiliate
5 thereof;

6 “(3) a foreign person determined by the Presi-
7 dent to be engaged in fundraising or recruitment ac-
8 tivities for Hizballah; or

9 “(4) a foreign person owned or controlled by a
10 foreign person described in paragraph (1), (2), or
11 (3).

12 “(b) SANCTIONS DESCRIBED.—

13 “(1) IN GENERAL.—The sanctions described in
14 this subsection are the following:

15 “(A) ASSET BLOCKING.—The exercise of
16 all powers granted to the President by the
17 International Emergency Economic Powers Act
18 (50 U.S.C. 1701 et seq.) (except that the re-
19 quirements of section 202 of such Act (50
20 U.S.C. 1701) shall not apply) to the extent nec-
21 essary to block and prohibit all transactions in
22 all property and interests in property of a for-
23 eign person determined by the President to be
24 subject to subsection (a) if such property and
25 interests in property are in the United States,

1 come within the United States, or are or come
2 within the possession or control of a United
3 States person.

4 “(B) ALIENS INELIGIBLE FOR VISAS, AD-
5 MISSION, OR PAROLE.—

6 “(i) VISAS, ADMISSION, OR PAROLE.—
7 An alien who the President determines is
8 subject to subsection (a) is—

9 “(I) inadmissible to the United
10 States;

11 “(II) ineligible to receive a visa
12 or other documentation to enter the
13 United States; and

14 “(III) otherwise ineligible to be
15 admitted or paroled into the United
16 States or to receive any other benefit
17 under the Immigration and Nation-
18 ality Act (8 U.S.C. 1101 et seq.).

19 “(ii) CURRENT VISAS REVOKED.—

20 “(I) IN GENERAL.—The issuing
21 consular officer, the Secretary of
22 State, or the Secretary of Homeland
23 Security shall revoke any visa or other
24 entry documentation issued to an
25 alien who the President determines is

1 subject to subsection (a), regardless of
2 when issued.

3 “(II) EFFECT OF REVOCATION.—

4 A revocation under subclause (I) shall
5 take effect immediately and shall
6 automatically cancel any other valid
7 visa or entry documentation that is in
8 the possession of the alien.

9 “(2) PENALTIES.—The penalties provided for
10 in subsections (b) and (c) of section 206 of the
11 International Emergency Economic Powers Act (50
12 U.S.C. 1705) shall apply to a person that violates,
13 attempts to violate, conspires to violate, or causes a
14 violation of regulations prescribed under paragraph
15 (1)(A) to the same extent that such penalties apply
16 to a person that commits an unlawful act described
17 in subsection (a) of such section 206.

18 “(c) IMPLEMENTATION.—The President may exercise
19 all authorities provided under sections 203 and 205 of the
20 International Emergency Economic Powers Act (50
21 U.S.C. 1702 and 1704) to carry out this section.

22 “(d) WAIVER.—

23 “(1) IN GENERAL.—The President may, for pe-
24 riods not to exceed 180 days, waive the imposition
25 of sanctions under this section with respect to a for-

1 eign person or foreign persons if the President cer-
2 tifies to the appropriate congressional committees
3 that such waiver is in the national security interests
4 of the United States.

5 “(2) CONSULTATION.—

6 “(A) BEFORE WAIVER EXERCISED.—Be-
7 fore a waiver under paragraph (1) takes effect
8 with respect to a foreign person, the President
9 shall notify and brief the appropriate congres-
10 sional committees on the status of the involve-
11 ment of the foreign person in activities de-
12 scribed in subsection (a).

13 “(B) AFTER WAIVER EXERCISED.—Not
14 later than 90 days after the issuance of a waiv-
15 er under paragraph (1) with respect to a for-
16 eign person, and every 120 days thereafter
17 while the waiver remains in effect, the Presi-
18 dent shall brief the appropriate congressional
19 committees on the status of the involvement of
20 the foreign person in activities described in sub-
21 section (a).

22 “(e) REPORT.—Not later than 90 days after the date
23 of the enactment of the Hizballah International Financing
24 Prevention Amendments Act of 2017, and every 180 days
25 thereafter, the President shall submit to the appropriate

1 congressional committees a report that lists the foreign
2 persons that the President has credible evidence knowingly
3 assists, sponsors, or provides significant financial, mate-
4 rial, or technological support for the foreign persons de-
5 scribed in paragraph (1), (2), (3), or (4) of subsection (a).

6 “(f) DEFINITIONS.—In this section:

7 “(1) ADMITTED; ALIEN.—The terms ‘admitted’
8 and ‘alien’ have meanings given those terms in sec-
9 tion 101 of the Immigration and Nationality Act (8
10 U.S.C. 1101).

11 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
12 TEES.—The term ‘appropriate congressional com-
13 mittees’ means—

14 “(A) the Committee on Foreign Affairs,
15 the Committee on Ways and Means, the Com-
16 mittee on the Judiciary, and the Committee on
17 Financial Services of the House of Representa-
18 tives; and

19 “(B) the Committee on Foreign Relations,
20 the Committee on Banking, Housing, and
21 Urban Affairs, and the Committee on the Judi-
22 ciary of the Senate.

23 “(3) ENTITY.—The term ‘entity’—

1 “(A) means a partnership, association, cor-
2 poration, or other organization, group, or sub-
3 group; and

4 “(B) includes a governmental entity

5 “(4) FUNDRAISING OR RECRUITMENT ACTIVI-
6 TIES.—The term ‘fundraising or recruitment activi-
7 ties’ includes online fundraising and other online
8 commercial activities, or other means of such fund-
9 raising, recruitment, and retention, as determined by
10 the President.

11 “(5) HIZBALLAH.—The term ‘Hizballah’ has
12 the meaning given such term in section 102(f).

13 “(6) PERSON.—The term ‘person’ means an in-
14 dividual or entity.

15 “(7) UNITED STATES PERSON.—The term
16 ‘United States person’ means a United States cit-
17 izen, permanent resident alien, entity organized
18 under the laws of the United States (including for-
19 eign branches), or a person in the United States.”.

20 (b) CLERICAL AMENDMENT.—The table of contents
21 for the Hizballah International Financing Prevention Act
22 of 2015 is amended by striking the item relating to section
23 101 and inserting the following new item:

“Sec. 101. Mandatory sanctions with respect to fundraising and recruitment
activities for Hizballah.”.

1 **SEC. 102. MODIFICATION OF REPORT WITH RESPECT TO FI-**
2 **NANCIAL INSTITUTIONS THAT ENGAGE IN**
3 **CERTAIN TRANSACTIONS.**

4 (a) IN GENERAL.—Subsection (d) of section 102 of
5 the Hizballah International Financing Prevention Act of
6 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is
7 amended to read as follows:

8 “(d) REPORT ON FINANCIAL INSTITUTIONS ORGA-
9 NIZED UNDER THE LAWS OF STATE SPONSORS OF TER-
10 RORISM.—

11 “(1) IN GENERAL.—Not later than 90 days
12 after the date of the enactment of the Hizballah
13 International Financing Prevention Amendments
14 Act of 2017, and annually thereafter for a period
15 not to exceed three years, the President shall submit
16 to the appropriate congressional committees a report
17 that—

18 “(A) identifies each foreign financial insti-
19 tution described in paragraph (2) that the
20 President determines engages in one or more
21 activities described in subsection (a)(2);

22 “(B) provides a detailed description of
23 each such activity; and

24 “(C) contains a determination with respect
25 to each such foreign financial institution that is
26 identified under subparagraph (A) as engaging

1 in one or more activities described in subsection
2 (a)(2) as to whether or not such foreign finan-
3 cial institution is in violation of Executive
4 Order 13224 (50 U.S.C. 1701 note; relating to
5 blocking property and prohibiting transactions
6 with persons who commit, threaten to commit,
7 or support terrorism) or section 2339B of title
8 18, United States Code, by reason of engaging
9 in one or more such activities.

10 “(2) FOREIGN FINANCIAL INSTITUTION DE-
11 SCRIBED.—

12 “(A) IN GENERAL.—A foreign financial in-
13 stitution described in this paragraph is a for-
14 eign financial institution—

15 “(i) that, wherever located, is—

16 “(I) organized under the laws of
17 a state sponsor of terrorism or any ju-
18 risdiction within a state sponsor of
19 terrorism;

20 “(II) owned or controlled by the
21 government of a state sponsor of ter-
22 rorism;

23 “(III) located in the territory of
24 a state sponsor of terrorism; or

1 “(IV) owned or controlled by a
2 foreign financial institution described
3 in subclause (I), (II), or (III); and

4 “(ii) the capitalization of which ex-
5 ceeds \$10,000,000.

6 “(B) STATE SPONSOR OF TERRORISM.—In
7 this paragraph, the term ‘state sponsor of ter-
8 rorism’ means a country the government of
9 which the Secretary of State has determined is
10 a government that has repeatedly provided sup-
11 port for acts of international terrorism for pur-
12 poses of—

13 “(i) section 6(j) of the Export Admin-
14 istration Act of 1979 (50 U.S.C. 4605(j))
15 (as continued in effect pursuant to the
16 International Emergency Economic Powers
17 Act (50 U.S.C. 1701 et seq.));

18 “(ii) section 620A of the Foreign As-
19 sistance Act of 1961 (22 U.S.C. 2371);

20 “(iii) section 40 of the Arms Export
21 Control Act (22 U.S.C. 2780); or

22 “(iv) any other provision of law.”.

23 (b) SENSE OF CONGRESS.—It is the sense of the
24 Congress that—

1 (1) all countries should designate the entirety of
 2 Hizballah as a terrorist organization; and

3 (2) the notion of separate Hizballah political
 4 and military “wings” is an artificial construct that
 5 attempts to legitimize Hizballah members of par-
 6 liament and Hizballah cabinet officials who are
 7 complicit in Hizballah’s use of violence and coercion
 8 against its political opponents.

9 **SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT SUP-**
 10 **PORT HIZBALLAH.**

11 (a) IN GENERAL.—Title 1 of the Hizballah Inter-
 12 national Financing Prevention Act of 2015 (Public Law
 13 114–102; 50 U.S.C. 1701 note) is amended by adding at
 14 the end the following:

15 **“SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT**
 16 **SUPPORT HIZBALLAH.**

17 **“(a) SANCTIONS AGAINST CERTAIN AGENCIES AND**
 18 **INSTRUMENTALITIES OF FOREIGN STATES.—**

19 **“(1) IN GENERAL.—**Not later than 120 days
 20 after the date of the enactment of this section, and
 21 as appropriate thereafter, the President shall impose
 22 the sanctions described in paragraph (3) with re-
 23 spect to any agency or instrumentality of a foreign
 24 state described in paragraph (2).

1 “(2) AGENCY OR INSTRUMENTALITY DE-
2 SCRIBED.—An agency or instrumentality of a for-
3 eign state described in this paragraph is an agency
4 or instrumentality of a foreign state that the Presi-
5 dent determines has, on or after the date of the en-
6 actment of this section, knowingly provided signifi-
7 cant financial or material support for, or arms or re-
8 lated material to—

9 “(A) Hizballah; or

10 “(B) an entity owned or controlled by
11 Hizballah.

12 “(3) SANCTIONS DESCRIBED.—The sanctions
13 described in this paragraph are the exercise of all
14 powers granted to the President by the International
15 Emergency Economic Powers Act (50 U.S.C. 1701
16 et seq.) (except that the requirements of section 202
17 of such Act (50 U.S.C. 1701) shall not apply) to the
18 extent necessary to block and prohibit all trans-
19 actions in all property and interests in property of
20 an agency or instrumentality of a foreign state if
21 such property and interests in property are in the
22 United States, come within the United States, or are
23 or come within the possession or control of a United
24 States person.

1 “(b) SANCTIONS AGAINST STATE SPONSORS OF TER-
2 RORISM.—

3 “(1) IN GENERAL.—In the case of an agency or
4 instrumentality of a foreign state that engages in
5 the activities described in subsection (a) that is an
6 agency or instrumentality of a foreign state de-
7 scribed in paragraph (2), the President shall, pursu-
8 ant to section 6 of the Export Administration Act of
9 1979 (as continued in effect pursuant to the Inter-
10 national Emergency Economic Powers Act (50
11 U.S.C. 1701 et seq.)), require a license under the
12 Export Administration Regulations to export or re-
13 export to that foreign state any item designated by
14 the Secretary of Commerce as ‘EAR 99’, other than
15 food, medicine, medical devices, or similarly licensed
16 items.

17 “(2) FOREIGN STATE DESCRIBED.—A foreign
18 state described in this paragraph is a foreign state
19 that—

20 “(A) the President determines has, on or
21 after the date of the enactment of this section,
22 knowingly provided significant financial or ma-
23 terial support for, or arms or related material
24 to—

25 “(i) Hizballah; or

1 “(ii) an entity owned or controlled by
2 Hizballah; and

3 “(B) is a state sponsor of terrorism.

4 “(c) WAIVER.—

5 “(1) IN GENERAL.—The President may, for pe-
6 riods not to exceed 180 days, waive the imposition
7 of sanctions under this section with respect to a for-
8 eign state or an agency or instrumentality of a for-
9 eign state if the President certifies to the appro-
10 priate congressional committees that such waiver is
11 vital to the national security interests of the United
12 States.

13 “(2) CONSULTATION.—

14 “(A) BEFORE WAIVER EXERCISED.—Be-
15 fore a waiver under paragraph (1) takes effect
16 with respect to a foreign state or an agency or
17 instrumentality of a foreign state, the President
18 shall notify and brief the appropriate congres-
19 sional committees on the status of the involve-
20 ment of the foreign state in activities described
21 in subsection (b)(2) or involvement of the agen-
22 cy or instrumentality of a foreign state in ac-
23 tivities described in subsection (a)(2), as the
24 case may be.

1 “(B) AFTER WAIVER EXERCISED.—Not
2 later than 90 days after the issuance of a waiv-
3 er under paragraph (1) with respect to a for-
4 eign state or an agency or instrumentality of a
5 foreign state, and every 120 days thereafter
6 while the waiver remains in effect, the Presi-
7 dent shall brief the appropriate congressional
8 committees on the status of the involvement of
9 the foreign state in activities described in sub-
10 section (b)(2) or involvement of the agency or
11 instrumentality of a foreign state in activities
12 described in subsection (a)(2), as the case may
13 be.

