

113TH CONGRESS
2D SESSION

S. 3012

To improve the enforcement of sanctions against the Government of North Korea, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 12, 2014

Mr. MENENDEZ introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To improve the enforcement of sanctions against the Government of North Korea, 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 “North Korea Sanctions Enforcement Act of 2014”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings; purposes.
- Sec. 3. Definitions.

TITLE I—INVESTIGATIONS, PROHIBITED CONDUCT, AND
PENALTIES

- Sec. 101. Statement of policy.
- Sec. 102. Investigations.
- Sec. 103. Briefing to Congress.
- Sec. 104. Designation of persons.
- Sec. 105. Forfeiture of property.

TITLE II—SANCTIONS AGAINST NORTH KOREAN PROLIFERATION,
HUMAN RIGHTS ABUSES, AND ILLICIT ACTIVITIES

- Sec. 201. Determinations with respect to North Korea as a jurisdiction of primary money laundering concern.
- Sec. 202. Ensuring the consistent enforcement of United Nations Security Council resolutions and financial restrictions on North Korea.
- Sec. 203. Proliferation prevention sanctions.
- Sec. 204. Procurement sanctions.
- Sec. 205. Enhanced inspection authorities.
- Sec. 206. Travel sanctions.
- Sec. 207. Exemptions, waivers, and removals of designation.

TITLE III—PROMOTION OF HUMAN RIGHTS

- Sec. 301. Information technology.
- Sec. 302. Report on North Korean prison camps.
- Sec. 303. Briefing on serious human rights abuses or censorship in North Korea.

TITLE IV—GENERAL AUTHORITIES

- Sec. 401. Suspension of sanctions and other measures.
- Sec. 402. Termination of sanctions and other measures.
- Sec. 403. North Korea Enforcement and Humanitarian Fund.
- Sec. 404. Rulemaking.
- Sec. 405. Effective date.

1 SEC. 2. FINDINGS; PURPOSES.

2 (a) FINDINGS.—Congress finds the following:

3 (1) The Government of North Korea—

4 (A) has repeatedly violated its commit-
5 ments to the complete, verifiable, and irrevers-
6 ible dismantlement of its nuclear weapons pro-
7 grams; and

8 (B) has willfully violated multiple United
9 Nations Security Council resolutions calling for
10 it to cease its development, testing, and produc-
11 tion of weapons of mass destruction.

1 (2) North Korea poses a grave risk for the pro-
2 liferation of nuclear weapons and other weapons of
3 mass destruction.

4 (3) The Government of North Korea has been
5 implicated repeatedly in money laundering and illicit
6 activities, including—

7 (A) prohibited arms sales;

8 (B) narcotics trafficking;

9 (C) the counterfeiting of United States
10 currency; and

11 (D) the counterfeiting of intellectual prop-
12 erty of United States persons.

13 (4) North Korea has—

14 (A) unilaterally withdrawn from the Ko-
15 rean War Armistice Agreement, done at Pan-
16 munjom, Korea, July 27, 1953; and

17 (B) committed provocations against South
18 Korea in 2010—

19 (i) by sinking the warship Cheonan
20 and killing 46 of her crew; and

21 (ii) by shelling Yeonpyeong Island and
22 killing 4 South Korean civilians.

23 (5) North Korea maintains a system of brutal
24 political prison camps that contain as many as
25 200,000 men, women, and children, who are—

1 (A) kept in atrocious living conditions with
2 insufficient food, clothing, and medical care;
3 and

4 (B) under constant fear of torture or arbitrary execution.

6 (6) North Korea has prioritized weapons programs and the procurement of luxury goods—

8 (A) in defiance of United Nations Security
9 Council Resolutions 1695 (adopted July 15,
10 2006), 1718 (adopted October 14, 2006), 1874
11 (adopted June 12, 2009), 2087 (adopted January 22, 2013), and 2094 (adopted March 7,
12 2013); and

14 (B) in gross disregard of the needs of its
15 people.

16 (7) Persons, including financial institutions,
17 who engage in transactions with, or provide financial
18 services to, the Government of North Korea and its
19 financial institutions without establishing sufficient
20 financial safeguards against North Korea's use of
21 these transactions to promote proliferation, weapons
22 trafficking, human rights violations, illicit activity,
23 and the purchase of luxury goods—

24 (A) aid and abet North Korea's misuse of
25 the international financial system; and

1 (B) violate the intent of the United Na-
2 tions Security Council resolutions referred to in
3 paragraph (6)(A).

4 (8) The conduct of the Government of North
5 Korea poses an imminent threat to—

6 (A) the security of the United States and
7 its allies;

8 (B) the global economy;

9 (C) the safety of members of the United
10 States Armed Forces;

11 (D) the integrity of the global financial
12 system;

13 (E) the integrity of global nonproliferation
14 programs; and

15 (F) the people of North Korea.

16 (b) PURPOSES.—Through this Act, Congress seeks—

17 (1) to use nonmilitary means to address the cri-
18 sis described in subsection (a);

19 (2) to provide diplomatic leverage to negotiate
20 necessary changes in North Korea's conduct;

21 (3) to ease the suffering of the people of North
22 Korea; and

23 (4) to reaffirm the purposes set forth in section
24 4 of the North Korean Human Rights Act of 2004
25 (22 U.S.C. 7802).

1 **SEC. 3. DEFINITIONS.**

2 In this Act:

3 (1) **APPLICABLE EXECUTIVE ORDER.**—The
4 term “applicable Executive order” means—

5 (A) Executive Order 13382 (70 Fed. Reg.
6 38567; relating to blocking property of weapons
7 of mass destruction proliferators and their sup-
8 ports), Executive Order 13466 (73 Fed. Reg.
9 36787; relating to continuing certain restric-
10 tions with respect to North Korea and North
11 Korean nationals), Executive Order 13551 (75
12 Fed. Reg. 53837; relating to blocking property
13 of certain persons with respect to North
14 Korea), or Executive Order 13570 (76 Fed.
15 Reg. 22291; relating to prohibiting certain
16 transactions with respect to North Korea), to
17 the extent that such Executive order—

18 (i) authorizes the imposition of sanc-
19 tions on persons for conduct; or

20 (ii) prohibits transactions or activities
21 involving the Government of North Korea;
22 or

23 (B) any Executive order adopted on or
24 after the date of the enactment of this Act, to
25 the extent that such Executive order—

1 (i) authorizes the imposition of sanc-
2 tions on persons for conduct; or

3 (ii) prohibits transactions or activities
4 involving the Government of North Korea.

