

Calendar No. 617

115TH CONGRESS
2D SESSION

S. 3233

To impose sanctions with respect to persons responsible for violence and human rights abuses in Nicaragua, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 18, 2018

Mr. MENENDEZ (for himself, Mr. CRUZ, Mr. NELSON, Mr. RUBIO, Mr. DURBIN, Mr. PERDUE, Mr. LEAHY, Mr. KAINE, Mr. CARDIN, Mr. COTTON, Mr. CORNYN, Mr. CASSIDY, Mr. COONS, and Mrs. FEINSTEIN) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

OCTOBER 3 (legislative day, SEPTEMBER 28), 2018

Reported by Mr. CORKER, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To impose sanctions with respect to persons responsible for violence and human rights abuses in Nicaragua, 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; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Nicaragua Human Rights and Anticorruption Act of
4 2018”.

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 on advancing a negotiated solution to Nicaragua’s
crisis.

Sec. 4. Imposition of sanctions with respect to persons responsible for human
rights violations and corruption in Nicaragua.

Sec. 5. Certification and waiver.

Sec. 6. Report on human rights violations and corruption in Nicaragua.

Sec. 7. Definitions.

7 **SEC. 2. FINDINGS.**

8 Congress makes the following findings:

9 (1) On April 19, 2018, protests began in Mana-
10 gua, Nicaragua, as a result of changes made to the
11 social security system by the Government of Nica-
12 ragua that would have raised workers’ contributions
13 and cut retirees’ pensions.

14 (2) The Government of Nicaragua has re-
15 sponded to antigovernment protests with excessive
16 force and killings perpetrated by its public security
17 forces and, as of July 17, 2018, more than 273 peo-
18 ple have been killed in the context of those protests,
19 according to the Inter-American Commission on
20 Human Rights of the Organization of American
21 States.

1 (3) On May 21, 2018, the Inter-American Com-
2 mission on Human Rights issued a statement that
3 described the excessive use of force by Nicaraguan
4 security forces and armed irregular groups that re-
5 sulted in “dozens of persons killed and hundreds
6 wounded; illegal and arbitrary detentions; practices
7 of torture; cruel, inhuman and degrading treatment;
8 censorship and attacks on the press; and other
9 forms of intimidation”.

10 (4) On May 29, 2018, Amnesty International
11 released a report entitled “Shoot to Kill:
12 Nicaragua’s Strategy to Repress Protest”, which
13 documented the lethal use of weapons, specifically
14 noting that gunshots fired by pro-government groups
15 targeted specific individuals.

16 (5) Transparency International’s 2017 Corrup-
17 tion Perceptions Index ranks Nicaragua as tied for
18 151 of 180, the third worst ranking for a country
19 in the Western Hemisphere, after Venezuela and
20 Haiti.

21 (6) The Country Reports on Human Rights
22 Practices for 2017 of the Department of State
23 notes, with respect to Nicaragua, that actions by the
24 ruling Sandinista National Liberation Front party
25 have resulted in the de facto concentration of power

1 in a single party, with an authoritarian executive
2 branch exercising significant control over the legisla-
3 tive, judicial, and electoral functions of the Govern-
4 ment of Nicaragua.

5 (7) The 2017 report of the Department of
6 State also stated with respect to Nicaragua that
7 “the most significant human rights abuses included
8 reports of arbitrary or unlawful killings; almost com-
9 plete lack of judicial independence; unlawful inter-
10 ference with privacy; multiple obstacles to freedom
11 of speech and the press, including government in-
12 timidation, and harassment of and threats against
13 journalists and independent media; and partisan re-
14 strictions on freedom of peaceful assembly”.

15 (8) On July 5, 2018, pursuant to the Global
16 Magnitsky Human Rights Accountability Act (sub-
17 title F of title XII of Public Law 114–328; 22
18 U.S.C. 2656 note); the United States Government
19 sanctioned 3 individuals from Nicaragua who have
20 been involved in serious human rights abuses or en-
21 gaged in corruption, including—

22 (A) Francisco Javier Diaz, Commissioner
23 of the National Police of Nicaragua;

24 (B) Jose Francisco Lopez, Vice President
25 of ALBANISA; and

1 (C) Fidel Antonio Moreno, a member of
2 the Sandinista National Liberation Front party.