14 “(d) DEFINITIONS.—In this section:

15 “(1) AGENCY OR INSTRUMENTALITY OF A FOR-
16 EIGN STATE; FOREIGN STATE.—The terms ‘agency
17 or instrumentality of a foreign state’ and ‘foreign
18 state’ have the meanings given those terms in sec-
19 tion 1603 of title 28, United States Code.

20 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
21 TEES.—The term ‘appropriate congressional com-
22 mittees’ means—

23 “(A) the Committee on Foreign Affairs,
24 the Committee on Financial Services, the Com-
25 mittee on Ways and Means, and the Committee

1 on the Judiciary of the House of Representa-
2 tives; and

3 “(B) the Committee on Foreign Relations,
4 the Committee on Banking, Housing, and
5 Urban Affairs, and the Committee on the Judi-
6 ciary of the Senate.

7 “(3) ARMS OR RELATED MATERIAL.—The term
8 ‘arms or related material’ means—

9 “(A) nuclear, biological, chemical, or radio-
10 logical weapons or materials or components of
11 such weapons;

12 “(B) ballistic or cruise missile weapons or
13 materials or components of such weapons;

14 “(C) destabilizing numbers and types of
15 advanced conventional weapons;

16 “(D) defense articles or defense services,
17 as those terms are defined in paragraphs (3)
18 and (4), respectively, of section 47 of the Arms
19 Export Control Act (22 U.S.C. 2794); or

20 “(E) defense information, as that term is
21 defined in section 644 of the Foreign Assist-
22 ance Act of 1961 (22 U.S.C. 2403).

23 “(4) EXPORT ADMINISTRATION REGULA-
24 TIONS.—The term ‘Export Administration Regula-
25 tions’ means subchapter C of chapter VII of title 15,

1 Code of Federal Regulations (as in effect on the
2 date of the enactment of this Act).

3 “(5) HIZBALLAH.—The term ‘Hizballah’ has
4 the meaning given that term in section 102(f).

5 “(6) STATE SPONSOR OF TERRORISM.—In this
6 paragraph, the term ‘state sponsor of terrorism’
7 means a country the government of which the Sec-
8 retary of State has determined is a government that
9 has repeatedly provided support for acts of inter-
10 national terrorism for purposes of—

11 “(A) section 6(j) of the Export Adminis-
12 tration Act of 1979 (50 U.S.C. 4605(j)) (as
13 continued in effect pursuant to the Inter-
14 national Emergency Economic Powers Act (50
15 U.S.C. 1701 et seq.));

16 “(B) section 620A of the Foreign Assist-
17 ance Act of 1961 (22 U.S.C. 2371);

18 “(C) section 40 of the Arms Export Con-
19 trol Act (22 U.S.C. 2780); or

20 “(D) any other provision of law.”.

21 (b) CLERICAL AMENDMENT.—The table of contents
22 for the Hizballah International Financing Prevention Act
23 of 2015 is amended by inserting after the item relating
24 to section 102 the following new item:

“Sec. 103. Sanctions against foreign states that support Hizballah.”.

1 **SEC. 104. PROHIBITIONS AND CONDITIONS WITH RESPECT**
 2 **TO CERTAIN ACCOUNTS HELD BY FOREIGN**
 3 **FINANCIAL INSTITUTIONS.**

4 Section 104(c)(2)(A)(ii) of the Comprehensive Iran
 5 Sanctions, Accountability, and Divestment Act of 2010
 6 (22 U.S.C. 8513(c)(2)(A)(ii)) is amended by inserting be-
 7 fore “or support for acts of international terrorism” the
 8 following “, including Hizballah (as defined in section
 9 102(f)(1)(E) of the Hizballah International Financing
 10 Prevention Act of 2015 (Public Law 114–102; 50 U.S.C.
 11 1701 note), and any affiliates or successors thereof,”.

12 **TITLE II—NARCOTICS TRAF-**
 13 **FICKING AND SIGNIFICANT**
 14 **TRANSNATIONAL CRIMINAL**
 15 **ACTIVITIES OF HIZBALLAH**

16 **SEC. 201. BLOCKING OF PROPERTY OF AFFILIATED NET-**
 17 **WORKS OF HIZBALLAH.**

18 (a) IN GENERAL.—Section 201 of the Hizballah
 19 International Financing Prevention Act of 2015 (Public
 20 Law 114–102; 50 U.S.C. 1701 note) is amended to read
 21 as follows:

22 **“SEC. 201. IMPOSITION OF SANCTIONS WITH RESPECT TO**
 23 **AFFILIATED NETWORKS OF HIZBALLAH.**

24 “(a) IN GENERAL.—Not later than 120 days after
 25 the date of the enactment of this section, and as appro-
 26 priate thereafter, the President shall impose the sanctions

1 described in subsection (b) with respect to affiliated net-
2 works of Hizballah, including by reason of significant
3 transnational criminal activities of such networks.

4 “(b) SANCTIONS DESCRIBED.—The sanctions de-
5 scribed in this subsection are sanctions applied with re-
6 spect to a foreign person pursuant to Executive Order
7 13581 (75 Fed. Reg. 44,757) (as such Executive order
8 was in effect on the day before the date of the enactment
9 of this section).

10 “(c) DEFINITION.—In this section, the term
11 ‘Hizballah’ has the meaning given such term in section
12 102(f).”.

13 (b) CLERICAL AMENDMENTS.—The table of contents
14 for the Hizballah International Financing Prevention Act
15 of 2015 is amended—

16 (1) by striking the item relating to title II and
17 inserting the following:

“TITLE II—IMPOSITION OF SANCTIONS WITH RESPECT TO
HIZBALLAH AND REPORTS AND BRIEFINGS ON NARCOTICS
TRAFFICKING AND SIGNIFICANT TRANSNATIONAL CRIMINAL
ACTIVITIES OF HIZBALLAH”;

18 and

19 (2) by striking the item relating to section 201
20 and inserting the following:

“Sec. 201. Imposition of sanctions with respect to Hizballah.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section take effect on the date that is 90 days after
3 the date of the enactment of this Act.

4 **SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**
5 **GAGED IN BY HIZBALLAH.**

6 (a) IN GENERAL.—Section 202 of the Hizballah
7 International Financing Prevention Act of 2015 (Public
8 Law 114–102; 50 U.S.C. 1701 note) is amended to read
9 as follows:

10 **“SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**
11 **GAGED IN BY HIZBALLAH.**

12 “(a) IN GENERAL.—Not later than 120 days after
13 the date of the enactment of the Hizballah International
14 Financing Prevention Amendments Act of 2017, and an-
15 nually thereafter for the following 5 years, the Assistant
16 Attorney General for the Criminal Division of the Depart-
17 ment of Justice and the Administrator of the Drug En-
18 forcement Administration, in coordination with the Sec-
19 retary of the Treasury and the heads of other applicable
20 Federal agencies, shall jointly submit to the appropriate
21 congressional committees a report on the following:

22 “(1) Activities that Hizballah, and agents and
23 affiliates of Hizballah, have engaged in that are
24 racketeering activities.

1 “(2) The extent to which Hizballah, and agents
2 and affiliates of Hizballah, engage in a pattern of
3 such racketeering activities.

4 “(b) FORM OF REPORT.—Each report required under
5 subsection (a) shall be submitted in an unclassified form
6 but may contain a classified annex.

7 “(c) DEFINITIONS.—In this section:

8 “(1) APPROPRIATE CONGRESSIONAL COMMIT-
9 TEES.—The term ‘appropriate congressional com-
10 mittees’ means—

11 “(A) the Committee on the Judiciary and
12 the Committee on Foreign Affairs of the House
13 of Representatives; and

14 “(B) the Committee on the Judiciary and
15 the Committee on Foreign Relations of the Sen-
16 ate.

17 “(2) HIZBALLAH.—The term ‘Hizballah’ has
18 the meaning given that term in section 102(f).

19 “(3) RACKETEERING ACTIVITY.—The term
20 ‘racketeering activity’ has the meaning given that
21 term in section 1961(1) of title 18, United States
22 Code.”.

23 “(b) CLERICAL AMENDMENT.—The table of contents
24 for the Hizballah International Financing Prevention Act

1 of 2015 is amended by striking the item relating to section
2 202 and inserting the following:

“Sec. 202. Report on racketeering activities engaged in by Hizballah.”.

3 **SEC. 203. MODIFICATION OF REPORT ON ACTIVITIES OF**
4 **FOREIGN GOVERNMENTS TO DISRUPT GLOB-**
5 **AL LOGISTICS NETWORKS AND FUND-**
6 **RAISING, FINANCING, AND MONEY LAUN-**
7 **DERING ACTIVITIES OF HIZBALLAH.**

8 (a) IN GENERAL.—Section 204(a)(1) of the
9 Hizballah International Financing Prevention Act of 2015
10 (Public Law 114–102; 50 U.S.C. 1701 note) is amend-
11 ed—

12 (1) in the matter preceding subparagraph (A),
13 by striking “this Act” and inserting “the Hizballah
14 International Financing Prevention Amendments
15 Act of 2017, and annually thereafter for the fol-
16 lowing 5 years”;

17 (2) in subparagraph (D)(ii)(II), by striking
18 “and” at the end;

19 (3) in subparagraph (E), by striking “and free-
20 trade zones.” and inserting “free-trade zones, busi-
21 ness partnerships and joint ventures, and other in-
22 vestments in small and medium-sized enterprises;”;
23 and

24 (4) by adding at the end the following:

1 “(F) a list of provinces, municipalities, and
2 local governments outside of Lebanon that ex-
3 pressly consent to, or with knowledge allow, tol-
4 erate, or disregard the use of their territory by
5 Hizballah to carry out terrorist activities, in-
6 cluding training, financing, and recruitment;

7 “(G) a description of the total aggregate
8 revenues and remittances that Hizballah re-
9 ceives from the global logistics networks of
10 Hizballah, including—

11 “(i) a list of Hizballah’s sources of
12 revenue, including sources of revenue
13 based on illicit activity, revenues from
14 Iran, charities, and other business activi-
15 ties; and

16 “(ii) a list of Hizballah’s expenditures,
17 including expenditures for ongoing military
18 operations, social networks, and external
19 operations;

20 “(II) a survey of national and
21 transnational legal measures available to target
22 Hizballah’s financial networks;

23 “(I) a review of Hizballah’s international
24 operational capabilities, including in the United
25 States; and

1 “(J) a review of—

2 “(i) the total number and value of
3 Hizballah-related assets seized and for-
4 feited; and

5 “(ii) the total number of indictments,
6 prosecutions, and extraditions of Hizballah
7 members or affiliates.”.

8 (b) REPORT ON ESTIMATED NET WORTH OF AND
9 DETERMINATION WITH RESPECT TO SENIOR HIZBALLAH
10 MEMBERS.—

11 (1) IN GENERAL.—Not later than 180 days
12 after the date of the enactment of this Act, and not
13 less frequently than annually thereafter for the fol-
14 lowing 2 years, the President shall submit to the ap-
15 propriate congressional committees a report that
16 contains—

17 (A) the estimated total net worth of each
18 individual described in paragraph (2);

19 (B) a description of how funds of each in-
20 dividual described in paragraph (2) were ac-
21 quired, and how such funds have been used or
22 employed; and

23 (C) a determination of whether each indi-
24 vidual described in paragraph (2) meets the cri-
25 teria described in paragraph (3) or (4) of sec-

tion 1263(a) of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328; 22 U.S.C. 2656 note).

(2) INDIVIDUALS DESCRIBED.—The individuals described in this paragraph are the following:

(A) The Secretary General of Hizballah.

(B) Members of the Hizballah Politburo.

(C) Any other individual that the President determines is a senior foreign political figure of Hizballah, is associated with Hizballah, or otherwise provides significant support to Hizballah.

(3) FORM OF REPORT; PUBLIC AVAILABILITY.—

(A) FORM.—The report required under paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

(B) PUBLIC AVAILABILITY.—The unclassified portion of the report required under paragraph (1) shall be made available to the public and posted on the website of the Department of State and all United States Embassy websites.

(4) DEFINITIONS.—In this subsection:

(A) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

1 (i) the Committee on Foreign Affairs
2 and the Committee on Financial Services
3 of the House of Representatives; and

4 (ii) the Committee on Foreign Rela-
5 tions and the Committee on Banking,
6 Housing, and Urban Affairs of the Senate.

7 (B) FUNDS.—The term “funds” means—

8 (i) cash;

9 (ii) equity;

10 (iii) any other intangible asset the
11 value of which is derived from a contrac-
12 tual claim, including bank deposits, bonds,
13 stocks, a security (as defined in section
14 2(a) of the Securities Act of 1933 (15
15 U.S.C. 77b(a))), or a security or an equity
16 security (as those terms are defined in sec-
17 tion 3(a) of the Securities Exchange Act of
18 1934 (15 U.S.C. 78c(a))); and

19 (iv) anything else of value that the
20 President determines to be appropriate.

21 (C) SENIOR FOREIGN POLITICAL FIG-
22 URE.—The term “senior foreign political fig-
23 ure” has the meaning given that term in section
24 1010.605 of title 31, Code of Federal Regula-
25 tions (or any successor regulation).

1 **SEC. 204. REPORT ON COMBATING THE ILLICIT TOBACCO**
2 **TRAFFICKING NETWORKS USED BY**
3 **HIZBALLAH AND OTHER FOREIGN TER-**
4 **RORIST ORGANIZATIONS.**

5 (a) IN GENERAL.—Not later than 180 days after the
6 date of the enactment of this Act, the President shall sub-
7 mit to the appropriate congressional committees a report
8 on combating the illicit tobacco trafficking networks used
9 by Hizballah and other foreign terrorist organizations to
10 finance their operations, as described in the report sub-
11 mitted to Congress in December 2015 by the Department
12 of State, the Department of Justice, the Department of
13 the Treasury, the Department of Homeland Security, and
14 the Department of Health and Human Services entitled,
15 “The Global Illicit Trade in Tobacco: A Threat to Na-
16 tional Security.”.