5 (2) APPLICABLE UNITED NATIONS SECURITY
6 COUNCIL RESOLUTION.—The term “applicable
7 United Nations Security Council resolution”
8 means—

9 (A) United Nations Security Council Reso-
10 lution 1695 (adopted July 15, 2006), 1718
11 (adopted October 14, 2006), 1874 (adopted
12 June 12, 2009), 2087 (adopted January 22,
13 2013), or 2094 (adopted March 7, 2013); or

14 (B) any United Nations Security Council
15 resolution adopted on or after the date of the
16 enactment of this Act that—

17 (i) authorizes the imposition of sanc-
18 tions on persons for conduct; or

19 (ii) prohibits transactions or activities
20 involving the Government of North Korea.

21 (3) APPROPRIATE CONGRESSIONAL COMMIT-
22 TEES.—The term “appropriate congressional com-
23 mittees” means—

24 (A) the Committee on Foreign Relations of
25 the Senate;

1 (B) the Committee on Banking, Housing,
2 and Urban Affairs of the Senate;

3 (C) the Committee on Foreign Affairs of
4 the House of Representatives; and

5 (D) the Committee on Financial Services
6 of the House of Representatives.

7 (4) DESIGNATED PERSON.—The term “des-
8 ignated person” means a person designated under
9 subsection (a) or (b) of section 104 for purposes of
10 applying 1 or more of the sanctions described in title
11 I or II with respect to the person.

12 (5) GOVERNMENT OF NORTH KOREA.—The
13 term “Government of North Korea” means—

14 (A) the Government of the Democratic
15 People’s Republic of Korea or any political sub-
16 division, agency, or instrumentality thereof; and

17 (B) any person owned or controlled by, or
18 acting for or on behalf of, the Government of
19 North Korea.

20 (6) LUXURY GOODS.—The term “luxury
21 goods”—

22 (A) has the meaning given such term in
23 section 746.4(b)(1) of title 15, Code of Federal
24 Regulations; and

1 (B) includes the items listed in Supplement
2 No. 1 to Part 746 of such title, and any similar
3 items.

4 (7) MONETARY INSTRUMENTS.—The term
5 “monetary instruments” has the meaning given such
6 term in section 5312(a) of title 31, United States
7 Code.

8 (8) NORTH KOREAN FINANCIAL INSTITUTION.—
9 The term “North Korean financial institution”
10 means any financial institution that—

11 (A) is organized under the laws of North
12 Korea or any jurisdiction within North Korea
13 (including a foreign branch of such institution);

14 (B) is located in North Korea, except for
15 a financial institution that is excluded by the
16 President in accordance with section 207(d);

17 (C) is owned or controlled by the Govern-
18 ment of North Korea, regardless of location;
19 and

20 (D) is owned or controlled by a financial
21 institution described in subparagraph (A), (B),
22 or (C), regardless of location.

23 (9) OTHER STORES OF VALUE.—The term
24 “other stores of value” means—

1 (A) prepaid access devices, tangible or in-
2 tangible prepaid access devices, and other in-
3 struments or devices for the storage or trans-
4 mission of value (as such terms are defined in
5 part 1010 of title 31, Code of Federal Regula-
6 tions); and

7 (B) any covered goods (as defined in sec-
8 tion 1027.100 of title 31, Code of Federal Reg-
9 ulations), and any instrument or tangible or in-
10 tangible access device used for the storage and
11 transmission of a representation of covered
12 goods, or other device (as defined in such sec-
13 tion 1027.100).

14 **TITLE I—INVESTIGATIONS, PRO-**
15 **HIBITED CONDUCT, AND PEN-**
16 **ALTIES**

17 **SEC. 101. STATEMENT OF POLICY.**

18 In order to achieve the peaceful disarmament of
19 North Korea, Congress finds that it is necessary—

20 (1) to encourage all member states to fully and
21 promptly implement United Nations Security Coun-
22 cil Resolution 2094 (adopted March 7, 2013);

23 (2) to sanction the persons, including financial
24 institutions, that facilitate proliferation, illicit activi-
25 ties, arms trafficking, imports of luxury goods, seri-

1 ous human rights abuses, cash smuggling, and cen-
2 sorship by the Government of North Korea;

3 (3) to authorize the President to sanction per-
4 sons who fail to exercise due diligence to ensure that
5 such financial institutions and jurisdictions do not
6 facilitate proliferation, arms trafficking, kleptocracy,
7 and imports of luxury goods by the Government of
8 North Korea;

9 (4) to deny the Government of North Korea ac-
10 cess to the funds it uses to obtain nuclear weapons,
11 ballistic missiles, and luxury goods instead of pro-
12 viding for the needs of its people; and

13 (5) to enforce sanctions in a manner that
14 avoids any adverse humanitarian impact on the peo-
15 ple of North Korea.

16 **SEC. 102. INVESTIGATIONS.**

17 (a) INITIATION.—The President is authorized to ini-
18 tiate an investigation into the possible designation of a
19 person under section 104(a) upon receipt by the President
20 of credible information indicating that such person has en-
21 gaged in conduct described in section 104(a).

22 (b) PERSONNEL.—The President may direct the Sec-
23 retary of State, the Secretary of the Treasury, and the
24 heads of other Federal departments and agencies as may

1 be necessary to assign sufficient experienced and qualified
2 investigators, attorneys, and technical personnel—

3 (1) to investigate the conduct described in sub-
4 sections (a) and (b) of section 104; and

5 (2) to coordinate and ensure the effective en-
6 forcement of the provisions of this Act.

7 **SEC. 103. BRIEFING TO CONGRESS.**

8 Not later than 180 days after the date of the enact-
9 ment of this Act, and periodically thereafter, the President
10 shall provide to the appropriate congressional committees
11 a briefing on efforts to implement this Act.