3 **SEC. 3. SENSE OF CONGRESS ON ADVANCING A NEGOTIATED SOLUTION TO NICARAGUA'S CRISIS.**
4

5 It is the sense of Congress that—

6 (1) credible negotiations between the Govern-
7 ment of Nicaragua and representatives of the Catho-
8 lic Church, civil society, student movement, private
9 sector, and political opposition in Nicaragua rep-
10 resent the best opportunity to reach a peaceful solu-
11 tion to the crisis in Nicaragua that includes—

12 (A) a commitment to hold early elections
13 that meet democratic standards and permit
14 credible international electoral observation;

15 (B) the cessation of the violence per-
16 petrated against civilians by the National Police
17 of Nicaragua and by armed groups supported
18 by the Government of Nicaragua; and

19 (C) independent investigations into the
20 killings of more than 273 protesters; and

21 (2) negotiations between the Government of
22 Nicaragua and representatives of the Catholic
23 Church, civil society, student movement, private sec-
24 tor, and political opposition in Nicaragua have not
25 resulted in an agreement as of the date of the enact-

1 ment of this Act because the Government of Nica-
 2 ragua failed to credibly participate in the process.

3 **SEC. 4. IMPOSITION OF SANCTIONS WITH RESPECT TO PER-**
 4 **SONS RESPONSIBLE FOR HUMAN RIGHTS**
 5 **VIOLATIONS AND CORRUPTION IN NICA-**
 6 **RAGUA.**

7 (a) IN GENERAL.—The President shall impose the
 8 sanctions described in subsection (b) with respect to any
 9 foreign person, including any current or former official of
 10 the Government of Nicaragua or any person acting on be-
 11 half of that Government, that the President determines—

12 (1) has perpetrated, or is responsible for order-
 13 ing or otherwise directing, significant acts of vio-
 14 lence or human rights violations in Nicaragua
 15 against persons associated with the protests in Nica-
 16 ragua that began on April 18, 2018;

17 (2) is responsible for or complicit in ordering,
 18 controlling, or otherwise directing significant actions
 19 or policies that undermine democratic processes or
 20 institutions in Nicaragua; or

21 (3) is an official of the Government of Nica-
 22 ragua, or a senior associate of such an official, that
 23 is responsible for or complicit in ordering, control-
 24 ling, or otherwise directing acts of significant cor-
 25 ruption, including the expropriation of private or

1 public assets for personal gain; corruption related to
2 government contracts; bribery; or the facilitation or
3 transfer of the proceeds of corruption to foreign ju-
4 risdictions.

5 (b) SANCTIONS DESCRIBED.—

6 (1) IN GENERAL.—The sanctions described in
7 this subsection are the following:

8 (A) ASSET BLOCKING.—The exercise of all
9 powers granted to the President by the Inter-
10 national Emergency Economic Powers Act (50
11 U.S.C. 1701 et seq.) to the extent necessary to
12 block and prohibit all transactions in all prop-
13 erty and interests in property of a person deter-
14 mined by the President to be subject to sub-
15 section (a) if such property and interests in
16 property are in the United States, come within
17 the United States, or are or come within the
18 possession or control of a United States person.

19 (B) EXCLUSION FROM THE UNITED
20 STATES AND REVOCATION OF VISA OR OTHER
21 DOCUMENTATION.—In the case of an alien de-
22 termined by the President to be subject to sub-
23 section (a), denial of a visa to, and exclusion
24 from the United States of, the alien, and rev-
25 ocation in accordance with section 221(i) of the

1 Immigration and Nationality Act (8 U.S.C.
2 1201(i)), of any visa or other documentation of
3 the alien.

4 (2) PENALTIES.—A person that violates, at-
5 tempts to violate, conspires to violate, or causes a
6 violation of paragraph (1)(A) or any regulation, li-
7 cense, or order issued to carry out paragraph (1)(A)
8 shall be subject to the penalties set forth in sub-
9 sections (b) and (c) of section 206 of the Inter-
10 national Emergency Economic Powers Act (50
11 U.S.C. 1705) to the same extent as a person that
12 commits an unlawful act described in subsection (a)
13 of that section.