17 (b) MATTERS TO BE ADDRESSED.—The report re-
18 quired by subsection (a) shall include the following:

19 (1) A description of the steps to be taken by
20 Federal agencies to combat the illicit tobacco traf-
21 ficking networks used by Hizballah, other foreign
22 terrorist organizations, and other illicit actors.

23 (2) A description of the steps to be taken to en-
24 gage State and local law enforcement authorities in
25 efforts to combat illicit tobacco trafficking networks
26 operating within the United States.

1 (3) A description of the steps to be taken to en-
2 gage foreign government law enforcement and intel-
3 ligence authorities in efforts to combat illicit tobacco
4 trafficking networks operating outside the United
5 States.

6 (4) Recommendations for legislative or adminis-
7 trative action needed to address the threat of illicit
8 tobacco trafficking networks.

9 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
10 FINED.—In this section, the term “appropriate congres-
11 sional committees” means—

12 (1) the Committee on Foreign Affairs, the
13 Committee on Armed Services, the Committee on
14 Homeland Security, the Committee on the Judiciary,
15 the Committee on Financial Services, and the Com-
16 mittee on Ways and Means of the House of Rep-
17 resentatives; and

18 (2) the Committee on Foreign Relations, the
19 Committee on Armed Services, the Committee on
20 Homeland Security and Governmental Affairs, the
21 Committee on the Judiciary, the Committee on
22 Banking, Housing, and Urban Affairs, and the Com-
23 mittee on Finance of the Senate.

**TITLE III—GENERAL
PROVISIONS**

SEC. 301. REGULATORY AUTHORITY.

(a) IN GENERAL.—The President shall, not later than 180 days after the date of the enactment of this Act, prescribe regulations as necessary for the implementation of this Act and the amendments made by this Act.

(b) BRIEFING TO CONGRESS.—Not later than 10 days before the prescription of regulations under subsection (a), the President shall brief the appropriate congressional committees of the proposed regulations and the provisions of this Act and the amendments made by this Act that the regulations are implementing.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means—

(1) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and

(2) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.

1 **SEC. 302. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**
 2 **VIEW; EXEMPTIONS.**

3 (a) IN GENERAL.—Title 1 of the Hizballah Inter-
 4 national Financing Prevention Act of 2015 (Public Law
 5 114–102; 50 U.S.C. 1701 note), as amended by section
 6 103 of this Act, is further amended by adding at the end
 7 the following:

8 **“SEC. 104. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**
 9 **VIEW; EXEMPTIONS; RULE OF CONSTRUC-**
 10 **TION.**

11 “(a) IMPLEMENTATION.—The President may exercise
 12 all authorities provided under sections 203 and 205 of the
 13 International Emergency Economic Powers Act (50
 14 U.S.C. 1702 and 1704) to carry out sections 101 and 103.

15 “(b) PENALTIES.—The penalties provided for in sub-
 16 sections (b) and (c) of section 206 of the International
 17 Emergency Economic Powers Act (50 U.S.C. 1705) shall
 18 apply to a person that violates, attempts to violate, con-
 19 spires to violate, or causes a violation of regulations pre-
 20 scribed to carry out section 101 or 103 to the same extent
 21 that such penalties apply to a person that commits an un-
 22 lawful act described in subsection (a) of such section 206.

23 “(c) PROCEDURES FOR JUDICIAL REVIEW OF CLAS-
 24 SIFIED INFORMATION.—

25 “(1) IN GENERAL.—If a finding, or a prohibi-
 26 tion, condition, or penalty imposed as a result of any

1 such finding, is based on classified information (as
2 defined in section 1(a) of the Classified Information
3 Procedures Act (18 U.S.C. App.)) and a court re-
4 views the finding or the imposition of the prohibi-
5 tion, condition, or penalty, the President may submit
6 such information to the court ex parte and in cam-
7 era.

8 “(2) RULE OF CONSTRUCTION.—Nothing in
9 this subsection shall be construed to confer or imply
10 any right to judicial review of any finding under sec-
11 tion 101 or 103 or any prohibition, condition, or
12 penalty imposed as a result of any such finding.

13 “(d) EXEMPTIONS.—The following activities shall be
14 exempt from sections 101 and 103:

15 “(1) Any authorized intelligence, law enforce-
16 ment, or national security activities of the United
17 States.

18 “(2) Any transaction necessary to comply with
19 United States obligations under the Agreement be-
20 tween the United Nations and the United States of
21 America regarding the Headquarters of the United
22 States, signed at Lake Success June 26, 1947, and
23 entered into force November 21, 1947, or under the
24 Convention on Consular Relations, done at Vienna
25 April 24, 1963, and entered into force March 19,

1 1967, or any other United States international
2 agreement.

3 “(e) RULE OF CONSTRUCTION.—Nothing in section
4 101 or 103 shall be construed to limit the authority of
5 the President under the International Emergency Eco-
6 nomic Powers Act (50 U.S.C. 1701 et seq.) or under any
7 other provision of law.”.

8 (b) CLERICAL AMENDMENT.—The table of contents
9 for the Hizballah International Financing Prevention Act
10 of 2015 is amended by inserting after the item relating
11 to section 103, as added by section 103(b) of this Act,
12 the following new item:

“Sec. 104. Implementation; penalties; judicial review; exemptions; rule of construction.”.



**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 3329
OFFERED BY MR. BRENDAN F. BOYLE OF
PENNSYLVANIA**

Page 13, strike lines 1 through 11 and insert the following:

1 “(2) AGENCY OR INSTRUMENTALITY DE-
2 SCRIBED.—An agency or instrumentality of a for-
3 eign state described in this paragraph is an agency
4 or instrumentality of a foreign state that the Presi-
5 dent determines has, on or after the date of the en-
6 actment of this section, knowingly—
7 “(A) directly or indirectly conducted com-
8 bat operations with, or supported combat oper-
9 ations of, Hizballah or an entity owned or con-
10 trolled by Hizballah; or
11 “(B) directly or indirectly provided signifi-
12 cant financial or material support for, or sig-
13 nificant arms or related material to, Hizballah
14 or an entity owned or controlled by Hizballah.”.



**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 3329
OFFERED BY MR. CICILLINE OF RHODE ISLAND**

Page 19, before line 1, insert the following:

1 (c) REPORT ON SIGNIFICANT MATERIAL SUPPORT
2 AND ARMS OR RELATED MATERIEL PROVIDED BY THE
3 RUSSIAN FEDERATION TO HIZBALLAH.—

4 (1) IN GENERAL.—Not later than 120 days
5 after the date of the enactment of this Act, the
6 President shall submit to the appropriate congressional
7 committees a report that contains the following:
8

9 (A) A description of significant material
10 support and arms or related material that the
11 Government of the Russian Federation has, on
12 or after the date of the enactment of this Act,
13 knowingly, directly or indirectly, provided to
14 Hizballah or an entity owned or controlled by
15 Hizballah.

16 (B) An analysis of the extent to which
17 Russian strategic weapons deployed in Syria,
18 including air defense systems, have provided
19 protection for Hizballah fighters in Syria.

1 (C) An assessment of whether Russian
2 counter-proliferation safeguards can ensure that
3 any arms or related materiel described in para-
4 graph (1) will not be used against Israel in the
5 future.

6 (2) FORM.—The report required by subsection
7 (a) shall be submitted in unclassified form but may
8 include a classified annex.

9 (3) DEFINITIONS.—In this section:

10 (A) APPROPRIATE CONGRESSIONAL COM-
11 MITTEES.—The term “appropriate congres-
12 sional committees” means the Committee on
13 Foreign Affairs of the House of Representatives
14 and the Committee on Foreign Relations of the
15 Senate.

16 (B) ARMS OR RELATED MATERIAL.—The
17 term “arms or related material” has the mean-
18 ing given such term in section 103 of the
19 Hizballah International Financing Prevention
20 Act of 2015, as added by section 103 of this
21 Act.



**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 3329
OFFERED BY MR. DUNCAN OF SOUTH CAROLINA**

At the end of title I, insert the following:

**1 SEC. 105. UNITED STATES STRATEGY TO PREVENT HOSTILE
2 ACTIVITIES BY IRAN AND DISRUPT AND DE-
3 GRADE HIZBALLAH'S ILLICIT NETWORKS IN
4 THE WESTERN HEMISPHERE.**

5 (a) IN GENERAL.—Not later than 180 days after the
6 date of the enactment of this Act, the Secretary of State
7 shall submit to the relevant congressional committees a
8 strategy to prevent hostile activities by Iran and disrupt
9 and degrade Hizballah's illicit networks in the Western
10 Hemisphere that—

11 (1) identifies Department of State priorities, in
12 coordination with other executive branch agencies,
13 for defining United States policy to protect United
14 States interests from Iranian and Hizballah threats
15 in the Western Hemisphere;

16 (2) coordinates with other executive branch
17 agencies to ensure that information-sharing, inter-
18 dictions, arrests, investigations, indictments, sanc-
19 tions, and designations related to Hizballah individ-

1 uals or networks in the Western Hemisphere are in-
2 tegrated, coordinated, and publicly communicated by
3 the United States in a manner that supports United
4 States interests;

5 (3) describes Iranian and Hizballah activities in
6 the Western Hemisphere, their relationships with
7 transnational criminal organizations in the region,
8 their use of the region's commodities trade to engage
9 in illicit activities, and their use of Latin American
10 and Caribbean visas, including through Citizenship
11 by Investment Programs to seek admittance into the
12 United States, as well as a plan to address any secu-
13 rity vulnerabilities to the United States;

14 (4) includes a review of all relevant United
15 States sanctions that relate to Hizballah's activities
16 in Latin America and the Caribbean and an assess-
17 ment of their use, effectiveness, and any capability
18 gaps;

19 (5) includes a review of the use of the Depart-
20 ment of State's rewards program under section 36
21 of the State Department Basic Authorities Act (22
22 U.S.C. 2708) to obtain information related to Latin
23 America-based Hizballah operatives and illicit net-
24 works and an assessment of the effectiveness of this

1 program for targeting Hizballah in the Western
2 Hemisphere;

3 (6) includes a review of all relevant United
4 States sanctions on financial institutions in Latin
5 America and the Caribbean that engage in activities
6 outlined by section 102 of Hizballah International
7 Financing Prevention Act of 2015 (Public Law 114–
8 102; 50 U.S.C. 1701 note) and an assessment of the
9 use of the authorities outlined, their effectiveness,
10 and recommendations for improvement;

11 (7) describes Hizballah criminal support net-
12 works, including country facilitation, in the Western
13 Hemisphere and outlines a United States approach
14 to partners in the region to address those illicit net-
15 works and build country capacity to combat the
16 transnational criminal activities of Hizballah; and

17 (8) includes a review of the actions of govern-
18 ments in the Western Hemisphere to identify, inves-
19 tigate, and prosecute Latin America-based Hizballah
20 operatives, and enforce sanctions either personally or
21 to their business interests of Latin America-based
22 Hizballah operatives as well as recommendations for
23 United States action towards governments who
24 refuse to impose sanctions or who willingly facilitate
25 Latin America-based Hizballah illicit activities.

1 (b) FORM.—The strategy required by subsection (a)
2 shall be submitted in unclassified form to the greatest ex-
3 tent possible but may include a classified annex.

4 (c) DIPLOMATIC ENGAGEMENT.—

5 (1) IN GENERAL.—Title I of the Hizballah
6 International Financing Prevention Act of 2015
7 (Public Law 114–102; 129 Stat. 2206; 50 U.S.C.
8 1701 note), as amended by section 103 of this Act,
9 is further amended by adding at the end the fol-
10 lowing:

11 **“SEC. 104. DIPLOMATIC INITIATIVES.**

12 “Not later than 90 days after the date of the enact-
13 ment of this section, the President shall instruct—

14 “(1) the Secretary of State to increase coopera-
15 tion with countries in the Western Hemisphere to
16 assist in strengthening the capacity of governments
17 to prevent hostile activity by Iran and disrupt and
18 degrade Hizballah’s illicit networks operating in the
19 region, including diplomatic engagement that in-
20 volves—

21 “(A) efforts to target and expose illicit net-
22 works, arrest perpetrators, freeze assets, and
23 attack Iran and Hizballah’s use of illicit net-
24 works using international trade and banking
25 systems;

1 “(B) efforts to revoke or deny visas from
2 those implicated in Hizballah’s activity in the
3 region, including lawyers, accountants, business
4 partners, service providers, and politicians who
5 knowingly facilitate or fail to take measures to
6 counter Hizballah’s illicit finance in their own
7 jurisdictions;

8 “(C) efforts to assist willing nations with
9 the development of counter-organized crime leg-
10 islation, the strengthening of financial inves-
11 tigative capacity, and a fully-vetted counter-or-
12 ganized crime judicial model in places plagued
13 with corruption; and

14 “(D) efforts to persuade governments in
15 the region to list Hizballah as a terrorist orga-
16 nization;

17 “(2) the United States Permanent Representa-
18 tive to the Organization of American States to work
19 to secure support at the Organization of American
20 States for a resolution that would declare Hizballah
21 as a terrorist organization and address Hizballah’s
22 illicit networks operating in the region;

23 “(3) the United States Ambassador to the Or-
24 ganization for Security and Cooperation in Europe
25 (OSCE) to work to secure a report on compliance by

1 participating states with OSCE Decision Number
2 1063, the ‘Consolidated Framework for the Fight
3 Against Terrorism’, in regard to Hizballah, with
4 particular focus on the mandate to ‘suppress the fi-
5 nancing of terrorism, including its links with money-
6 laundering and illegal economic activities’, especially
7 as it relates transatlantic relations, including with
8 Latin America and the Caribbean; and

9 “(4) United States diplomats to work with
10 international forums, including the Financial Action
11 Task Force, to identify government entities within
12 Latin America and the Caribbean that provide sup-
13 port, facilitation, or assistance to individuals affli-
14 ated with Hizballah in the Western Hemisphere.”.