12 **SEC. 104. DESIGNATION OF PERSONS.**

13 (a) PROHIBITED ACTIVITIES.—

14 (1) PROHIBITED CONDUCT DESCRIBED.—Ex-
15 cept as provided in section 207, the President may
16 designate under this subsection any person that the
17 President determines—

18 (A) knowingly (directly or indirectly) im-
19 ported, exported, or reexported to, into, or from
20 North Korea any goods, services, or technology
21 controlled for export by the United States due
22 to their use for weapons of mass destruction
23 and their delivery systems and materially con-
24 tributing to the use, development, production,
25 possession, or acquisition by any persons of a

1 nuclear, radiological, chemical, or biological
2 weapon, or any device or system designed in
3 whole or in part to deliver such a weapon;

4 (B) knowingly (directly or indirectly) pro-
5 vided training, advice, or other services or as-
6 sistance, or engaged in significant financial
7 transactions, relating to the manufacture, main-
8 tenance, or use of any such weapon or system
9 to be imported, exported, or reexported to, into,
10 or from North Korea;

11 (C) knowingly (directly or indirectly) im-
12 ported, exported, or reexported luxury goods to
13 or into North Korea;

14 (D) knowingly engaged in, or is responsible
15 for, censorship by the Government of North
16 Korea;

17 (E) knowingly engaged in, or is responsible
18 for, serious human rights abuses by the Govern-
19 ment of North Korea;

20 (F) knowingly (directly or indirectly) en-
21 gaged in money laundering, the counterfeiting
22 of goods or currency, bulk cash smuggling, or
23 narcotics trafficking that supports the Govern-
24 ment of North Korea or any senior official
25 thereof; or

1 (G) knowingly attempted to engage in any
2 of the conduct described in subparagraphs (A)
3 through (E).

4 (2) PENALTIES.—The penalties provided for in
5 subsections (b) and (c) of section 206 of the Inter-
6 national Emergency Economic Powers Act (50
7 U.S.C. 1705) shall apply to any person who violates,
8 attempts to violate, conspires to violate, or causes a
9 violation of any prohibition under this subsection, or
10 of an order or regulation prescribed under this Act,
11 to the same extent that such penalties apply to a
12 person that commits an unlawful act described in
13 section 206(a) of such Act (50 U.S.C. 1705(a)).

14 (b) ADDITIONAL PROHIBITED ACTIVITIES.—

15 (1) PROHIBITED CONDUCT DESCRIBED.—Ex-
16 cept as provided in section 207, the President may
17 designate under this subsection any person that the
18 President determines—

19 (A) knowingly engaged in, contributed to,
20 assisted, sponsored, or provided financial, mate-
21 rial or technological support for, or goods and
22 services in support of, any person designated
23 pursuant to an applicable United Nations Secu-
24 rity Council resolution;

25 (B) knowingly contributed to—

1 (i) the bribery of an official of the
2 Government of North Korea;

3 (ii) the misappropriation, theft, or em-
4 bezzlement of public funds by, or for the
5 benefit of, an official of the Government of
6 North Korea; or

7 (iii) the use of any proceeds of any
8 such conduct; or

9 (C) knowingly and materially assisted,
10 sponsored, or provided significant financial, ma-
11 terial, or technological support for, or goods or
12 services to or in support of, the activities de-
13 scribed in subparagraph (A) or (B).

14 (2) EFFECT OF DESIGNATION.—With respect to
15 any person designated under this subsection, the
16 President may—

17 (A) apply the sanctions described in sec-
18 tion 204, 205, or 206;

19 (B) apply any of the special measures de-
20 scribed in section 5318A of title 31, United
21 States Code;

22 (C) prohibit any transactions in foreign ex-
23 change—

24 (i) that are subject to the jurisdiction
25 of the United States; and

1 (ii) in which such person has any in-
2 terest; and

3 (D) prohibit any transfers of credit or pay-
4 ments between financial institutions or by,
5 through, or to any financial institution, to the
6 extent that such transfers or payments—

7 (i) are subject to the jurisdiction of
8 the United States; and

9 (ii) involve any interest of such per-
10 son.

11 (c) ASSET BLOCKING.—The President shall exercise
12 all of the powers granted to the President under the Inter-
13 national Emergency Economic Powers Act (50 U.S.C.
14 1701 et seq.) to the extent necessary to block and prohibit
15 all transactions in property and interests in property of
16 a person determined by the President to be subject to this
17 section if such property and interests in property are in
18 the United States, come within the United States, or are
19 or come within the possession or control of a United
20 States person.

21 (d) APPLICATION.—The designation of a person
22 under subsection (a) or (b) and the blocking of property
23 and interests in property under subsection (c) shall apply
24 with respect to a person who is determined to be owned
25 or controlled by, or to have acted or purported to have

1 acted for or on behalf of (directly or indirectly) any person
2 whose property and interests in property are blocked pur-
3 suant to this section.

4 (e) TRANSACTION LICENSING.—The President shall
5 deny or revoke any license for any transaction that the
6 President determines to lack sufficient financial controls
7 to ensure that such transaction will not facilitate any of
8 the conduct described in subsection (a) or (b).

9 **SEC. 105. FORFEITURE OF PROPERTY.**

10 (a) AMENDMENT TO PROPERTY SUBJECT TO FOR-
11 FEITURE.—Section 981(a)(1) of title 18, United States
12 Code, is amended by adding at the end the following:

13 “(I) Any real or personal property that is in-
14 volved in a violation or attempted violation, or which
15 constitutes or is derived from proceeds traceable to
16 a violation, of section 104(a) of the North Korea
17 Sanctions Enforcement Act of 2014.”.

18 (b) AMENDMENT TO DEFINITION OF CIVIL FOR-
19 FEITURE STATUTE.—Section 983(i)(2)(D) of title 18,
20 United States Code, is amended to read as follows:

21 “(D) the Trading with the Enemy Act (50
22 U.S.C. App. 1 et seq.), the International Emer-
23 gency Economic Powers Act (50 U.S.C. 1701 et
24 seq.), or the North Korea Sanctions Enforce-
25 ment Act of 2014; or”.