14 (3) EXCEPTION RELATING TO IMPORTATION OF
15 GOODS.—The requirement to block and prohibit all
16 transactions in all property and interests in property
17 under paragraph (1)(A) shall not include the author-
18 ity to impose sanctions on the importation of goods
19 (as that term is defined in section 16 of the Export
20 Administration Act of 1979 (50 U.S.C. 4618) (as
21 continued in effect pursuant to the International
22 Emergency Economic Powers Act (50 U.S.C. 1701
23 et seq.))).

24 (4) EXCEPTION TO COMPLY WITH UNITED NA-
25 TIONS HEADQUARTERS AGREEMENT.—Sanctions

1 under paragraph (1)(B) shall not apply to an alien
2 if admitting the alien into the United States is nec-
3 essary to permit the United States to comply with
4 the Agreement regarding the Headquarters of the
5 United Nations, signed at Lake Success June 26,
6 1947, and entered into force November 21, 1947,
7 between the United Nations and the United States,
8 or other applicable international obligations.

9 (c) REGULATORY AUTHORITY.—The President shall
10 issue such regulations, licenses, and orders as are nec-
11 essary to carry out this section.

12 (d) TERMINATION.—This section shall terminate on
13 December 31, 2021.

14 **SEC. 5. CERTIFICATION AND WAIVER.**

15 (a) CERTIFICATION.—Not later than 180 days after
16 the date of the enactment of this Act, and annually there-
17 after until December 31, 2021, the Secretary of State
18 shall submit to the appropriate congressional committees
19 a report certifying whether the Government of Nicaragua
20 is taking effective steps—

21 (1) to strengthen the rule of law and demo-
22 cratic governance, including the independence of the
23 judicial system and electoral council;

1 (2) to combat corruption, including by inves-
2 tigating and prosecuting officials of that Govern-
3 ment who are credibly alleged to be corrupt; and

4 (3) to protect the right of political opposition
5 parties, journalists, trade unionists, human rights
6 defenders, and other civil society activists to operate
7 without interference.

8 (b) WAIVER.—

9 (1) TEMPORARY GENERAL WAIVER.—If the Sec-
10 retary of State certifies to the appropriate congres-
11 sional committees under subsection (a) that the Gov-
12 ernment of Nicaragua is taking effective steps as de-
13 scribed in that subsection, the President may waive
14 the imposition of additional sanctions under section
15 4 for a period of not more than one year beginning
16 on the date of the certification.

17 (2) CASE-BY-CASE WAIVER.—The President
18 may waive the application of sanctions under section
19 4 with respect to a person if the President—

20 (A) determines that such a waiver is in the
21 national interest of the United States; and

22 (B) not later than the date on which the
23 waiver takes effect, submits to the appropriate
24 congressional committees a notice of and jus-
25 tification for the waiver.

1 (c) **SENSE OF CONGRESS.**—It is the sense of Con-
2 gress that the President should exercise the waiver author-
3 ity provided under subsection (b)(1) if the Secretary of
4 State certifies under subsection (a) that the Government
5 of Nicaragua is taking effective steps as described in that
6 subsection.

7 **SEC. 6. REPORT ON HUMAN RIGHTS VIOLATIONS AND COR-**
8 **RUPTION IN NICARAGUA.**

9 (a) **IN GENERAL.**—Not later than 180 days after the
10 date of the enactment of this Act, and annually thereafter
11 until December 31, 2021, the Secretary of State, acting
12 through the Assistant Secretary of State for Intelligence
13 and Research, and in coordination with the Director of
14 National Intelligence, shall submit to the appropriate con-
15 gressional committees a report on the involvement of sen-
16 ior officials of the Government of Nicaragua, including
17 members of the Supreme Electoral Council, the National
18 Assembly, and the judicial system, in human rights viola-
19 tions and acts of significant corruption.