15 (2) CLERICAL AMENDMENT.—The table of con-
16 tents for the Hizballah International Financing Pre-
17 vention Act of 2015 is amended by inserting after
18 the item related to section 103 the following new
19 item:

“Sec. 104. Diplomatic initiatives.”.

Page 31, beginning on line 5, strike “as amended by
section 103 of this Act” and insert “as amended by sec-
tions 103 and 105 of this Act”.

Page 31, line 8, redesignate section 104 as section
105.

Page 33, beginning on line 11, strike “section 103, as added by section 103(b) of this Act” and insert “section 104, as added by section 105(c) of this Act”.

Page 33, after line 12, redesignate the item relating to section 104 of the Hizballah International Financing Prevention Act of 2015 as the item relating to section 105 of the Hizballah International Financing Prevention Act of 2015.



**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 3329
OFFERED BY MS. ROS-LEHTINEN OF FLORIDA**

At the end of section 102, add the following:

1 (c) MODIFICATION OF DEFINITION OF
2 HIZBALLAH.—Clause (ii) of section 102(f)(1)(E) of the
3 Hizballah International Financing Prevention Act of 2015
4 (Public Law 114–102; 50 U.S.C. 1701 note) is amend-
5 ed—

6 (1) by striking “(I)” and inserting “(I)(aa)”;
7 (2) by striking “(II)” and inserting “(bb)”;
8 (3) by striking “of Hizballah.” and inserting
9 “of Hizballah; or”; and
10 (4) by adding at the end the following:

11 “(III) who the President deter-
12 mines is an agent or affiliate of, or is
13 owned or controlled by Hizballah.”.

14 (d) REPORT.—

15 (1) IN GENERAL.—Not later than 120 days
16 after the date of the enactment of this Act, the
17 President shall transmit to the appropriate congres-
18 sional committee a report that contains a description
19 of any sanctions described in section 102 of the

1 Hizballah International Financing Prevention Act of
2 2015 (Public Law 114–102; 50 U.S.C. 1701 note)
3 apply with respect to a foreign financial institution
4 by reason of engaging in an activity described in
5 subsection (a)(2) of such section with a member of
6 the Lebanese parliament or any cabinet official of
7 the Lebanese Republic who is a member of
8 Hizballah or identifies as such.

9 (2) FORM.—The determination described in
10 paragraph (A) shall be transmitted in unclassified
11 form and may contain a classified annex.



**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 3329
OFFERED BY MR. SCHNEIDER OF ILLINOIS**

Page 12, line 19, strike “120 days” and insert “90 days”.

Page 16, after line 13, insert the following:

1 “(d) REPORT ON SUPPLY CHAIN OF HIZBALLAH’S
2 MISSILE PRODUCTION FACILITIES.—

3 “(1) IN GENERAL.—Not later than 120 days
4 after the date of the enactment of this subsection,
5 the President shall submit to the appropriate con-
6 gressional committees a report that contains the fol-
7 lowing:

8 “(A) An analysis of the foreign and domes-
9 tic supply chain that significantly facilitates,
10 supports, or otherwise aids Hizballah’s acquisi-
11 tion or development of missile production facili-
12 ties.

13 “(B) A description of the geographic dis-
14 tribution of the foreign and domestic supply
15 chain described in subparagraph (A).

1 “(C) An assessment of the provision of
2 goods, services, or technology transferred to
3 Hizballah by the Government of Iran or its af-
4 filiates to indigenously manufacture or other-
5 wise produce missiles.

6 “(D) An identification of foreign persons
7 that have, on or after the date of the enactment
8 of this subsection, and based on credible evi-
9 dence—

10 “(i) knowingly provided significant fi-
11 nancial or material support for, or signifi-
12 cant arms or related material to, Hizballah
13 or an entity owned or controlled by
14 Hizballah; or

15 “(ii) knowingly facilitated the transfer
16 of significant arms or related materiel to
17 Hizballah utilizing commercial aircraft or
18 air carriers.

19 “(E) A description of the steps that the
20 President is taking to disrupt the foreign and
21 domestic supply chain described in subpara-
22 graph (A).

23 “(2) FORM.—The report required under para-
24 graph (1) shall be submitted in unclassified form,
25 but may contain a classified annex.”.

Page 16, line 14, strike “(d)” and insert “(e)”.



115TH CONGRESS
1ST SESSION

H. R. 3342

To impose sanctions on foreign persons that are responsible for gross violations of internationally recognized human rights by reason of the use by Hizballah of civilians as human shields, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 2017

Mr. GALLAGHER (for himself, Mr. SUOZZI, Mr. ROYCE of California, Mr. ROSKAM, and Mr. ENGEL) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To impose sanctions on foreign persons that are responsible for gross violations of internationally recognized human rights by reason of the use by Hizballah of civilians as human shields, 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. SHORT TITLE.

4 This Act may be cited as the “Sanctioning
5 Hizballah’s Illicit Use of Civilians as Defenseless Shields
6 Act”.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) Human shields are civilians, prisoners of
4 war, and other noncombatants whose presence is de-
5 signed to protect combatants and military objects
6 from attack, and the use of human shields violates
7 international law.

8 (2) Throughout the 2006 conflict with the State
9 of Israel, Hizballah forces utilized human shields to
10 protect themselves from counterattacks by Israeli
11 forces, including storing weapons inside civilian
12 homes and firing rockets from inside populated civil-
13 ian areas.

14 (3) Hizballah has rearmed to include an arsenal
15 of over 150,000 missiles, and other destabilizing
16 weapons provided by the Syrian and Iranian govern-
17 ments, which are concealed in Shiite villages in
18 southern Lebanon, often beneath civilian infrastruc-
19 ture.

20 (4) Hizballah is legally required to disarm
21 under both United Nations Security Council Resolu-
22 tion 1701 (2006) and the Taif Agreement (1989).

23 (5) Hizballah maintains an armed military force
24 within Lebanon's sovereign territory in direct viola-
25 tion of United Nations Security Council Resolutions
26 1559 (2004) and 1680 (2006), thus preventing Leb-

1 anon from exerting its lawful control over its inter-
2 nationally recognized borders.

3 **SEC. 3. STATEMENT OF POLICY.**

4 It shall be the policy of the United States to consider
5 the use of human shields by Hizballah as a gross violation
6 of internationally recognized human rights, to officially
7 and publicly condemn the use of innocent civilians as
8 human shields by Hizballah, and to take effective action
9 against those that engage in the grave breach of inter-
10 national law through the use of human shields.

11 **SEC. 4. UNITED NATIONS SECURITY COUNCIL.**

12 The President should direct the United States Per-
13 manent Representative to the United Nations to use the
14 voice, vote, and influence of the United States at the
15 United Nations Security Council to secure support for a
16 resolution that would impose multilateral sanctions
17 against Hizballah for its use of civilians as human shields.

18 **SEC. 5. IDENTIFICATION OF FOREIGN PERSONS THAT ARE**
19 **RESPONSIBLE FOR GROSS VIOLATIONS OF**
20 **INTERNATIONALLY RECOGNIZED HUMAN**
21 **RIGHTS BY REASON OF USE BY HIZBALLAH**
22 **OF CIVILIANS AS HUMAN SHIELDS.**

23 (a) IN GENERAL.—The President shall impose sanc-
24 tions described in subsection (c) with respect to each per-
25 son on the list required under subsection (b).

1 (b) LIST.—

2 (1) IN GENERAL.—Not later than 120 days
3 after the date of the enactment of this Act, the
4 President shall transmit to the appropriate congressional committees a list of the following:

5 (A) Each foreign person that the President
6 determines, based on credible evidence, is a
7 member of Hizballah, or acting on behalf of
8 Hizballah, that is responsible for or complicit
9 in, or responsible for ordering, controlling, or
10 otherwise directing, the use of civilians as
11 human shields.
12

13 (B) Each foreign person, or agency or instrumentality of a foreign state, that the President determines has provided, attempted to provide, or significantly facilitated the provision of,
14 material support to a person described in subparagraph (A).
15
16
17
18

19 (2) UPDATES.—The President shall transmit to
20 the appropriate congressional committees an update
21 of the list required under paragraph (1) as new information becomes available.
22

23 (c) SANCTIONS DESCRIBED.—The sanctions to be
24 imposed on a foreign person or an agency or instrumen-

1 tality of a foreign state on the list required under sub-
2 section (b) are the following:

3 (1) BLOCKING OF PROPERTY.—The President
4 shall exercise all of the powers granted to the Presi-
5 dent under the International Emergency Economic
6 Powers Act (50 U.S.C. 1701 et seq.) to the extent
7 necessary to block and prohibit all transactions in
8 property and interests in property of the foreign per-
9 son or of such agency or instrumentality of a foreign
10 state if such property or interests in property are in
11 the United States, come within the United States, or
12 are or come within the possession or control of a
13 United States person.

14 (2) ALIENS INELIGIBLE FOR VISAS, ADMISSION,
15 OR PAROLE.—

16 (A) VISAS, ADMISSION, OR PAROLE.—An
17 alien who the Secretary of State or the Sec-
18 retary of Homeland Security (or a designee of
19 one of such Secretaries) who is a foreign person
20 on the list required under subsection (b) is—

21 (i) inadmissible to the United States;
22 (ii) ineligible to receive a visa or other
23 documentation to enter the United States;
24 and

1 (iii) otherwise ineligible to be admitted
2 or paroled into the United States or to re-
3 ceive any other benefit under the Immigra-
4 tion and Nationality Act (8 U.S.C. 1101 et
5 seq.).

6 (B) CURRENT VISAS REVOKED.—

7 (i) IN GENERAL.—The issuing con-
8 sular officer, the Secretary of State, or the
9 Secretary of Homeland Security (or a des-
10 ignee of one of such Secretaries) shall re-
11 voke any visa or other entry documentation
12 issued to an alien who is a foreign person
13 on the list required under subsection (b)
14 regardless of when such visa or other entry
15 documentation was issued.

16 (ii) EFFECT OF REVOCATION.—A rev-
17 ocation under clause (i)—

18 (I) shall take effect immediately;

19 and

20 (II) shall automatically cancel
21 any other valid visa or entry docu-
22 mentation that is in the possession of
23 the alien who is the subject of such
24 revocation.

1 (3) PENALTIES.—The penalties provided for in
2 subsections (b) and (c) of section 206 of the Inter-
3 national Emergency Economic Powers Act (50
4 U.S.C. 1705) shall apply to a person that knowingly
5 violates, attempts to violate, conspires to violate, or
6 causes a violation of regulations promulgated to
7 carry out this section to the same extent that such
8 penalties apply to a person that knowingly commits
9 an unlawful act described in section 206(a) of such
10 Act.

11 (4) REGULATORY AUTHORITY.—

12 (A) IN GENERAL.—The President may ex-
13 ercise all authorities provided to the President
14 under sections 203 and 205 of the International
15 Emergency Economic Powers Act (50 U.S.C.
16 1702 and 1704) for purposes of carrying out
17 this section.

18 (B) ISSUANCE OF REGULATIONS.—Not
19 later than 180 days after the date of the enact-
20 ment of this Act, the President shall, promul-
21 gate regulations as necessary for the implemen-
22 tation of this section and the amendments made
23 by this section.

24 (C) NOTIFICATION TO CONGRESS.—Not
25 later than ten days before the promulgation of

1 regulations under subparagraph (B), the Presi-
2 dent shall brief the appropriate congressional
3 committees on the proposed regulations and the
4 provisions of this section that the regulations
5 are implementing.

6 (5) RULE OF CONSTRUCTION.—Nothing in this
7 section may be construed to limit the authority of
8 the President pursuant to the International Emer-
9 gency Economic Powers Act (50 U.S.C. 1701 et
10 seq.) or any other relevant provision of law.

11 (d) WAIVER.—The President may waive the applica-
12 tion of sanctions under this section for periods not to ex-
13 ceed 120 days with respect to a foreign person, or an agen-
14 cy or instrumentality of a foreign state, if the President
15 reports to the appropriate congressional committees that
16 such waiver is vital to the national security interests of
17 the United States.

18 (c) EXEMPTIONS.—Any activity subject to the report-
19 ing requirements under title V of the National Security
20 Act of 1947 (50 U.S.C. 3091 et seq.), or to any authorized
21 intelligence activities of the United States.

22 **SEC. 6. REPORT.**

23 (a) REPORT.—Not later than 180 days after the date
24 of the enactment of this Act, the President shall submit
25 to the appropriate congressional committees a report con-

1 taining a determination on whether each person described
2 in subsection (b) meets the criteria described in subpara-
3 graph (A) or (B) of section 5(b)(1).

4 (b) PERSONS DESCRIBED.—The persons described in
5 this subsection are the following:

6 (1) The Secretary General of Hizballah.

7 (2) Members of the Hizballah Politburo.

8 (3) Any other senior members of Hizballah or
9 other associated entities that the President deter-
10 mines to be appropriate.

11 (4) Any person, or agency or instrumentality of
12 a foreign state that the President determines pro-
13 vides material support to Hizballah that supports its
14 use of civilians as human shields.

15 (c) FORM OF REPORT; PUBLIC AVAILABILITY.—

16 (1) FORM.—The report required under sub-
17 section (a) shall be submitted in unclassified form,
18 but may contain a classified annex.

19 (2) PUBLIC AVAILABILITY.—The unclassified
20 portion of such report shall be made available to the
21 public and posted on the internet website of the De-
22 partment of State—

23 (A) in English, Farsi, Arabic, and Azeri;
24 and

1 (B) in pre-compressed, easily downloadable
2 versions that are made available in all appro-
3 priate formats.

4 **SEC. 7. DEFINITIONS.**

5 In this Act:

6 (1) ADMITTED; ALIEN.—The terms “admitted”
7 and “alien” have the meanings given such terms in
8 section 101 of the Immigration and Nationality Act
9 (8 U.S.C. 1101).

10 (2) AGENCY OR INSTRUMENTALITY OF A FOR-
11 EIGN STATE.—The term “agency or instrumentality
12 of a foreign state” has the meaning given such term
13 in section 1603(b) of title 28, United States Code.