1 (c) AMENDMENT TO DEFINITION OF SPECIFIED UN-
2 LAWFUL ACTIVITY.—Section 1956(c)(7)(D) of title 18,
3 United States Code, is amended—

4 (1) by striking “or section 92 of the Atomic
5 Energy Act of 1954” and inserting “section 92 of
6 the Atomic Energy Act of 1954”; and

7 (2) by adding at the end the following: “, or
8 section 104(a) of the North Korea Sanctions En-
9 forcement Act of 2014 (relating to prohibited trade
10 with North Korea);”.

11 (d) AUTHORIZATION OF APPROPRIATIONS.—From
12 the amounts in the Assets Forfeiture Fund established
13 under section 524(c) of title 28, United States Code, or
14 the Department of the Treasury Forfeiture Fund estab-
15 lished under section 9703 of title 31, United States Code,
16 as added by the Treasury Forfeiture Fund Act of 1992
17 (section 638 of Public Law 102–393), there are authorized
18 to be appropriated for each of the fiscal years 2015
19 through 2023, in such proportions as the President may
20 determine, and without fiscal year limitation, \$5,000,000
21 for law enforcement expenses for the enforcement of this
22 Act or any amendment made by this Act, including sala-
23 ries and expenses of investigators, attorneys, technical
24 personnel, and such personnel as the President determines

1 to be necessary to enforce this Act or any such amend-
2 ment.

3 (e) PAYMENT IN LIEU OF FORFEITURE.—Any money
4 paid to the United States by a financial institution or
5 other person in lieu of the commencement of criminal,
6 civil, or administrative forfeiture proceedings to forfeit
7 property involving any activity described in section 104(a)
8 or in settlement of such forfeiture proceedings—

9 (1) shall be treated as forfeited funds; and

10 (2) shall be deposited, in such proportions as
11 the President may determine, into—

12 (A) the Assets Forfeiture Fund established
13 under section 524(c) of title 28, United States
14 Code; or

15 (B) the Department of the Treasury For-
16 feiture Fund established under section 9703 of
17 title 31, United States Code, as added by the
18 Treasury Forfeiture Fund Act of 1992 (section
19 638 of Public Law 102–393).

20 (f) RULE OF CONSTRUCTION.—Nothing in this title
21 or any amendment made by this title may be construed
22 to restrict or limit the authority of the President under—

23 (1) section 524(c) of title 28, United States
24 Code; or

1 (2) section 9703 of title 31, United States
2 Code, as added by the Treasury Forfeiture Fund
3 Act of 1992 (section 638 of Public Law 102–393).

4 **TITLE II—SANCTIONS AGAINST**
5 **NORTH KOREAN PROLIFERA-**
6 **TION, HUMAN RIGHTS**
7 **ABUSES, AND ILLICIT ACTIVI-**
8 **TIES**

9 **SEC. 201. DETERMINATIONS WITH RESPECT TO NORTH**
10 **KOREA AS A JURISDICTION OF PRIMARY**
11 **MONEY LAUNDERING CONCERN.**

12 (a) FINDINGS.—Congress makes the following find-
13 ings:

14 (1) The Under Secretary for Terrorism and Fi-
15 nancial Intelligence, who is responsible for safe-
16 guarding the financial system against illicit use,
17 money laundering, terrorist financing, and the pro-
18 liferation of weapons of mass destruction, and has
19 repeatedly expressed concern about North Korea’s
20 misuse of the international financial system—

21 (A) in 2006—

22 (i) stated, “Given [North Korea’s]
23 counterfeiting of U.S. currency, narcotics
24 trafficking and use of accounts world-wide
25 to conduct proliferation-related trans-

1 actions, the line between illicit and licit
2 North Korean money is nearly invisible.”;
3 and

4 (ii) urged financial institutions world-
5 wide to “think carefully about the risks of
6 doing any North Korea-related business”;

7 (B) in 2011, stated that North Korea—

8 (i) “remains intent on engaging in
9 proliferation, selling arms as well as bring-
10 ing in material”; and

11 (ii) was “aggressively pursuing the ef-
12 fort to establish front companies.”; and

13 (C) in 2013, stated—

14 (i) in reference to North Korea’s dis-
15 tribution of high-quality counterfeit United
16 States currency, that “North Korea is con-
17 tinuing to try to pass a supernote into the
18 international financial system”; and

19 (ii) the Department of the Treasury
20 would soon introduce new currency with
21 improved security features to protect
22 against counterfeiting by the Government
23 of North Korea.

24 (2) The Financial Action Task Force, an inter-
25 governmental body whose purpose is to develop and

1 promote national and international policies to com-
2 bat money laundering and terrorist financing, has
3 repeatedly—

4 (A) expressed concern at deficiencies in
5 North Korea’s regimes to combat money laun-
6 dering and terrorist financing;

7 (B) urged North Korea to adopt a plan of
8 action to address significant deficiencies in
9 these regimes and the serious threat they pose
10 to the integrity of the international financial
11 system;

12 (C) urged all jurisdictions to apply coun-
13 termeasures to protect the international finan-
14 cial system from ongoing and substantial money
15 laundering and terrorist financing risks ema-
16 nating from North Korea;

17 (D) urged all jurisdictions to advise their
18 financial institutions to give special attention to
19 business relationships and transactions with
20 North Korea, including North Korean compa-
21 nies and financial institutions; and

22 (E) called on all jurisdictions—

23 (i) to protect against correspondent
24 relationships being used to bypass or evade

1 countermeasures and risk mitigation prac-
2 tices; and

3 (ii) to take into account money laun-
4 dering and terrorist financing risks when
5 considering requests by North Korean fi-
6 nancial institutions to open branches and
7 subsidiaries in their respective jurisdic-
8 tions.