20 (b) **ELEMENTS.**—The report required by subsection
21 (a) shall include, to the extent feasible, the following:

22 (1) For each senior official described in that
23 subsection—

24 (A) the estimated total amount of funds or
25 other assets held in accounts at United States

1 financial institutions or foreign financial insti-
2 tutions that are under the direct or indirect
3 control of the senior official;

4 (B) a description of such funds or assets;

5 (C) an identification of any equity interest
6 held by the senior official—

7 (i) in an entity on the list of specially
8 designated nationals and blocked persons
9 maintained by the Office of Foreign Assets
10 Control of the Department of the Treas-
11 ury; or

12 (ii) in any other entity subject to
13 sanctions imposed by the United States;

14 (D) a description of how the senior official
15 acquired such funds, assets, or equity interests;
16 and

17 (E) a description of how such funds, as-
18 sets, or equity interests have been used.

19 (2) A description of any new methods used by
20 senior officials described in subsection (a) to evade
21 anti-money laundering and related laws, including
22 recommendations to improve techniques to combat
23 the illicit use of the United States financial system
24 by such senior officials.

1 (e) ~~FORM.~~—The report required by subsection (a)
 2 shall be submitted in unclassified form but may include
 3 a ~~classified annex.~~

4 (d) ~~PUBLIC AVAILABILITY.~~—The unclassified portion
 5 of the report required by subsection (a) shall be posted
 6 on a publicly available website of the Department of State.

7 **SEC. 7. DEFINITIONS.**

8 In this Act:

9 (1) ~~APPROPRIATE CONGRESSIONAL COMMIT-~~
 10 ~~TEES.~~—The term “appropriate congressional com-
 11 mittees” means—

12 (A) the Committee on Foreign Relations,
 13 the Committee on Banking, Housing, and
 14 Urban Affairs, and the Committee on Appro-
 15 priations of the Senate; and

16 (B) the Committee on Foreign Affairs, the
 17 Committee on Financial Services, and the Com-
 18 mittee on Appropriations of the House of Rep-
 19 resentatives.

20 (2) ~~UNITED STATES PERSON.~~—The term
 21 “United States person” means—

22 (A) a United States citizen or an alien law-
 23 fully admitted for permanent residence to the
 24 United States; or

1 ~~(B)~~ an entity organized under the laws of
 2 the United States or of any jurisdiction within
 3 the United States, including a foreign branch of
 4 such an entity.

5 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

6 (a) *SHORT TITLE.*—*This Act may be cited as the*
 7 *“Nicaragua Human Rights and Anticorruption Act of*
 8 *2018”.*

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

Sec. 1. Short title; table of contents.

Sec. 2. Sense of Congress on advancing a negotiated solution to Nicaragua’s crisis.

Sec. 3. Statement of policy.

Sec. 4. Restrictions on international financial institutions relating to Nicaragua.

Sec. 5. Imposition of targeted sanctions with respect to Nicaragua.

Sec. 6. Annual certification and waiver.

Sec. 7. Report on human rights violations and corruption in Nicaragua.

Sec. 8. Civil society engagement strategy.

Sec. 9. Reform of Western Hemisphere Drug Policy Commission.

Sec. 10. Termination.

Sec. 11. Definitions.

11 **SEC. 2. SENSE OF CONGRESS ON ADVANCING A NEGOTIATED SOLUTION TO NICARAGUA’S CRISIS.**

12 *It is the sense of Congress that—*

13 (1) *credible negotiations between the Government*
 14 *of Nicaragua and representatives of Nicaragua’s civil*
 15 *society, student movement, private sector, and political*
 16 *opposition, mediated by the Catholic Church in*
 17 *Nicaragua, represent the best opportunity to reach a*
 18 *peaceful solution to the current political crisis that*
 19 *includes—*
 20