14 (3) APPROPRIATE CONGRESSIONAL COMMIT-
15 TEES.—In this section, the term “appropriate con-
16 gressional committees” means—

17 (A) the Committee on Financial Services
18 and the Committee on Foreign Affairs of the
19 House of Representatives; and

20 (B) the Committee on Banking, Housing,
21 and Urban Affairs and the Committee on For-
22 eign Relations of the Senate.

23 (4) FOREIGN PERSON.—The term “foreign per-
24 son” means any citizen or national of a foreign
25 country, or any entity not organized solely under the

1 laws of the United States or existing solely in the
2 United States.

3 (5) FOREIGN STATE.—The term “foreign state”
4 has the meaning given such term in section 1603(a)
5 of title 28, United States Code.

6 (6) UNITED STATES PERSON.—The term
7 “United States person” means any United States
8 citizen, permanent resident alien, entity organized
9 under the laws of the United States (including for-
10 eign branches), or any person in the United States.

11 (7) HIZBALLAH.—The term “Hizballah”
12 means—

13 (A) the entity known as Hizballah and des-
14 ignated by the Secretary of State as a foreign
15 terrorist organization pursuant to section 219
16 of the Immigration and Nationality Act (8
17 U.S.C. 1189); or

18 (B) any person—

19 (i) the property or interests in prop-
20 erty of which are blocked pursuant to the
21 International Emergency Economic Powers
22 Act (50 U.S.C. 1701 et seq.); and

23 (ii) who is identified on the list of spe-
24 cially designated nationals and blocked
25 persons maintained by the Office of For-

1 eign Assets Control of the Department of
2 the Treasury as an agent, instrumentality,
3 or affiliate of Hizballah.



115TH CONGRESS
1ST SESSION

H. R. 3445

To enhance the transparency and accelerate the impact of programs under the African Growth and Opportunity Act and the Millennium Challenge Corporation, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 27, 2017

Mr. ROYCE of California (for himself, Mr. ENGEL, Mr. SMITH of New Jersey, and Ms. BASS) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To enhance the transparency and accelerate the impact of programs under the African Growth and Opportunity Act and the Millennium Challenge Corporation, 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. SHORT TITLE.**

4 This Act may be cited as the “African Growth and
5 Opportunity Act and Millennium Challenge Act Mod-
6 ernization Act” or the “AGOA and MCA Modernization
7 Act”.

1 **SEC. 2. TABLE OF CONTENTS.**

2 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

**TITLE I—ENHANCEMENT OF THE AFRICAN GROWTH AND
OPPORTUNITY ACT**

Sec. 101. Statement of policy.

Sec. 102. Activities in support of transparency.

Sec. 103. Activities in support of trade capacity building.

Sec. 104. Eligible sub-Saharan African country.

**TITLE II—MODERNIZATION OF THE MILLENNIUM CHALLENGE
CORPORATION**

Sec. 201. Candidacy status.

Sec. 202. Carryover authority for private-sector members of board of directors.

Sec. 203. Additional reporting to the board on the treatment of civil society in
an eligible country.

Sec. 204. Concurrent compacts under the Millennium Challenge Act of 2003.

Sec. 205. Public notification of entering into a compact.

Sec. 206. Disclosure.

Sec. 207. Restriction on the use of assistance under section 616.

Sec. 208. Study on subnational compacts.

3 **TITLE I—ENHANCEMENT OF THE**
4 **AFRICAN GROWTH AND OP-**
5 **PORTUNITY ACT**

6 **SEC. 101. STATEMENT OF POLICY.**

7 It is the policy of the United States to support efforts
8 to—

- 9 (1) improve the rule of law, promote free and
10 fair elections, strengthen and expand the private sec-
11 tor, and fight corruption in sub-Saharan Africa; and
12 (2) promote the role of women in social, polit-
13 ical, and economic development in sub-Saharan Afri-
14 ca.

1 **SEC. 102. ACTIVITIES IN SUPPORT OF TRANSPARENCY.**

2 (a) AGOA WEBSITE.—

3 (1) IN GENERAL.—The President shall establish
4 a publicly available internet website for the collection
5 and dissemination of information regarding the Afri-
6 can Growth and Opportunity Act (in this section re-
7 ferred to as the “AGOA Website”).

8 (2) CONTENTS.—The President shall publish on
9 the AGOA Website the information described in
10 paragraph (1), including—

11 (A) information and technical assistance
12 provided at United States Agency for Inter-
13 national Development regional trade hubs; and

14 (B) a link to the internet websites of
15 United States embassies located in eligible sub-
16 Saharan African countries.

17 (3) ACTIONS BY UNITED STATES EMBASSIES.—
18 The Secretary of State should direct United States
19 embassies located in eligible sub-Saharan African
20 countries to—

21 (A) promote the use by such countries of
22 the benefits available under the African Growth
23 and Opportunity Act (19 U.S.C. 3701 et seq.);
24 and

1 (B) include on the internet websites of
2 such diplomatic missions a link to the AGOA
3 Website.

4 (b) AGOA FORUM.—The President should, after
5 each meeting of the United States–Sub-Saharan Africa
6 Trade and Economic Cooperation Forum, publish on the
7 AGOA Website established under subsection (a) the fol-
8 lowing:

9 (1) The outcomes of the meeting of the Forum,
10 including any commitments made by member coun-
11 tries and the private sector.

12 (2) An assessment of progress made with re-
13 spect to any commitments made by member coun-
14 tries and the private sector from the previous meet-
15 ing of the Forum.

16 (c) OTHER INFORMATION.—The President should
17 disseminate information required by this section in a dig-
18 ital format to the public and publish such information on
19 the AGOA Website established under subsection (a).

20 **SEC. 103. ACTIVITIES IN SUPPORT OF TRADE CAPACITY**
21 **BUILDING.**

22 The President should take the following actions:

23 (1) Developing and implementing policies to—

1 (A) encourage and facilitate cross-bound-
2 ary cooperation among eligible sub-Saharan Af-
3 rican countries in order to facilitate trade; and

4 (B) encourage the provision of technical
5 assistance to eligible sub-Saharan African coun-
6 tries to establish and sustain adequate trade ca-
7 pacity development.

8 (2) Providing specific training for businesses in
9 eligible sub-Saharan African countries and govern-
10 ment trade officials of such countries on accessing
11 the benefits under the African Growth and Oppor-
12 tunity Act and other trade preference programs.

13 (3) Providing capacity building for African en-
14 trepreneurs and trade associations on production
15 strategies, quality standards, formation of coopera-
16 tives, market research, and market development.

17 (4) Providing capacity building training to pro-
18 mote diversification of African products and value-
19 added processing.

20 (5) Providing capacity building and technical
21 assistance funding for African businesses and insti-
22 tutions to help such businesses and institutions com-
23 ply with United States counterterrorism initiatives
24 and policies.

1 **SEC. 104. ELIGIBLE SUB-SAHARAN AFRICAN COUNTRY.**

2 In this title, the term “eligible sub-Saharan African
3 country” means a country that the President has deter-
4 mined meets the eligibility requirements set forth in sec-
5 tion 104 of the African Growth and Opportunity Act (19
6 U.S.C. 3703).

7 **TITLE II—MODERNIZATION OF**
8 **THE MILLENNIUM CHAL-**
9 **LENGE CORPORATION**

10 **SEC. 201. CANDIDACY STATUS.**

11 (a) LOW INCOME COUNTRIES.—Section 606(a) of the
12 Millennium Challenge Act of 2003 (22 U.S.C. 7705(a))
13 is amended—

14 (1) in paragraph (1)(B), by striking “(3)” and
15 inserting “(4)”;

16 (2) in paragraph (2)—

17 (A) by amending the paragraph heading to
18 read as follows: “FISCAL YEARS 2005 THROUGH
19 2012”; and

20 (B) by striking “fiscal year 2005 or a sub-
21 sequent fiscal year” and inserting “each of fis-
22 cal years 2005 through 2012”;

23 (3) by redesignating paragraph (3) as para-
24 graph (4); and

25 (4) by inserting after paragraph (2) the fol-
26 lowing:

1 “(3) FISCAL YEAR 2013 AND SUBSEQUENT FIS-
2 CAL YEARS.—A country shall be a candidate country
3 for purposes of eligibility for assistance for fiscal
4 year 2013 or a subsequent fiscal year if the coun-
5 try—

6 “(A) has a per capita income not greater
7 than the lower middle income country threshold
8 established by the International Bank for Re-
9 construction and Development for such fiscal
10 year;

11 “(B) is among the 75 countries identified
12 by the International Bank for Reconstruction
13 and Development as having the lowest per cap-
14 ita income; and

15 “(C) meets the requirements under para-
16 graph (1)(B).”.

17 (b) LOWER MIDDLE INCOME COUNTRIES.—Section
18 606(b) of the Millennium Challenge Act of 2003 (22
19 U.S.C. 7705(b)) is amended—

20 (1) in paragraph (1)—

21 (A) by amending the paragraph heading to
22 read as follows: “FISCAL YEARS 2006 THROUGH
23 2012”; and

24 (B) in the matter preceding subparagraph
25 (A), by striking “fiscal year 2006 or a subse-

1 quent fiscal year” and inserting “fiscal years
2 2006 through 2012”;

3 (2) by redesignating paragraph (2) as para-
4 graph (3); and

5 (3) by inserting after paragraph (1) the fol-
6 lowing:

7 “(2) FISCAL YEAR 2013 AND SUBSEQUENT FIS-
8 CAL YEARS.—In addition to the countries described
9 in subsection (a), a country shall be a candidate
10 country for purposes of eligibility for assistance for
11 fiscal year 2013 or a subsequent fiscal year if the
12 country—

13 “(A) has a per capita income not greater
14 than the lower middle income country threshold
15 established by the International Bank for Re-
16 construction and Development for the fiscal
17 year;

18 “(B) is not among the 75 countries identi-
19 fied by the International Bank for Reconstruc-
20 tion and Development as having the lowest per
21 capita income; and

22 “(C) meets the requirements under sub-
23 section (a)(1)(B).”.

1 (c) RECLASSIFICATION.—Section 606 of the Millen-
2 nium Challenge Act of 2003 (22 U.S.C. 7705) is amend-
3 ed—

4 (1) by redesignating subsection (c) as sub-
5 section (d); and

6 (2) by inserting after subsection (b) the fol-
7 lowing:

8 “(c) TREATMENT OF COUNTRIES WITH PER CAPITA
9 INCOME CHANGES.—A country qualifying for candidate
10 status under this section with a per capita income that
11 changes during the fiscal year such that the country would
12 be reclassified from a low income country to a lower mid-
13 dle income country or from a lower middle income country
14 to a low income country shall retain its candidacy status
15 in its former income classification for such fiscal year and
16 the two subsequent fiscal years.”.

17 **SEC. 202. CARRYOVER AUTHORITY FOR PRIVATE-SECTOR**
18 **MEMBERS OF BOARD OF DIRECTORS.**

19 Section 604(c)(4)(B) of the Millennium Challenge
20 Act of 2003 (22 U.S.C. 7703(c)(4)(B)) is amended to read
21 as follows:

22 “(B) OTHER MEMBERS.—Each member of
23 the Board described in paragraph (3)(B)—

24 “(i) shall be appointed for a term of
25 3 years;

1 “(ii) may be reappointed for a term of
2 an additional 2 years; and

3 “(iii) may continue to serve in each
4 such appointment until the earlier of—

5 “(I) the date on which his or her
6 successor is appointed; or

7 “(II) the date that is one year
8 after the expiration of his or her ap-
9 pointment or reappointment, as the
10 case may be.”.

11 **SEC. 203. ADDITIONAL REPORTING TO THE BOARD ON THE**
12 **TREATMENT OF CIVIL SOCIETY IN AN ELIGI-**
13 **BLE COUNTRY.**

14 Section 607 of the Millennium Challenge Act of 2003
15 (22 U.S.C. 7706) is amended—

16 (1) in subsection (b)(1)—

17 (A) in subparagraph (D), by striking
18 “and” at the end;

19 (B) in subparagraph (E), by adding “and”
20 at the end; and

21 (C) by adding at the end the following:

22 “(F) the quality of the civil society ena-
23 bling environment;”;

24 (2) by redesignating subsections (d) and (e) as
25 subsections (e) and (f), respectively; and

1 (3) by inserting after subsection (c) the fol-
2 lowing:

3 “(d) REPORTING ON TREATMENT OF CIVIL SOCI-
4 ETY.—Before the Board selects an eligible country for a
5 Compact under subsection (c), the Corporation shall pro-
6 vide information to the Board regarding the country’s
7 treatment of civil society, including classified information,
8 as appropriate. The information shall include an assess-
9 ment and analysis of factors including—

10 “(1) any relevant laws governing the formation
11 or establishment of a civil society organization, par-
12 ticularly laws intended to curb the activities of for-
13 eign civil society organizations;

14 “(2) any relevant laws governing the operations
15 of a civil society organization, particularly those laws
16 seeking to define or otherwise regulate the actions of
17 foreign civil society organizations;

18 “(3) laws relating to the legal status of civil so-
19 ciety organizations, including laws which effectively
20 discriminate against foreign civil society organiza-
21 tions as compared to similarly situated domestic or-
22 ganizations;

23 “(4) laws regulating the freedom of expression
24 and peaceful assembly; and

1 “(5) laws regulating the usage of the Internet,
2 particularly by foreign civil society organizations.”.

3 **SEC. 204. CONCURRENT COMPACTS UNDER THE MILLEN-**
4 **NIUM CHALLENGE ACT OF 2003.**

5 (a) IN GENERAL.—Section 609 of the Millennium
6 Challenge Act of 2003 (22 U.S.C. 7708) is amended—

7 (1) by striking the first sentence of subsection
8 (k);

9 (2) by redesignating subsection (k) (as so
10 amended) as subsection (l); and

11 (3) by inserting after subsection (j) the fol-
12 lowing:

13 “(k) CONCURRENT COMPACTS.—An eligible country
14 that has entered into and has in effect a Compact under
15 this section may enter into and have in effect at the same
16 time not more than one additional Compact in accordance
17 with the requirements of this title if—

18 “(1) one or both of the Compacts are or will be
19 for purposes of regional economic integration, in-
20 creased regional trade, or cross-border collabora-
21 tions; and

22 “(2) the Board determines that the country is
23 making considerable and demonstrable progress in
24 implementing the terms of the existing Compact and
25 supplementary agreements thereto.”.