9 (3) On March 7, 2013, the United Nations Se-
10 curity Council unanimously adopted Resolution
11 2094, which—

12 (A) welcomed the Financial Action Task
13 Force's—

14 (i) recommendation on financial sanc-
15 tions related to proliferation; and

16 (ii) guidance on the implementation of
17 such sanctions;

18 (B) decided that United Nations Member
19 States should apply enhanced monitoring and
20 other legal measures to prevent the provision of
21 financial services or the transfer of property
22 that could contribute to activities prohibited by
23 applicable United Nations Security Council res-
24 olutions; and

1 (C) called on United Nations Member
2 States to prohibit North Korean banks from es-
3 tablishing or maintaining correspondent rela-
4 tionships with banks in their respective jurisdic-
5 tions to prevent the provision of financial serv-
6 ices if such states have information that pro-
7 vides reasonable grounds to believe that such
8 activities could contribute to—

9 (i) activities prohibited by an applica-
10 ble United Nations Security Council reso-
11 lution; or

12 (ii) the evasion of such prohibitions.

13 (b) SENSE OF CONGRESS REGARDING THE DESIGNA-
14 TION OF NORTH KOREA AS A JURISDICTION OF PRIMARY
15 MONEY LAUNDERING CONCERN.—Congress—

16 (1) acknowledges the efforts of the United Na-
17 tions Security Council to impose limitations on, and
18 to require the enhanced monitoring of, transactions
19 involving North Korean financial institutions that
20 could contribute to sanctioned activities;

21 (2) urges the President, in the strongest
22 terms—

23 (A) to consider immediately designating
24 North Korea as a jurisdiction of primary money
25 laundering concern; and

1 (B) to adopt stringent special measures to
2 safeguard the financial system against the risks
3 posed by North Korea's willful evasion of sanc-
4 tions and its illicit activities; and

5 (3) urges the President to seek the prompt im-
6 plementation by other states of enhanced monitoring
7 and due diligence to prevent North Korea's misuse
8 of the international financial system, including by
9 sharing information about activities, transactions,
10 and property that could contribute to—

11 (A) activities sanctioned by applicable
12 United Nations Security Council resolutions; or

13 (B) the evasion of such sanctions.

14 (c) DETERMINATIONS REGARDING NORTH KOREA.—

15 (1) IN GENERAL.—Not later than 180 days
16 after the date of the enactment of this Act, the Sec-
17 retary of the Treasury, in consultation with the Sec-
18 retary of State and Attorney General, and in accord-
19 ance with section 5318A of title 31, United States
20 Code, shall determine whether reasonable grounds
21 exist for concluding that North Korea is a jurisdic-
22 tion of primary money laundering concern.

23 (2) ENHANCED DUE DILIGENCE AND REPORT-
24 ING REQUIREMENTS.—Except as provided in section
25 207, if the Secretary of the Treasury determines

1 under this subsection that reasonable grounds exist
2 for concluding that North Korea is a jurisdiction of
3 primary money laundering concern, the Secretary, in
4 consultation with the Federal functional regulators,
5 shall impose 1 or more of the special measures de-
6 scribed in paragraphs (1) through (5) of section
7 5318A(b) of title 31, United States Code, with re-
8 spect to the jurisdiction of North Korea.

9 (3) REPORT REQUIRED.—

10 (A) IN GENERAL.—The Secretary of the
11 Treasury shall submit a report to the appro-
12 priate congressional committees that contains
13 the reasons for any determination under para-
14 graph (1).

15 (B) FORM.—The report submitted under
16 subparagraph (A) shall be submitted in unclas-
17 sified form, but may contain a classified annex.

18 **SEC. 202. ENSURING THE CONSISTENT ENFORCEMENT OF**
19 **UNITED NATIONS SECURITY COUNCIL RESO-**
20 **LUTIONS AND FINANCIAL RESTRICTIONS ON**
21 **NORTH KOREA.**

22 (a) FINDINGS.—Congress finds that—

23 (1) all member states and jurisdictions are obli-
24 gated to implement and enforce applicable United
25 Nations Security Council resolutions fully and

1 promptly, including by blocking the property of, and
2 ensuring that any property is prevented from being
3 made available to, persons designated by the Secu-
4 rity Council under applicable United Nations Secu-
5 rity Council resolutions;

6 (2) all states and jurisdictions share a common
7 interest in protecting the international financial sys-
8 tem from the risks of money laundering and illicit
9 transactions emanating from North Korea;

10 (3) the United States dollar and the euro are
11 the world's principal reserve currencies, and the
12 United States and the European Union are pri-
13 marily responsible for the protection of the inter-
14 national financial system from these risks;

15 (4) the cooperation of the People's Republic of
16 China, as North Korea's principal trading partner,
17 is essential to—

18 (A) the enforcement of applicable United
19 Nations Security Council resolutions; and

20 (B) the protection of the international fi-
21 nancial system;

22 (5) the report of the Panel of Experts estab-
23 lished pursuant to United Nations Security Council
24 Resolution 1874 (adopted on June 11, 2013) ex-
25 pressed concern about the ability of banks in—

1 (A) states with less effective regulators;
2 and

3 (B) states that are unable to afford effective
4 compliance to detect and prevent illicit
5 transfers involving North Korea;

6 (6) North Korea has historically exploited in-
7 consistencies between jurisdictions in the interpreta-
8 tion and enforcement of financial regulations and
9 applicable United Nations Security Council resolu-
10 tions to circumvent sanctions and launder the pro-
11 ceeds of illicit activities;

12 (7) Amrogang Development Bank, Bank of
13 East Land, and Tanchon Commercial Bank have
14 been designated by the Secretary of the Treasury,
15 the United Nations Security Council, and the Euro-
16 pean Union as having materially contributed to the
17 proliferation of weapons of mass destruction;

18 (8) Korea Daesong Bank and Korea Kwangson
19 Banking Corporation have been designated by the
20 Secretary of the Treasury and the European Union
21 as having materially contributed to the proliferation
22 of weapons of mass destruction;

23 (9) the Foreign Trade Bank of North Korea
24 has been designated by the Secretary of the Treas-
25 ury for facilitating transactions on behalf of persons

1 linked to its proliferation network, and for serving as
2 “a key financial node”; and

3 (10) Daedong Credit Bank has been designated
4 by the Secretary of the Treasury for activities pro-
5 hibited by applicable United Nations Security Coun-
6 cil resolutions, including the use of deceptive finan-
7 cial practices to facilitate transactions on behalf of
8 persons linked to North Korea’s proliferation net-
9 work.