1 (A) a commitment to hold early elections
2 that meet democratic standards and permit cred-
3 ible international electoral observation;

4 (B) the cessation of the violence perpetrated
5 against civilians by the National Police of Nica-
6 ragua and by armed groups supported by the
7 Government of Nicaragua; and

8 (C) independent investigations into the
9 killings of more than 277 protesters; and

10 (2) negotiations between the Government of Nica-
11 ragua and representatives of Nicaragua's civil society,
12 student movement, private sector, and political oppo-
13 sition, mediated by the Catholic Church in Nica-
14 ragua, have not resulted in an agreement as of the
15 date of the enactment of this Act because the Govern-
16 ment of Nicaragua has failed to credibly participate
17 in the process.

18 **SEC. 3. STATEMENT OF POLICY.**

19 *It is the policy of the United States to support—*

20 (1) the rule of law and an independent judiciary
21 and electoral council in Nicaragua;

22 (2) democratic governance in Nicaragua;

23 (3) free and fair elections overseen by credible
24 domestic and international observers in Nicaragua;
25 and

1 (4) *anti-corruption and transparency efforts in*
2 *Nicaragua.*

3 **SEC. 4. RESTRICTIONS ON INTERNATIONAL FINANCIAL IN-**
4 **STITUTIONS RELATING TO NICARAGUA.**

5 (a) *RESTRICTIONS.*—*The Secretary of the Treasury*
6 *shall—*

7 (1) *instruct the United States Executive Director*
8 *at each international financial institution of the*
9 *World Bank Group to use the voice, vote, and influ-*
10 *ence of the United States to oppose the extension by*
11 *the International Finance Corporation of any loan or*
12 *financial or technical assistance to the Government of*
13 *Nicaragua or to any entity for a project in Nica-*
14 *ragua;*

15 (2) *instruct the United States Executive Director*
16 *of the Inter-American Development Bank to use the*
17 *voice, vote, and influence of the United States to op-*
18 *pose the extension by the Bank of any loan or finan-*
19 *cial or technical assistance to the Government of*
20 *Nicaragua or to any entity for a project in Nica-*
21 *ragua; and*

22 (3) *instruct the United States Executive Director*
23 *of each other international financial institution, in-*
24 *cluding the International Monetary Fund, to work*
25 *with other key donor countries to develop a coherent*

1 *policy approach to future engagements with and lend-*
 2 *ing to the Government of Nicaragua, in a manner*
 3 *that will advance human rights, including the full*
 4 *restoration of the rights guaranteed to the people of*
 5 *Nicaragua through the commitments made by the*
 6 *Government of Nicaragua as a signatory of the Inter-*
 7 *national Covenant on Civil and Political Rights.*

8 *(b) EXCEPTIONS FOR BASIC HUMAN NEEDS AND DE-*
 9 *MOCRACY PROMOTION.—The restrictions under paragraphs*
 10 *(1) and (2) of subsection (a) shall not apply with respect*
 11 *to any loan or financial or technical assistance provided*
 12 *to address basic human needs or to promote democracy in*
 13 *Nicaragua.*

14 *(c) BRIEFING BY THE SECRETARY OF THE TREAS-*
 15 *URY.—Not later than 180 days after the date of the enact-*
 16 *ment of this Act, and annually thereafter, the Secretary of*
 17 *the Treasury shall brief the appropriate congressional com-*
 18 *mittees on the effectiveness of international financial insti-*
 19 *tutions in enforcing applicable program safeguards in*
 20 *Nicaragua.*

21 **SEC. 5. IMPOSITION OF TARGETED SANCTIONS WITH RE-**
 22 **SPECT TO NICARAGUA.**

23 *(a) IN GENERAL.—The President shall impose the*
 24 *sanctions described in subsection (c) with respect to any*
 25 *foreign person, including any current or former official of*

1 *the Government of Nicaragua or any person acting on be-*
2 *half of that Government, that the President determines—*

3 *(1) to be responsible for or complicit in, or re-*
4 *sponsible for ordering, controlling, or otherwise direct-*
5 *ing, or to have knowingly participated in, directly or*
6 *indirectly, any activity described in subsection (b);*