1 (b) CONFORMING AMENDMENT.—Section
2 613(b)(2)(A) of such Act (22 U.S.C. 7712(b)(2)(A)) is
3 amended by striking “the” before “Compact” and insert-
4 ing “any”.

5 (c) APPLICABILITY.—The amendments made by this
6 section apply with respect to Compacts entered into be-
7 tween the United States and an eligible country under the
8 Millennium Challenge Act of 2003 before, on, or after the
9 date of the enactment of this Act.

10 **SEC. 205. PUBLIC NOTIFICATION OF ENTERING INTO A**
11 **COMPACT.**

12 Section 610 of the Millennium Challenge Act of 2003
13 (22 U.S.C. 7709) is amended to read as follows:

14 **“SEC. 610. CONGRESSIONAL AND PUBLIC NOTIFICATION.**

15 **“(a) CONGRESSIONAL CONSULTATIONS AND NOTIFI-**
16 **CATIONS.—**

17 **“(1) IN GENERAL.—**The Board, acting through
18 the Chief Executive Officer, shall consult with and
19 notify the appropriate congressional committees not
20 later than 15 days before taking any of the actions
21 described in paragraph (2).

22 **“(2) ACTIONS DESCRIBED.—**The actions de-
23 scribed in this paragraph are—

24 **“(A)** providing assistance for an eligible
25 country under section 609(g);

1 “(B) commencing negotiations with an eli-
2 gible country to provide assistance for—

3 “(i) a Compact under section 605; or

4 “(ii) an agreement under section 616;

5 “(C) signing such a Compact or agree-
6 ment; and

7 “(D) terminating assistance under such a
8 Compact or agreement.

9 “(3) ECONOMIC JUSTIFICATION.—Any notifica-
10 tion relating to the intent to negotiate or sign a
11 Compact shall include a report describing the pro-
12 jected economic justification for the Compact, in-
13 cluding, as applicable—

14 “(A) the expected economic rate of return
15 of the Compact;

16 “(B) a cost-benefit analysis of the Com-
17 pact;

18 “(C) a description of the impact on bene-
19 ficiary populations;

20 “(D) the likelihood that the investment will
21 catalyze private sector investments; and

22 “(E) any other applicable economic factors
23 that justify each project to be funded under
24 such a Compact to the extent practicable and
25 appropriate.

1 “(4) RISK MANAGEMENT PLAN.—Not later than
2 60 days before signing each concurrent Compact, as
3 authorized under section 609, the Board, acting
4 through the Chief Executive Officer, shall consult
5 with and provide to the appropriate congressional
6 committees—

7 “(A) an assessment and, as appropriate,
8 the identification of potential measures to miti-
9 gate risks, of—

10 “(i) the countries’ commitment to re-
11 gional integration and cross-border co-
12 operation and capacity to carry out com-
13 mitments;

14 “(ii) political and policy risks, includ-
15 ing risks that could affect country eligi-
16 bility;

17 “(iii) risks associated with realizing
18 economic returns;

19 “(iv) time and completion risks; and

20 “(v) cost and financial risks; and

21 “(B) an assessment of measures to be
22 taken to mitigate any identified risks, includ-
23 ing—

1 “(i) securing other potential donors to
2 finance projects or parts of projects as
3 needed; and

4 “(ii) partnering with regional organi-
5 zations to support and oversee effective
6 cross-border cooperation.

7 “(b) CONGRESSIONAL AND PUBLIC NOTIFICATION
8 AFTER ENTERING INTO A COMPACT.—Not later than 10
9 days after entering into a Compact with an eligible coun-
10 try, the Board, acting through the Chief Executive Officer,
11 shall—

12 “(1) publish the text of the Compact on the
13 internet website of the Corporation;

14 “(2) provide the appropriate congressional com-
15 mittees with a detailed summary of the Compact
16 and, upon request, the text of the Compact; and

17 “(3) publish in the Federal Register a detailed
18 summary of the Compact and a notice of availability
19 of the text of the Compact on the internet website
20 of the Corporation.”.

21 **SEC. 206. DISCLOSURE.**

22 (a) REQUIREMENT FOR TIMELY DISCLOSURE.—Sec-
23 tion 612(a) of the Millennium Challenge Act of 2003 (22
24 U.S.C. 7711(a)) is amended—

1 (1) in the subsection heading, by inserting
2 “TIMELY” before “DISCLOSURE”; and

3 (2) in the matter preceding paragraph (1)—
4 (A) by striking “The Corporation” and in-
5 serting “Not later than 90 days after the last
6 day of each fiscal quarter, the Corporation”;
7 and

8 (B) by striking “on at least a quarterly
9 basis,”.

10 (b) DISSEMINATION.—Section 612(b) of the Millen-
11 nium Challenge Act of 2003 (22 U.S.C. 7711(b)) is
12 amended to read as follows:

13 “(b) DISSEMINATION.—The Board, acting through
14 the Chief Executive Officer, shall make the information
15 required to be disclosed under subsection (a) available to
16 the public—

17 “(1) by publishing it on the internet website of
18 the Corporation;

19 “(2) by providing notice of the availability of
20 such information in the Federal Register; and

21 “(3) by any other methods that the Board de-
22 termines to be appropriate.”.

1 **SEC. 207. RESTRICTION ON THE USE OF ASSISTANCE**
2 **UNDER SECTION 616.**

3 Section 616(d) of the Millennium Challenge Act of
4 2003 (22 U.S.C. 7715(d)) is amended to read as follows:

5 “(d) FUNDING.—

6 “(1) LIMITATION.—Not more than 10 percent
7 of the amounts made available to carry out this Act
8 for a fiscal year may be made available to carry out
9 this section.

10 “(2) RESTRICTION RELATING TO ASSIST-
11 ANCE.—None of the funds authorized to carry out
12 the purposes of this Act shall be available for assist-
13 ance under this section to a country that does not
14 qualify as a candidate country under section 606 for
15 the fiscal year during which such assistance is pro-
16 vided.”.

17 **SEC. 208. STUDY ON SUBNATIONAL COMPACTS.**

18 (a) IN GENERAL.—Not later than 180 days after the
19 date of the enactment of this Act, the Board of the Millen-
20 nium Challenge Corporation, acting through the Chief Ex-
21 ecutive Officer, shall submit a study to the appropriate
22 congressional committees that assesses the feasibility and
23 desirability of developing partnerships at the subnational
24 level within candidate countries that would be complemen-
25 tary to, and, as applicable, concurrent with, any Millen-

1 nium Challenge Corporation national-level or regional in-
2 vestments.

3 (b) CONTENT.—The study required under subsection

4 (a) shall examine—

5 (1) the extent to which targeting investments at
6 the subnational level might provide new opportuni-
7 ties for reducing poverty through economic growth;

8 (2) the extent to which traditional approaches
9 to defining poverty may not adequately capture the
10 nature of poverty within a country;

11 (3) the types of subnational entities that might
12 be appropriate partners for subnational Millennium
13 Challenge Corporation compacts;

14 (4) how candidates for subnational partners
15 might best be identified; and

16 (5) what role each national government should
17 play in creating or implementing a subnational part-
18 nership.

19 (c) APPROPRIATE CONGRESSIONAL COMMITTEES.—

20 In this subsection, the term “appropriate congressional
21 committees” means—

22 (1) the Committee on Foreign Relations of the
23 Senate;

24 (2) the Committee on Appropriations of the
25 Senate;

- 1 (3) the Committee on Foreign Affairs of the
- 2 House of Representatives; and
- 3 (4) the Committee on Appropriations of the
- 4 House of Representatives.



Chairman ROYCE. So before placing my prepared statement into the record I want to briefly highlight one measure here. H.R. 3329, which amends and strengthens the Hizballah International Financing Prevention Act, which was signed into law last Congress. In recent weeks we have seen alarming reports that Hizballah and Iran are building illicit missile factories on Israel's doorstep. This, combined with a reported fourfold increase in Iranian support to Hizballah, is pushing the region to the brink. We have got to further tighten the screws on these terrorists.

In addition to the \$800 million annual support funding that they receive from Tehran, Hizballah continues to make millions from its trafficking in cocaine and other narcotics and in illicit cigarettes. This bill pushes back against Hizballah's international financial network, against its Russian and Syrian enablers, and against its sponsor, Iran. And I want to thank Ranking Member Engel for working with me on this important measure.

Without objection my full statement on all nine bills will be entered for the record, and I now recognize the ranking member, Mr. Engel.

Mr. ENGEL. Thank you, Mr. Chairman. Thank you for calling this markup. I support all of the measures before us this morning, and I know we are on a tight schedule, so I am going ask that my statement in its entirety be entered into today's record.

Chairman ROYCE. Without objection.

Mr. ENGEL. Before I yield back I want to recognize Francisco Marquez, who is with us today, a former political prisoner of the Maduro Government in Venezuela. He is here to raise awareness about Congressman Wilmer Azuaje, another political prisoner. The Congressman has been tortured, isolated, and denied medical attention, as well as access to his lawyer and family. Mr. Marquez, we have heard your story and so many stories like it, and with the bill I introduce with Representative Ileana Ros-Lehtinen of Florida, the Venezuela Humanitarian Assistance and Defense of Democratic Governance Act, we are providing humanitarian assistance to the Venezuelan people and raising the alarm about political prisoners and the assault on the rule of law.

I also thank Senator Cardin for first offering this legislation in the other body. So I will leave it there, but again, I am glad to sup-

port all nine measures today. Mr. Chairman, thank you as always for your leadership, and I yield back.

Chairman ROYCE. Thank you, Mr. Engel.

Now, do any other members seek recognition?

Judge Ted Poe.

Mr. POE. Thank you, Mr. Chairman. I support all the legislation. I also support Mr. Castro's amendment to my bill, the Foreign Terrorist Organization Passport Revocation bill, and especially appreciate Mr. Zeldin's legislation as well. And I ask that all my statements for all bills will be made part of the record.

Chairman ROYCE. Without objection.

Mr. POE. I yield back.

Chairman ROYCE. Mr. Schneider?

Mr. SCHNEIDER. Thank you. And likewise, I commend the committee for bringing this legislation to markup. I support this legislation. I have an amendment to the Hizballah Amendments Act, and I appreciate the support for that, and I will submit my statement to the record.

Thank you very much.

Chairman ROYCE. Thank you. Mr. Schneider. Mr. Wilson?

Mr. WILSON. Mr. Chairman, I would like to thank you and also the ranking member, Eliot Engel, for the legislation that we have today, and I have prepared a statement in support, which I have offered for the record.

Chairman ROYCE. Thank you, Mr. Wilson. Mr. Sires?

Mr. SIRES. I would also like to say thank you to you and the ranking member for all the hard work. I certainly support all the bills that are here today, and thank you very much. And for the sake of time—I appreciate it.

Chairman ROYCE. Thank you very much, Mr. Sires.

Hearing no further request for recognition the question occurs on the items considered en bloc.

All those in favor say aye.

All those opposed, no.

In the opinion of the Chair the ayes have it, and the measures considered en bloc are agreed to. And without objection the measures considered en bloc are ordered favorably reported as amended.

Staff is directed to make any technical and any conforming changes, and the Chair is hereby authorized to seek House consideration under suspension of the rules.

And that concludes our business for today. I want to thank Ranking Member Engel and all of our committee members for their contributions and their assistance with today's markup.

The committee is adjourned.

[Whereupon, at 10:10 a.m., the committee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE RECORD

**FULL COMMITTEE MARKUP NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128**

Edward R. Royce (R-CA), Chairman

September 28, 2017

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN meeting of the Committee on Foreign Affairs, to be held in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <http://www.ForeignAffairs.house.gov>):

DATE: Thursday, September 28, 2017

TIME: 10:00 a.m.

MARKUP OF: H. Res. 422, Urging the adherence to the "one country, two systems" policy as prescribed in the Joint Declaration between the Government of the United Kingdom of Great Britain and the Government of the People's Republic of China on the Question of the Hong Kong;

H.R. 425, FTO Passport Revocation Act of 2017;

H.R. 1196, Counterterrorism Screening and Assistance Act of 2017;

H.R. 1660, Global Health Innovation Act of 2017,

H.R. 2658, Venezuela Humanitarian Assistance and Defense of Democratic Governance Act of 2017;

H.R. 3320, To direct the Secretary of State to develop a strategy to regain observer status for Taiwan in the World Health Organization, and for other purposes;

H.R. 3329, Hizballah International Financing Prevention Amendments Act of 2017;

H.R. 3342, Sanctioning Hizballah's Illicit Use of Civilians as Defenseless Shields Act; and

H.R. 3445, AGOA and MCA Modernization Act.

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5921 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS
MINUTES OF FULL COMMITTEE MARKUP

Day Thursday Date 09/28/2017 Room 2172

Starting Time 10:00 AM Ending Time 10:10 AM

Recesses 0 (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____)

Presiding Member(s)

Chairman Edward R. Royce

Check all of the following that apply:

Open Session ☒

Electronically Recorded (taped) ☒

Executive (closed) Session ☐

Stenographic Record ☒

Televised ☒

BILLS FOR MARKUP: *(Include bill number(s) and title(s) of legislation.)*

See attached.

COMMITTEE MEMBERS PRESENT:

See attached.

NON-COMMITTEE MEMBERS PRESENT:

N/A

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

SFRs - Representatives Boyle, Cicilline, Connolly, Deutch, Duncan, Poe, Royce, Schneider, Suozzi, and Wilson

ACTIONS TAKEN DURING THE MARKUP: *(Attach copies of legislation and amendments.)*

See markup summary.