10 (b) SENSE OF CONGRESS.—It is the sense of Con-
11 gress that the President should intensify diplomatic efforts
12 in appropriate international fora, such as the United Na-
13 tions, and bilaterally, to develop and implement a coordi-
14 nated, consistent, multilateral strategy for protecting the
15 global financial system against risks emanating from
16 North Korea, including—

17 (1) the cessation of any financial services whose
18 continuation is inconsistent with applicable United
19 Nations Security Council resolutions;

20 (2) the cessation of any financial services to
21 persons, including financial institutions, that present
22 unacceptable risks of facilitating money laundering
23 and illicit activity by the Government of North
24 Korea;

1 (3) the blocking by all states and jurisdictions,
2 in accordance with the legal process of the state or
3 jurisdiction in which the property is held, of any
4 property required to be blocked under applicable
5 United Nations Security Council resolutions; and

6 (4) the blocking of any property derived from il-
7 licit activity, or from the misappropriation, theft, or
8 embezzlement of public funds by, or for the benefit
9 of, officials of the Government of North Korea.

10 **SEC. 203. PROLIFERATION PREVENTION SANCTIONS.**

11 (a) EXPORT OF CERTAIN GOODS OR TECHNOLOGY.—

12 A validated license shall be required for the export of any
13 goods or technology otherwise covered under section 6(j)
14 of the Export Administration Act of 1979 (50 U.S.C. App.
15 2405(j)). No defense exports may be approved for the
16 Government of North Korea.

17 (b) TRANSACTIONS IN LETHAL MILITARY EQUIP-
18 MENT.—

19 (1) IN GENERAL.—The President shall withhold
20 assistance under the Foreign Assistance Act of 1961
21 (22 U.S.C. 2151 et seq.) to the government of any
22 country that provides lethal military equipment to
23 the Government of North Korea.

24 (2) APPLICABILITY.—The prohibition under
25 this subsection with respect to a foreign government

1 shall terminate on the date that is 1 year after the
2 date on which the restriction under paragraph (1)
3 may have been applied.

4 (c) WAIVER.—The Secretary of State may waive the
5 prohibitions under this section with respect to a country
6 if the Secretary determines that it is in the national inter-
7 est of the United States to do so.

8 (d) EXCEPTION.—The prohibitions under this section
9 shall not apply to the provision of assistance for human
10 rights, democracy, rule of law, or emergency humanitarian
11 assistance.

12 **SEC. 204. PROCUREMENT SANCTIONS.**

13 (a) IN GENERAL.—Except as provided in this section,
14 the United States Government may not procure, or enter
15 into any contract for the procurement of, any goods or
16 services from any designated person.

17 (b) FEDERAL ACQUISITION REGULATION.—

18 (1) IN GENERAL.—The Federal Acquisition
19 Regulation issued pursuant to section 1303 of title
20 41, United States Code, shall be revised to require
21 that each person that is a prospective contractor
22 submit a certification that such person does not en-
23 gage in any of the conduct described in section
24 104(a).

1 (2) APPLICABILITY.—The revision referred to
2 in paragraph (1) shall apply with respect to con-
3 tracts for which solicitations are issued on or after
4 the date that is 90 days after the date of the enact-
5 ment of this Act.

6 (c) GENERAL SERVICES ADMINISTRATION.—

7 (1) INCLUSION ON LIST.—The Administrator of
8 General Services shall include, on the List of Parties
9 Excluded from Federal Procurement and Non-
10 procurement Programs maintained by the Adminis-
11 trator under part 9 of the Federal Acquisition Regu-
12 lation, each person that is debarred, suspended, or
13 proposed for debarment or suspension by the head
14 of an executive agency on the basis of a determina-
15 tion of a false certification under subsection (b).

16 (2) CONTRACT TERMINATION; SUSPENSION.—If
17 the head of an executive agency determines that a
18 person has submitted a false certification under sub-
19 section (b) after the date on which the Federal Ac-
20 quisition Regulation is revised to implement the re-
21 quirements of this section, the head of such execu-
22 tive agency shall—

23 (A) terminate a contract with such person;

24 or

1 (B) debar or suspend such person from eli-
2 gibility for Federal contracts for a period of not
3 more than 2 years.

4 (3) APPLICABLE PROCEDURES.—Any debar-
5 ment or suspension under paragraph (2)(B) shall be
6 subject to the procedures that apply to debarment
7 and suspension under the Federal Acquisition Regu-
8 lation under subpart 9.4 of part 9 of title 48, Code
9 of Federal Regulations.

10 (d) CLARIFICATION REGARDING CERTAIN PROD-
11 UCTS.—The remedies specified in subsections (a) through
12 (c) shall not apply with respect to the procurement of any
13 eligible product (as defined in section 308(4) of the Trade
14 Agreements Act of 1979 (19 U.S.C. 2518(4)) of any for-
15 eign country or instrumentality designated under section
16 301(b) of such Act (19 U.S.C. 2511(b)).

17 (e) RULE OF CONSTRUCTION.—Nothing in this sub-
18 section may be construed to limit the use of other remedies
19 available to the head of an executive agency or any other
20 official of the Federal Government on the basis of a deter-
21 mination of a false certification under subsection (b).

22 (f) EXECUTIVE AGENCY DEFINED.—In this section,
23 the term “executive agency” has the meaning given such
24 term in section 133 of title 41, United States Code.

1 **SEC. 205. ENHANCED INSPECTION AUTHORITIES.**

2 (a) REPORT REQUIRED.—Not later than 180 days
3 after the date of the enactment of this Act, and annually
4 thereafter, the President shall submit a report to the ap-
5 propriate congressional committees that identifies foreign
6 ports and airports whose inspections of ships, aircraft, and
7 conveyances originating in North Korea, carrying North
8 Korean property, or operated by the Government of North
9 Korea are not sufficient to effectively prevent the facilita-
10 tion of any of the activities described in section 104(a).