7 *(2) to be a leader of—*

8 *(A) an entity that has, or whose members*
9 *have, engaged in any activity described in sub-*
10 *section (b); or*

11 *(B) an entity whose property and interests*
12 *in property are blocked under subsection*
13 *(c)(1)(A) as a result of activities related to the*
14 *tenure of the leader;*

15 *(3) to have knowingly materially assisted, spon-*
16 *sored, or provided financial, material, or techno-*
17 *logical support for, or goods or services in support*
18 *of—*

19 *(A) an activity described in subsection (b);*

20 *or*

21 *(B) a person whose property and interests*
22 *in property are blocked under subsection*
23 *(c)(1)(A); or*

24 *(4) to be owned or controlled by, or to have*
25 *knowingly acted or purported to act for or on behalf*

1 of, directly or indirectly, any person whose property
2 and interests in property are blocked under subsection
3 (c)(1)(A).

4 (b) *ACTIVITIES DESCRIBED.*—An activity described in
5 this subsection is any of the following in or in relation to
6 Nicaragua on or after April 18, 2018:

7 (1) *Significant acts of violence or conduct that*
8 *constitutes an abuse or violation of human rights*
9 *against persons associated with the protests in Nica-*
10 *ragua that began on April 18, 2018.*

11 (2) *Significant actions or policies that under-*
12 *mine democratic processes or institutions.*

13 (3) *Acts of significant corruption by or on behalf*
14 *of the Government of Nicaragua or a current or*
15 *former official of the Government of Nicaragua, in-*
16 *cluding—*

17 (A) *the expropriation of private or public*
18 *assets for personal gain or political purposes;*

19 (B) *corruption related to government con-*
20 *tracts;*

21 (C) *bribery; or*

22 (D) *the facilitation or transfer of the pro-*
23 *ceeds of corruption.*

24 (4) *The arrest or prosecution of a person, includ-*
25 *ing an individual or media outlet disseminating in-*

1 *formation to the public, primarily because of the le-*
2 *gitimate exercise by such person of the freedom of*
3 *speech, assembly, or the press.*

4 *(c) SANCTIONS DESCRIBED.—*

5 *(1) IN GENERAL.—The sanctions described in*
6 *this subsection are the following:*

7 *(A) ASSET BLOCKING.—The exercise of all*
8 *powers granted to the President by the Inter-*
9 *national Emergency Economic Powers Act (50*
10 *U.S.C. 1701 et seq.) to the extent necessary to*
11 *block and prohibit all transactions in all prop-*
12 *erty and interests in property of a person deter-*
13 *mined by the President to be subject to subsection*
14 *(a) if such property and interests in property*
15 *are in the United States, come within the United*
16 *States, or are or come within the possession or*
17 *control of a United States person.*

18 *(B) EXCLUSION FROM THE UNITED STATES*
19 *AND REVOCATION OF VISA OR OTHER DOCU-*
20 *MENTATION.—In the case of an alien determined*
21 *by the President to be subject to subsection (a),*
22 *denial of a visa to, and exclusion from the*
23 *United States of, the alien, and revocation in ac-*
24 *cordance with section 221(i) of the Immigration*

1 *and Nationality Act (8 U.S.C. 1201(i)), of any*
2 *visa or other documentation of the alien.*

3 (2) *PENALTIES.—A person that violates, at-*
4 *tempts to violate, conspires to violate, or causes a vio-*
5 *lation of a measure imposed pursuant to paragraph*
6 *(1)(A) or any regulation, license, or order issued to*
7 *carry out paragraph (1)(A) shall be subject to the*
8 *penalties set forth in subsections (b) and (c) of section*
9 *206 of the International Emergency Economic Powers*
10 *Act (50 U.S.C. 1705) to the same extent as a person*
11 *that commits an unlawful act described in subsection*
12 *(a) of that section.*