RECORDED VOTES TAKEN (FOR MARKUP): *(Attach final vote tally sheet listing each member.)*

<u>Subject</u>	<u>Yeas</u>	<u>Nays</u>	<u>Present</u>	<u>Not Voting</u>
----------------	-------------	-------------	----------------	-------------------

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 10:10AM


 Full Committee Hearing Coordinator

HOUSE COMMITTEE ON FOREIGN AFFAIRS

FULL COMMITTEE MARKUP

<i>PRESENT</i>	<i>MEMBER</i>
X	Edward R. Royce, CA
X	Christopher H. Smith, NJ
	Ileana Ros-Lehtinen, FL
X	Dana Rohrabacher, CA
	Steve Chabot, OH
X	Joe Wilson, SC
	Michael T. McCaul, TX
X	Ted Poe, TX
	Darrell Issa, CA
	Tom Marino, PA
	Jeff Duncan, SC
X	Mo Brooks, AL
	Paul Cook, CA
	Scott Perry, PA
	Ron DeSantis, FL
	Mark Meadows, NC
X	Ted Yoho, FL
	Adam Kinzinger, IL
X	Lee Zeldin, NY
X	Dan Donovan, NY
	James F. Sensenbrenner, Jr., WI
	Ann Wagner, MO
	Brian J. Mast, FL
	Brian K. Fitzpatrick, PA
	Francis Rooney, FL
	Thomas A. Garrett, Jr., VA

<i>PRESENT</i>	<i>MEMBER</i>
X	Eliot L. Engel, NY
	Brad Sherman, CA
	Gregory W. Meeks, NY
X	Albio Sires, NJ
	Gerald E. Connolly, VA
X	Theodore E. Deutch, FL
	Karen Bass, CA
	William Keating, MA
	David Cicilline, RI
	Ami Bera, CA
	Lois Frankel, FL
	Tulsi Gabbard, HI
X	Joaquin Castro, TX
	Robin Kelly, IL
X	Brendan Boyle, PA
	Dina Titus, NV
	Norma Torres, CA
X	Brad Schneider, IL
	Tom Suozzi, NY
	Adriano Espaillat, NY
X	Ted Lieu, CA

9/28/17 Foreign Affairs Committee Markup Summary

By unanimous consent, the Chair called up the following measures and amendments, previously provided to Members, to be considered *en bloc*:

1. H. Res. 422 (Engel), Urging the adherence to the “one country, two systems” policy as prescribed in the Joint Declaration between the Government of the United Kingdom of Great Britain and the Government of the People’s Republic of China on the Question of the Hong Kong;
 - a. Engel 58, an amendment in the nature of a substitute to H. Res. 422.
2. H.R. 425 (Poe), FTO Passport Revocation Act of 2017;
 - a. Poe 45, an amendment in the nature of a substitute to H.R. 425;
 - 1) Castro 54, an amendment to Poe 45.
3. H.R. 1196 (Zeldin), Counterterrorism Screening and Assistance Act of 2017;
 - a. Zeldin 25, an amendment in the nature of a substitute to H.R. 1196
4. H.R. 1660 (Sires), Global Health Innovation Act of 2017.
5. H.R. 2658 (Engel), Venezuela Humanitarian Assistance and Defense of Democratic Governance Act of 2017;
 - a. Engel 57, an amendment in the nature of a substitute to H.R. 2658.
6. H.R. 3320 (Yoho), To direct the Secretary of State to develop a strategy to regain observer status for Taiwan in the World Health Organization, and for other purposes.
7. H.R. 3329 (Royce), Hizballah International Financing Prevention Amendments Act of 2017;
 - a. Royce 56, an amendment in the nature of a substitute to H.R. 3329;
 - 1) Boyle 9, an amendment to Royce 56;
 - 2) Cicilline 8, an amendment to Royce 56;
 - 3) Duncan 33, an amendment to Royce 56;
 - 4) Ros-Lehtinen 36, an amendment to Royce 56; and
 - 5) Schneider 47, an amendment to Royce 56.
8. H.R. 3342 (Gallagher), Sanctioning Hizballah’s Illicit Use of Civilians as Defenseless Shields Act.
9. H.R. 3445 (Royce), AGOA and MCA Modernization Act.

The measures considered *en bloc* were agreed to by voice vote.

By unanimous consent, the measures as amended were ordered favorably reported to the House, and the Chairman was authorized to seek House consideration under suspension of the rules.

The Committee adjourned.

Chairman Royce Remarks
HFAC Markup
 September 28, 2017

Today we consider H.R. 3329, which amends and strengthens the Hizballah International Financing Prevention Act, which was signed into law last Congress. In recent weeks, we've seen alarming reports that Hezbollah and Iran are building illicit missile factories on Israel's doorstep. This, combined with a reported four-fold increase in Iranian support to Hezbollah, is pushing the region to the brink.

We've got to further tighten the screws on these terrorists. In addition to the \$800 million annual check Hezbollah is now receiving from Tehran, it continues to make millions from its trafficking in cocaine, narcotics and illegal cigarettes. This bill pushes back against Hezbollah's international financial network, its Russian and Syrian enablers, and its sponsor Iran. I want to thank Ranking Member Engel for working with me on this important measure.

I also want to thank Congressman Gallagher and Congressman Suozzi for their leadership on H.R. 3342, Sanctioning Hizballah's Use of Civilians as Defenseless Shields. With over 150,000 rockets, and missile factories opening in Lebanon near mosques, homes, hospitals, and schools, Hizballah is *increasing* its cowardly exploitation of Lebanese civilians as defenseless human shields. This legislation holds Hizballah and its sponsor, Iran, accountable for this monstrous practice.

I next want to recognize Ranking Member Engel for his leadership on H.R. 2658, the Venezuela Humanitarian Assistance and Defense of Democratic Governance Act. This calls on the State Department and USAID to develop a strategy to respond to the humanitarian crisis in Venezuela, while affirming the Administration's targeted sanctions on those who are unraveling democracy and human rights in that once-prosperous nation. We must continue to stand with Venezuelans in pushing back against this dictatorship.

H.R. 3445, the AGOA and MCA Modernization Act, builds upon and strengthens AGOA, a trade initiative I authored in 2000 that has since tripled U.S.-Africa trade. This legislation will help developing countries – particularly in Africa – make the transition from aid to trade. It will also enhance the transparency, accountability, and impact of the Millennium Challenge Corporation, which promotes economic growth in developing countries committed to good governance.

We also have two measures that passed the House last Congress, that aim to close existing gaps in our ability to prevent travel by known terrorists. This Committee has held hearings on the flow of foreign fighters to ISIS and other terrorist groups, including, regrettably, U.S. passport holders. **H.R. 425, the FTO Passport Revocation Act,** authorizes the Secretary of State to revoke or deny U.S. passports to individuals who are members of, or otherwise assist, designated foreign terrorist organizations. I want to thank Judge Poe for his leadership on this bipartisan bill.

I also want to thank Mr. Zeldin, for authoring **H.R. 1196, the Counterterrorism Screening and Assistance Act.** This bill encourages increased coordination between the U.S. and our partners overseas, to identify weaknesses and areas for improvement on the issue of border security.

Countries that do not meet minimum standards for working with us could see their U.S. foreign assistance suspended – employing the same incentive already in place for trafficking and human rights violations.

I want to recognize Mr. Yoho for introducing **H.R. 3320, which responds to Taiwan’s exclusion from the World Health Assembly meeting this past May** – for the first time since 2009. Infectious disease knows no borders and no one benefits when Taiwan is kept in the dark on critical matters like global health. This bill is a good and necessary response to counter unfair efforts to undermine Taiwan’s inclusion.

We also consider H.R. 1660, the Global Health Innovation Act, which directs USAID to provide Congress with a series of annual reports on the Agency’s efforts to develop and apply new, innovative health technologies within U.S. global health programs. We are already seeing positive impact, particularly in maternal health, from partnerships between USAID and the private sector to develop and scale low-cost, high-impact health technologies. I want to thank Mr. Sires for his work on this measure.

Finally, I want to commend Ranking Member Engel for authoring H. Res. 422. This strongly urges Hong Kong to continue to adhere to the “one country, two systems” policy. We have recently seen a number of alarming PRC infringements on this policy, and it is important to reiterate that our special treatment of Hong Kong is dependent upon on it remaining sufficiently autonomous.

I now recognize the Ranking Member for his remarks.



Statement for the Record
Submitted by Mr. Gerry Connolly of Virginia

I want to thank the Chairman and Ranking Member for bringing this package of nine bills to the Committee for consideration. These measures support our allies, strengthen and modernize U.S. foreign assistance programs, enhance sanctions against Hezbollah, and adapt U.S. passport and screening policies to disrupt terrorist travel.

H.R. 3320, To direct the Secretary of State to develop a strategy to regain observer status for Taiwan in the World Health Organization, and for other purposes

As a co-chair of the Congressional Taiwan Caucus, I want to thank my colleague, Ted Yoho, for introducing H.R. 3320. I am proud to be an original cosponsor of this bill, which recognizes Taiwan's longstanding participation in the World Health Organization and works to improve the U.S. strategy for promoting Taiwan's observer status going forward.

Public health should not be political. Taiwan's meaningful participation in the World Health Assembly is in the best interests of not only the people of Taiwan but also the entire international community. Taiwan has been a critical partner on numerous global health issues, including the Ebola crisis, and the United States should continue to support Taiwan's engagement with the World Health Organization and other international organizations to address global health and disease prevention needs.

H. Res. 422, Urging adherence to the "one country, two systems" policy as prescribed in the Joint Declaration between the Government of the United Kingdom of Great Britain and the Government of the People's Republic of China on the Question of the Hong Kong

As we mark the 20th Anniversary of Hong Kong's transfer to China from Great Britain, H. Res. 422 recognizes the important role that Hong Kong continues to play in the world economy and the example it sets for democratic freedoms and rule of law in the region. This resolution, which I am glad to cosponsor, urges adherence to the "one country, two systems" policy established by the Joint Declaration and the Basic Law that provide Hong Kong a high degree of autonomy, an independent political system, and strong protection of human rights.

H.R. 1660, Global Health Innovation Act of 2017

USAID's role in global health research and development has expanded substantially in recent years, especially with regard to advancements toward an AIDS-free generation, ending preventable child and maternal deaths, and preventing infectious diseases. I am proud to be an original cosponsor of H.R. 1660, the Global Health Innovation Act, which directs the USAID Administrator to submit an annual report to Congress on the development and use of global health innovations in USAID programs. The report would also describe the metrics USAID is using to measure progress and interagency coordination toward these goals.

H.R. 2658, Venezuela Humanitarian Assistance and Defense of Democratic Governance Act of 2017

While the United States has imposed sanctions on Venezuelan officials to punish President Nicolás Maduro's backslide into dictatorship, this legislation is primarily aimed at addressing the country's humanitarian crisis. Over the past year, 75 percent of Venezuela's citizens lost an average of at least 19 pounds from a lack of proper nutrition. This bill, which I am glad to cosponsor, directs the State Department to provide public health commodities, basic food commodities, and related technical assistance to Venezuela and instructs the U.S. Ambassador to the United Nations to push for humanitarian aid to the country.

**Congressman Joe Wilson (SC-02) Statement for the Record
September 28, 2017 HFAC Mark Up**

I am here to speak in support of H.R. 3342, Sanctioning Hizballah's Illicit Use of Civilians as Defenseless Shields Act, and H.R. 1196, Counterterrorism Screening and Assistance Act of 2017.

Sponsored by my colleague Mike Gallagher (R-WI), H.R. 3342 imposes vital sanctions on Hizballah's use of civilians as human shields – an action that directly violates internationally recognized human rights. This July I introduced similar legislation, H.R. 3521, Hamas Human Shields Prevention Act, which condemns the use of human shields by Hamas as an act of terrorism and violation of human rights and international humanitarian law.

I also wish to express my support as a co-sponsor of H.R. 1196, sponsored by my colleague Zeldin Lee (R-NY). This bill keeps American families and borders safe by combatting international travel of terrorists and foreign fighters through increased security of international border security systems



STATEMENT FOR THE RECORD
House Committee on Foreign Affairs
September 28, 2017 Markup
Congressman Ted Deutch

Thank you, Mr. Chairman.

I echo my colleagues' praise for all the measures before us, including the show of support to our friends in Hong Kong and Taiwan, as well as much needed humanitarian support at this moment of intense turmoil and suffering caused by the Maduro regime in Venezuela.

As always, I'm thankful for the bipartisan leadership from our Chair and Ranking Member, and specifically for bringing forward H.R. 3329 to further combat Hezbollah's terrorist activity.

We made great strides two years ago when we passed the Hezbollah International Financing Prevention Act, which has already begun to sever the terror group from its funding sources. However, it's clear that more can and should be done.

This new bill will further restrict Hezbollah's ability to recruit and fundraise by targeting foreign state sponsors, including Iran, while also increasing pressure on banks and other international financial institutions that service Hezbollah.

It is important to remember why it is in America's interest to combat Hezbollah terrorism. Not that anyone here or at home needs a reminder. We all remember, or have learned about, the 1983 attacks in Beirut on our Embassy and the Marine barracks that killed hundreds of Americans; the attacks in Argentina on the Israeli Embassy in 1992 and AMIA Jewish Center in 1994 that in total killed over 100 more; the 1996 Khobar Towers bombing in Saudi Arabia; and more recent attacks in Europe, including the 2012 bus bombing of Israeli tourists in Bulgaria.

But it has been Hezbollah's support for the horrific Assad regime in Syria that has led even Arab governments in the region to acknowledge Hezbollah's dangerous role as an Iranian terror proxy. Last year, the Gulf Cooperation Council (GCC) and the Arab League took the dramatic step of designating Hezbollah as a terrorist organization.

Yet, even while Hezbollah is focused on the war in Syria, its leader, Hassan Nasrallah, continues to vow Israel's destruction. A threat Israel's leaders don't take lightly given two previous wars and intelligence suggesting Hezbollah has over 150,000 missiles and rockets in Lebanon aimed at every corner of Israel's map. In a future war, Israeli defense officials estimate that Hezbollah will launch over a thousand rockets a day with capacity to hit civilians in Israel's north, across Tel Aviv and Jerusalem, and even in the Southern-most city of Eilat.