11 (b) ENHANCED CUSTOMS INSPECTION REQUIRE-
12 MENTS.—The Secretary of Homeland Security may re-
13 quire enhanced inspections of any cargo landed in the
14 United States or entering the stream of interstate com-
15 merce that has been transported through a port or airport
16 identified by the President under subsection (a).

17 (c) SEIZURE AND FORFEITURE.—A vessel, aircraft,
18 or conveyance used to facilitate any of the activities de-
19 scribed in section 104(a) under the jurisdiction of the
20 United States may be seized and forfeited under—

21 (1) chapter 46 of title 18, United States Code;

22 or

23 (2) under the Tariff Act of 1930 (19 U.S.C.
24 1202 et seq.).

1 **SEC. 206. TRAVEL SANCTIONS.**

2 The Secretary of State may deny a visa to, and the
3 Secretary of Homeland Security, pursuant to section 104,
4 may deny entry into the United States of, any alien who
5 is—

6 (1) a designated person;

7 (2) a corporate officer of a designated person;

8 or

9 (3) a principal shareholder with a controlling
10 interest in a designated person.

11 **SEC. 207. EXEMPTIONS, WAIVERS, AND REMOVALS OF DES-**
12 **IGNATION.**

13 (a) EXEMPTIONS.—

14 (1) IN GENERAL.—The following activities shall
15 be exempt from sanctions under sections 104 and
16 206:

17 (A) Activities subject to the reporting re-
18 quirements under title V of the National Secu-
19 rity Act of 1947 (50 U.S.C. 413 et seq.), or to
20 any authorized intelligence activities of the
21 United States.

22 (B) Any transaction necessary to comply
23 with United States obligations under the Agree-
24 ment between the United Nations and the
25 United States of America regarding the Head-
26 quarters of the United Nations, signed June

1 26, 1947, and entered into force on November
2 21, 1947, or under the Vienna Convention on
3 Consular Relations, signed April 24, 1963, and
4 entered into force on March 19, 1967, or under
5 other international agreements.

6 (C) Any financial transaction for which the
7 exclusive purpose is to import agricultural prod-
8 ucts, medicine, or medical devices into North
9 Korea if such supplies or equipment—

10 (i) are designated as “EAR 99” under
11 the Export Administration Regulations (15
12 C.F.R. 730 et seq.); and

13 (ii) are not controlled under—

14 (I) the Export Administration
15 Act of 1979 (50 U.S.C. App. 2401 et
16 seq.), as continued in effect under the
17 International Emergency Economic
18 Powers Act (50 U.S.C. 1701 et seq.);

19 (II) the Arms Export Control Act
20 (22 U.S.C. 2751 et seq.);

21 (III) part B of title VIII of the
22 Nuclear Proliferation Prevention Act
23 of 1994 (22 U.S.C. 6301 et seq.); or

24 (IV) the Chemical and Biological
25 Weapons Control and Warfare Elim-

1 nation Act of 1991 (22 U.S.C. 5601
2 et seq.).

3 (2) EXPORT ADMINISTRATION REGULATIONS
4 DEFINED.—In this subsection, the term “Export Ad-
5 ministration Regulations” means the regulations set
6 forth in subchapter C of chapter VII of title 15,
7 Code of Federal Regulations (15 C.F.R. 730 et seq.)
8 and maintained and amended under the authority of
9 the International Emergency Economic Powers Ac
10 (50 U.S.C. 1701 et seq.).

11 (b) WAIVER.—The President may waive, for 1-year
12 renewable periods, the application of the sanctions author-
13 ized under section 104, 204, 205, or 206 if the President
14 submits to the appropriate congressional committees a
15 written determination that the waiver meets 1 or more of
16 the following requirements:

17 (1) The waiver is important to the national se-
18 curity interests of the United States.

19 (2) The waiver will further the enforcement of
20 this Act or is for an important law enforcement pur-
21 pose.

22 (3) The waiver is for an important humani-
23 tarian purpose, including any of the purposes de-
24 scribed in section 4 of the North Korean Human
25 Rights Act of 2004 (22 U.S.C. 7802).

1 (c) FINANCIAL SERVICES FOR HUMANITARIAN AND
2 CONSULAR ACTIVITIES.—The President may promulgate
3 such regulations, rules, and policies as may be necessary
4 to facilitate the provision of financial services by a foreign
5 financial institution that is not controlled by the Govern-
6 ment of North Korea in support of the activities subject
7 to exemption under this Act.

8 **TITLE III—PROMOTION OF**
9 **HUMAN RIGHTS**

10 **SEC. 301. INFORMATION TECHNOLOGY.**

11 Section 104 of the North Korean Human Rights Act
12 of 2004 (22 U.S.C. 7814) is amended by adding at the
13 end the following:

14 “(d) INFORMATION TECHNOLOGY STUDY.—Not later
15 than 180 days after the date of the enactment of the
16 North Korea Sanctions Enforcement Act of 2014, the
17 President shall submit a classified report to the appro-
18 priate congressional committees that sets forth a detailed
19 plan for making unrestricted, unmonitored, and inexpen-
20 sive electronic mass communications available to the peo-
21 ple of North Korea.”.

22 **SEC. 302. REPORT ON NORTH KOREAN PRISON CAMPS.**

23 (a) IN GENERAL.—The Secretary of State shall sub-
24 mit a report to the appropriate congressional committees

1 that describes, with respect to each political prison camp
2 in North Korea, to the extent information is available—

3 (1) the camp’s estimated prisoner population;

4 (2) the camp’s geographical coordinates;

5 (3) the reasons for the confinement of the pris-
6 oners;

7 (4) the camp’s primary industries and products,
8 and the end users of any goods produced in such
9 camp;

10 (5) the natural persons and agencies respon-
11 sible for conditions in the camp;

12 (6) the conditions under which prisoners are
13 confined, with respect to the adequacy of food, shel-
14 ter, medical care, working conditions, and reports of
15 ill-treatment of prisoners; and

16 (7) imagery, to include satellite imagery of each
17 such camp, in a format that, if published, would not
18 compromise the sources and methods used by the in-
19 telligence agencies of the United States to capture
20 geospatial imagery.