13 (3) *EXCEPTION RELATING TO IMPORTATION OF*
14 *GOODS.—The requirement to block and prohibit all*
15 *transactions in all property and interests in property*
16 *under paragraph (1)(A) shall not include the author-*
17 *ity to impose sanctions on the importation of goods.*

18 (4) *EXCEPTION TO COMPLY WITH UNITED NA-*
19 *TIONS HEADQUARTERS AGREEMENT.—Sanctions*
20 *under paragraph (1)(B) shall not apply to an alien*
21 *if admitting the alien into the United States is nec-*
22 *essary to permit the United States to comply with the*
23 *Agreement regarding the Headquarters of the United*
24 *Nations, signed at Lake Success June 26, 1947, and*
25 *entered into force November 21, 1947, between the*

1 *United Nations and the United States, or other appli-*
 2 *cable international obligations.*

3 *(d) IMPLEMENTATION; REGULATORY AUTHORITY.—*

4 *(1) IMPLEMENTATION.—The President may exer-*
 5 *cise all authorities provided under sections 203 and*
 6 *205 of the International Emergency Economic Powers*
 7 *Act (50 U.S.C. 1702 and 1704) to carry out this sec-*
 8 *tion.*

9 *(2) REGULATORY AUTHORITY.—The President*
 10 *shall issue such regulations, licenses, and orders as*
 11 *are necessary to carry out this section.*

12 **SEC. 6. ANNUAL CERTIFICATION AND WAIVER.**

13 *(a) CERTIFICATION.—Not later than 180 days after the*
 14 *date of the enactment of this Act, and annually thereafter,*
 15 *the Secretary of State shall submit to the appropriate con-*
 16 *gressional committees a report certifying whether the Gov-*
 17 *ernment of Nicaragua is taking effective steps—*

18 *(1) to strengthen the rule of law and democratic*
 19 *governance, including the independence of the judicial*
 20 *system and electoral council;*

21 *(2) to combat corruption, including by inves-*
 22 *tigating and prosecuting cases of public corruption;*

23 *(3) to protect civil and political rights, including*
 24 *the rights of freedom of the press, speech, and associa-*
 25 *tion, for all people of Nicaragua, including political*

1 *opposition parties, journalists, trade unionists,*
2 *human rights defenders, indigenous peoples, and other*
3 *civil society activists;*

4 *(4) to investigate and hold accountable officials*
5 *of the Government of Nicaragua and other persons re-*
6 *sponsible for the killings of more than 277 individuals*
7 *associated with the protests in Nicaragua that began*
8 *on April 18, 2018; and*

9 *(5) to hold free and fair elections overseen by*
10 *credible domestic and international observers*

11 *(b) WAIVER.—*

12 *(1) TEMPORARY GENERAL WAIVER.—If the Sec-*
13 *retary certifies to the appropriate congressional com-*
14 *mittees under subsection (a) that the Government of*
15 *Nicaragua is taking effective steps as described in*
16 *that subsection, the President may waive the applica-*
17 *tion of the restrictions under section 4 and sanctions*
18 *under section 5 for a period of not more than one*
19 *year beginning on the date of the certification.*

20 *(2) NATIONAL INTEREST WAIVER.—The Presi-*
21 *dent may waive the application of the restrictions*
22 *under section 4 and sanctions under section 5 if the*
23 *President—*

24 *(A) determines that such a waiver is in the*
25 *national interest of the United States; and*

1 (B) submits to the appropriate congres-
2 sional committees a notice of and justification
3 for the waiver.

4 (3) *SENSE OF CONGRESS.*—It is the sense of
5 Congress that the President should exercise the waiver
6 authority provided under paragraph (1) if the Sec-
7 retary of State certifies under subsection (a) that the
8 Government of Nicaragua is taking effective steps as
9 described in that subsection.

10 (c) *CONSULTATION.*—In preparing a certification re-
11 quired by subsection (a), the Secretary shall consult with
12 the appropriate congressional committees.

13 (d) *ANNUAL BRIEFING.*—The Secretary shall annually
14 brief the appropriate congressional committees on whether
15 the Government of Nicaragua is taking effective steps as de-
16 scribed in subsection (a).