This is made all the more troubling by reports that Iran – in addition to transferring advanced precision guided missiles to Hezbollah – is now helping the terror group set up indigenous missile development facilities in both Syria and Lebanon.

These are unacceptable developments that underscore the importance of today’s legislation – to cut off Hezbollah’s most critical sources of funding and support, including from its primary sponsor, Iran.

I would also like to note that last month this committee unanimously agreed to my bipartisan resolution, H.Res.359, urging the EU to designate Hezbollah as a terrorist organization – without any false distinction between a “military” and “political” wing. We should listen to Hezbollah’s own words and those of the Arab League and GCC, – that Hezbollah is one unified terrorist organization – so that we can work together to combat this threat.

I urge Republican leadership to bring today’s bills, and my resolution, up for a vote on the House floor so we can further combat Hezbollah and its regional patron, Iran.

Thank you, and I yield back.



Congressman Ted Poe's Remarks for the Record
HFAC Markup
9/28/2017

According to some estimates, as many as 250 American citizens have sought to travel to Syria and more than 100 have joined ISIS's ranks. Many of these individuals have received terrorist training and are under the command and control of leaders who have instructed them to attack the United States. They are a direct threat to our homeland.

Unfortunately, our current safeguards are insufficient to protect against such a vulnerability. The first American to carry out a suicide bomb attack in Syria was able to travel home to Florida as a fully trained member of al-Qaeda before returning to the battlefield. With ISIS's so-called caliphate is collapsing there is the real danger that more Americans who went to join ISIS years ago could slip away from their imminent defeat abroad and come home to conduct deadly attacks. Just this month, an American fighting for ISIS was captured in Syria. There are likely many more still out there.

Having betrayed our nation, we must revoke the privileges that come with an American passport. That is why my colleague Bill Keating and I introduced H.R. 425 – The FTO Passport Revocation Act. It explicitly authorizes the Secretary of State to revoke passports of those who have joined known terrorist groups.

They are still U.S. citizens – Benedict Arnold citizens. They should clearly not be allowed the privilege of international travel with an American passport. And they should definitely not be able to slip back into the United States. This bipartisan bill will also stop these Benedict Arnolds from using their passports to travel to other warzones or cross borders to attack any of our allies.

They have chosen to make their allegiance to a murderous ideology instead of the country that gave them life, liberty, and the pursuit of happiness. If you take up arms with our enemies, you deserve to be treated like one.

I also want to express my support for Mr. Zeldin's bill, H.R. 1196, the Counterterrorism Screening and Assistance Act, which I am co-sponsoring. This bill complements mine in that it seeks to stop the broader threat from terrorist foreign fighters, not just those carrying American passports.

Many of our most at risk allies do not have the best systems to prevent terrorist travel. H.R. 1196 will fix this. By providing more advanced screening tools that work with our own, foreign partners can better detect those who have joined terrorist networks, including those Americans who have had their passports revoked.

Through strengthening their border protections we provide additional layers to our own defense. We have all seen the devastating effects of weak screening at European borders. We can no longer sit by and wait for the next terrorist operative to slip through international borders and kill scores of innocents.

Working with our allies as part of a team, we can shut the door to terrorist travel and stop their murderous plots. I supported this important bill as it passed out of TNT subcommittee in July and I am happy to support it here at the full committee level. I commend Mr. Zeldin for his efforts in this regard.

It's time we address the problem of terrorist travel head on and provide our allies the tools they need to protect their citizens. The longer we wait, the more lives are at risk.

And that's just the way it is.



Representative David Cicilline's Statement for the Record
9/28/17 Mark Up

I want to start by thanking the Chairman and Ranking Member for introducing H.R. 3329, the Hezbollah Financing Prevention Amendments Act and for moving it forward in a bipartisan manner.

Since the Russian entrance into the Syrian Civil War, Russia has worked with Syria and its allies, including Hezbollah and Iran, to secure gains made by the Syrian regime. Numerous media reports indicate that Russia has transferred weapons to Hezbollah, provided air cover through air strikes for Hezbollah foot soldiers and protected Hezbollah-held territory with Russian air defense.

My amendment would draw attention to Russia's support for Hezbollah by requiring the President to report to Congress on Russia's provision of weapons to Hezbollah and whether Russia is taking the steps to prevent these weapons from being used against Israel. The amendment also requires a report on the extent to which Russian air defenses have provided protection to Hezbollah.

Everyone knows that Hezbollah is a client of Iran. But, perhaps what is less well known is the close relationship that Hezbollah now enjoys with Syria, and by extension Russia. We now know that Russian air strikes are providing air cover for Hezbollah's attacks that fuel the regime. Russian air defenses protect Hezbollah-held territory.

Russia has reportedly transferred weapons to Hezbollah, including long-range tactical missiles, laser guided rockets and anti-tank weapons. And, there is no indication that Russian safeguards would prevent these weapons from being used against Israel at some point in the future. Russia has helped Hezbollah become the battle-hardened terrorist organization that it is today.

The passage of my Amendment will force the Trump Administration to stop making excuses for Russia, and ensure that we are cracking down on these dangerous trends.

I thank the Chairman and the Ranking Member for their work on this bill, and on each of the bills being considered today, and I urge my colleagues to support final passage.



DUNCAN STATEMENT ON 9/28/17 HFAC MARKUP OF 2658 (VENEZUELA) AND HR 3329 (HIZBALLAH)

I rise in support of both the ANS to H.R. 2658, the *Venezuela Humanitarian Assistance and Defense of Democratic Governance Act of 2017*, and the ANS to H.R. 3329, the *Hizballah International Financing Prevention Amendments Act of 2017*. I want to commend Chairman Royce, Ranking Member Engel, and Chairwoman Emeritus Ros-Lehtinen on their efforts with these bills and affirm my support for their passage.

Congress, this Committee, and the Subcommittee on the Western Hemisphere have spent a great deal of time on these matters. We have held several hearings on Venezuela and on Iran and Hizballah's activities in the Western Hemisphere. Congress has passed legislation on both of these issues, and today's efforts continue and further Congressional oversight of these matters.

Previous legislation that I authored, the *Countering Iran in the Western Hemisphere Act*, was signed into law in 2012. Since then, Congress has emphasized the need to remain vigilant to Iran and Hizballah's influence in the hemisphere. My amendment to HR 3329 reflects bipartisan legislation that Rep. Espallat and I introduced in June, H.R. 3118, the *Iran and Hizballah Western Hemisphere Prevention Act of 2017*.

In this year alone, there have been multiple cases of Hizballah activity in the Western Hemisphere. In June, a dual Paraguayan-Lebanese national reportedly with ties to Hizballah was indicted by a Miami Federal grand jury for drug trafficking after being arrested in the Tri-Border Area for allegedly trying to smuggle cocaine to the U.S. In June, the U.S. Department of Justice announced the arrest of two individuals for attempting to provide support to Hizballah which involved locating U.S. and Israeli embassies and casing security procedures at the Panama Canal. In February, the U.S. imposed sanctions on Venezuela's Vice President, Tareck El Aissami, for drug trafficking. A subsequent *CNN* investigation linked El Aissami to Venezuelan passports issued to individuals including Hezbollah.

In August, I led a Congressional visit to several countries in the region. In Peru, we learned that Hizballah is active as a political party with over 200 members. Drug trafficking in the region is again on the rise, and Hizballah benefits from these illicit networks, enabling them to inflict terror in other parts of the world to further their geopolitical aims.


My amendment requires the State Department to: develop a strategy to prevent hostile activities by Iran and Hizballah and disrupt Hizballah's illicit networks in the Western Hemisphere; increase engagement with regional countries to build governments' capacity to target and expose illicit networks, revoke and deny visas, develop a fully-vetted counter-organized crime judicial model in places plagued with corruption, and urge regional governments to list Hizballah as a terrorist organization; and increase engagement with the Organization of American States, Organization for Security and Cooperation in Europe, and the Financial Action Task Force, to address Hizballah's activities in the Western Hemisphere and urge countries to declare Hizballah a terrorist organization. I urge your support of this amendment.

Brendan F. Boyle Statement for the Record

9/28/17 Committee Markup

I want to express my full support for each measure being considering by the committee today. I also want to commend the work of Chairman Royce and Ranking Member Engel on H.R.3329 , the Hezbollah International financing prevention amendments act of 2017, of which I am a cosponsor. This bill targets foreign governments that knowingly provide significant financial support to Hezbollah and foreign individuals and companies that aid its fundraising or recruitment activities. This legislation builds upon their good work last Congress – namely, the Hezbollah International Financing Prevention Act of 2015, which the committee passed.

My amendment to H.R. 3329 ensures that this bill would apply to any military coordination with Hezbollah – like the actions that Russia has taken. As a result of their joint fight on behalf of the Assad regime, Hezbollah now enjoys a closer relationship with Russia. Russia has helped Hezbollah become the battle-hardened terrorist organization that it is today. Russian air strikes are providing air cover for Hezbollah’s attacks that fuel the regime. Russian air defenses protect Hezbollah-held territory. Russia has reportedly transferred weapons to Hezbollah, including long-range tactical missiles, laser guided rockets and anti-tank weapons. My amendment seeks to compel Russia to cease its support for Hezbollah in Syria or anywhere else, or else face sanctions by the United States. I thank the Chair and Ranking Member for including my amendment in today’s en bloc and urge the committee to support it.



Rep. Brad Schneider
HFAC Markup – H.R. 3329
Amendment Talking Points
9/28/17

Mr. Chairman, thank you, as well as the Ranking Member, for working on H.R. 3329, the Hizballah International Financing Prevention Amendments Act. This important legislation builds on the Hizballah International Financing Prevention Act of 2015, which was signed into law, and the original version, which I introduced in 2014 with my colleague Mark Meadows.

HIFPA, as some may call it, has had a significant impact on Hizballah, and I applaud this committee for its work to further crack down on Hizballah's sources of financing, recruiting, and acquisition of weapons.

Hizballah is not only a grave threat to our ally Israel, they are also a threat to regional security and America's national security interests.

With the assistance of Iran, Hizballah has been active in Syria and has helped Assad push back against rebel forces. Hizballah fighters are returning to Lebanon more battle-tested and more capable than ever before.

With assistance from Iran, Hizballah has been able to amass more than 150,000 rockets. This is a staggering increase from the roughly 15,000 rockets Hizballah had in 2006. Their arsenal includes more long- and medium- range missiles than ever before, with guidance systems that could enable these missiles to reach the entirety of Israel.

Iran has used several means of transferring weapons to Hizballah, including by land and now by air; however, Israel has often targeted these transfers. To eliminate the need for such transfers, Iran is reportedly building missile production facilities in Lebanon to enable an indigenous rocket-producing capability for Hizballah. Reports indicate these facilities are being constructed several meters underground, thereby making it very difficult to penetrate. A domestic missile production capability in Lebanon would enable Hizballah to more easily continue to build its rocket arsenal with not only more weapons, but more sophisticated weapons, and with less reliance on Iran.

That is why I am offering my amendment today to focus the U.S. Government on this urgent threat. My amendment would require the President to report to Congress on the foreign and domestic supply chain that advances Hizballah's domestic missile capabilities. This includes how Iran is able to transfer goods and technology, a list of those who facilitate missile transfers, and the steps being taken to disrupt the supply chain that advances Hizballah's domestic missile capabilities.

The United States cannot stand by while Israel faces such a grave threat on its northern border. We must act and we deserve to know what exactly the U.S. Government is doing to combat this threat. I hope my colleagues will join me in supporting this important amendment to H.R. 3329, the Hizballah International Financing Prevention Amendments Act, and urge its swift passage.

Statement for the Record
Representative Thomas R. Suozzi (NY-03)
HFAC Mark Up: September 28, 2017

I ask my colleagues to support HR 3342, the bipartisan SHIELDS Act (Sanctioning Hizballah's Illicit Use of Civilians as Defenseless Shields), introduced by Representative Gallagher and myself, and originally co-sponsored by Chairman Royce and Ranking Member Engel.

The SHIELDS Act will sanction Hezbollah members, and their supporters, for their use of human shields. It also seeks to punish the governments that enable such war crimes, including their primary supporter, Iran.

This summer, I visited Israel and stood near Lebanon's southern border, not far from where Hezbollah threatens Israel's security. In the over thirty years since Hezbollah in 1983 killed hundreds of Americans when it bombed the Marine barracks in Beirut, this Lebanese militia group has become one of the most dangerous terrorist groups in the Middle East.

In 2006, it provoked a war with Israel by killing and kidnapping soldiers in a cross-border raid, and then for nearly a month rained rockets down on Israeli cities, killing dozens of civilians. Journalists and human rights groups found that it fired many of these rockets from populated areas, even from inside of private homes and other civilian buildings. The residents of one Christian village told the New York Times that Hezbollah was "shooting from between our houses."

That war ended more than a decade ago. But Hezbollah remains committed to Israel's destruction. It has spent millions to replenish its arsenal, which now includes up to 150,000 missiles scattered across southern Lebanon, much of it concealed in mosques, hospitals, schools and homes where civilians are used as human shields.

Hezbollah has also expanded their nefarious activities regionally, most notably playing a major role in the Syrian civil war, deploying thousands of its own men to prop up Bashar al-Assad's vicious regime. Hezbollah members are fighting alongside a Syrian army that has killed almost half a million of its own people and driven millions more into exile. In the process, it has gained experience for its next war with Israel: One Israeli intelligence official said the group had learned "frightening" skills in urban warfare from its years on the ground in Syria.

It did all of this, of course, at the behest of its Iranian patrons, and continues to threaten raining down multiple warheads down on Jerusalem or Tel Aviv.

I applaud the leadership and members of this committee for continuing to find ways to crack down on Hezbollah and their backers, whether focusing on punishing them for gross human rights violations, or restricting their ability to raise money and recruit, through means like Representatives Royce & Engel's HR 3329, the Hizballah International Financing Prevention Amendments Act. We must continue to take measures to reduce the influence of a group that has menaced its neighbors—and even its own people – for far too long.

Thank you and I yield the balance of my time.