17 **SEC. 7. REPORT ON HUMAN RIGHTS VIOLATIONS AND COR-**
18 **RUPTION IN NICARAGUA.**

19 (a) *IN GENERAL.*—Not later than 180 days after the
20 date of the enactment of this Act, the Secretary of State,
21 acting through the Assistant Secretary of State for Intel-
22 ligence and Research, and in coordination with the Sec-
23 retary of the Treasury and the Director of National Intel-
24 ligence, shall submit to the appropriate congressional com-
25 mittees a report on—

1 (1) *the involvement of senior officials of the Gov-*
2 *ernment of Nicaragua, including members of the Su-*
3 *preme Electoral Council, the National Assembly, and*
4 *the judicial system, in human rights violations, acts*
5 *of significant corruption, and money laundering; and*

6 (2) *persons that transfer, or facilitate the trans-*
7 *fer of, goods or technologies for use in or with respect*
8 *to Nicaragua, that are used by the Government of*
9 *Nicaragua to commit serious human rights violations*
10 *against the people of Nicaragua.*

11 (b) *FORM.—The report required by subsection (a) may*
12 *be classified.*

13 **SEC. 8. CIVIL SOCIETY ENGAGEMENT STRATEGY.**

14 *Not later than 90 days after the date of the enactment*
15 *of this Act, the President shall brief the appropriate congres-*
16 *sional committees on a strategy—*

17 (1) *for engaging relevant elements of civil society*
18 *in Nicaragua, including independent media, human*
19 *rights, and anti-corruption organizations, to strength-*
20 *en rule of law and increase accountability for human*
21 *rights abuses and corruption in Nicaragua; and*

22 (2) *setting forth measures to support the protec-*
23 *tion of human rights and anti-corruption advocates*
24 *in Nicaragua.*

1 **SEC. 9. REFORM OF WESTERN HEMISPHERE DRUG POLICY**

2 **COMMISSION.**

3 *Section 603(f)(1) of the Department of State Authori-*
4 *ties Act, Fiscal Year 2017 (Public Law 114–323; 130 Stat.*
5 *1938) is amended by striking “Not later than 60 days after*
6 *the date of the enactment of this Act, the Commission shall*
7 *hold an initial meeting to develop and implement” and in-*
8 *serting “At the initial meeting of the Commission, the Com-*
9 *mission shall develop and implement”.*

10 **SEC. 10. TERMINATION.**

11 *The provisions of this Act (other than section 9) shall*
12 *terminate on December 31, 2023.*

13 **SEC. 11. DEFINITIONS.**

14 *In this Act:*

15 (1) *APPROPRIATE CONGRESSIONAL COMMIT-*
16 *TEES.—The term “appropriate congressional commit-*
17 *tees” means—*

18 (A) *the Committee on Foreign Relations, the*
19 *Committee on Banking, Housing, and Urban Af-*
20 *airs, and the Committee on Appropriations of*
21 *the Senate; and*

22 (B) *the Committee on Foreign Affairs, the*
23 *Committee on Financial Services, and the Com-*
24 *mittee on Appropriations of the House of Rep-*
25 *resentatives.*

1 (2) *GOOD*.—The term “good” means any article,
2 *natural or manmade substance, material, supply or*
3 *manufactured product, including inspection and test*
4 *equipment, and excluding technical data.*

5 (3) *PERSON*.—The term “person” means an in-
6 *dividual or entity.*

7 (4) *UNITED STATES PERSON*.—The term “United
8 *States person” means any United States citizen, per-*
9 *manent resident alien, entity organized under the*
10 *laws of the United States or any jurisdiction within*
11 *the United States (including a foreign branch of such*
12 *an entity), or any person in the United States.*

Calendar No. 617

115TH CONGRESS
2^D SESSION

S. 3233

A BILL

To impose sanctions with respect to persons responsible for violence and human rights abuses in Nicaragua, and for other purposes.

OCTOBER 3 (legislative day, SEPTEMBER 28), 2018

Reported with an amendment