21 (b) FORM.—The report required under subsection (a)
22 may be included in the first report required to be sub-
23 mitted to Congress after the date of the enactment of this
24 Act under sections 116(d) and 502B(b) of the Foreign As-

1 sistance Act of 1961 (22 U.S.C. 2151n(d) and 2304(b))
2 (relating to the annual human rights report).

3 **SEC. 303. BRIEFING ON SERIOUS HUMAN RIGHTS ABUSES**
4 **OR CENSORSHIP IN NORTH KOREA.**

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 providing a briefing, which may be classified, to the
8 appropriate congressional committees that describes seri-
9 ous human rights abuses or serious censorship undertaken
10 by the North Korean government in the most recent year.

11 (b) DESIGNATION OF RESPONSIBLE PERSONS.—The
12 President may designate under section 104(a) any person
13 described in the briefing required under subsection (a) as
14 responsible for serious human rights abuses or censorship
15 in North Korea.

16 (c) SENSE OF CONGRESS.—It is the sense of Con-
17 gress that the President should—

18 (1) seek the prompt adoption by the United Na-
19 tions Security Council of a resolution calling for the
20 blocking of the assets of all persons responsible for
21 severe human rights abuses or censorship in North
22 Korea; and

23 (2) fully cooperate with the prosecution of any
24 natural person listed in the report required under
25 subsection (a) before any international tribunal that

1 may be established to prosecute persons responsible
2 for severe human rights abuses or censorship in
3 North Korea.

4 **TITLE IV—GENERAL** 5 **AUTHORITIES**

6 **SEC. 401. SUSPENSION OF SANCTIONS AND OTHER MEAS-** 7 **URES.**

8 (a) IN GENERAL.—Any sanction or other measure re-
9 quired under title I, II, or III (or any amendment made
10 by such titles) may be suspended for up to 1 year upon
11 certification by the President to the appropriate congres-
12 sional committees that the Government of North Korea
13 has made progress toward—

14 (1) verifiably ceasing its counterfeiting of
15 United States currency, including the surrender or
16 destruction of specialized materials and equipment
17 used or particularly suitable for counterfeiting;

18 (2) taking steps toward financial transparency
19 to comply with generally accepted protocols to cease
20 and prevent the laundering of monetary instruments;

21 (3) taking steps toward verification of its com-
22 pliance with applicable United Nations Security
23 Council resolutions;

24 (4) taking steps toward accounting for and re-
25 patriating the citizens of other countries—

1 (A) abducted or unlawfully held captive by
2 the Government of North Korea; or

3 (B) detained in violation of the 1953 Armi-
4 stice Agreement;

5 (5) accepting and beginning to abide by inter-
6 nationally recognized standards for the distribution
7 and monitoring of humanitarian aid; and

8 (6) taking verified steps to improve living condi-
9 tions in its political prison camps.

10 (b) RENEWAL OF SUSPENSION.—The suspension de-
11 scribed in subsection (a) may be renewed for additional,
12 consecutive 180-day periods after the President certifies
13 to the appropriate congressional committees that the Gov-
14 ernment of North Korea has continued to comply with the
15 conditions described in subsection (a) during the previous
16 year.

17 **SEC. 402. TERMINATION OF SANCTIONS AND OTHER MEAS-**
18 **URES.**

19 Any sanction or other measure required under title
20 I, II, or III (or any amendment made by such titles) shall
21 terminate on the date on which the President determines
22 and certifies to the appropriate congressional committees
23 that the Government of North Korea has—

24 (1) met the requirements set forth in section
25 401; and

1 (2) has made significant progress toward—

2 (A) completely, verifiably, and irreversibly
3 dismantling all of its nuclear, chemical, biological,
4 and radiological weapons programs, including
5 all programs for the development of systems
6 designed in whole or in part for the delivery of
7 such weapons;

8 (B) releasing all political prisoners, including
9 the citizens of North Korea detained in
10 North Korea's political prison camps; and

11 (C)(i) ceasing its censorship of peaceful political
12 activity;

13 (ii) establishing an open, transparent, and
14 representative society; and

15 (iii) fully accounting for and repatriating
16 United States citizens (included deceased)—

17 (I) abducted or unlawfully held captive
18 by the Government of North Korea; or

19 (II) detained in violation of the 1953
20 Armistice Agreement.

21 **SEC. 403. NORTH KOREA ENFORCEMENT AND HUMANI-**
22 **TARIAN FUND.**

23 (a) ESTABLISHMENT.—There is established in the
24 Treasury of the United States a fund to be known as the

1 North Korea Enforcement and Humanitarian Fund (re-
2 ferred to in this section as the “Fund”).

3 (b) DEPOSITS.—The President shall deposit into the
4 Fund, and shall transfer and consolidate on the books of
5 the Treasury in a special account for the purposes de-
6 scribed in subsection (c), all revenues derived from—

7 (1) fines and penalties assessed for violations of
8 this Act, or any regulation established under this
9 Act, or for any violation of an applicable Executive
10 order; and

11 (2) except as provided in section 105(c), all
12 fines and penalties paid in lieu of the commencement
13 of, or paid in settlement of, criminal or civil pro-
14 ceedings for a violation of this Act or any regulation
15 established under this Act, or for any violation of an
16 applicable Executive order.

17 (c) USES.—There are authorized to be appropriated
18 from the Fund each fiscal year—

19 (1) such amounts as may be specified in an Act
20 making appropriations for the administration of the
21 Fund; and

22 (2) without regard to fiscal year limitation,
23 amounts not exceeding—

1 (A) to carry out section 103 of the North
2 Korea Human Rights Act of 2004 (22 U.S.C.
3 7813), \$3,000,000;

4 (B) to carry out section 104 of the North
5 Korea Human Rights Act of 2004 (22 U.S.C.
6 7814), \$5,000,000;

7 (C) to carry out section 203 of the North
8 Korea Human Rights Act of 2004 (22 U.S.C.
9 7833), \$5,000,000; and

10 (D) to carry out subsection (d) of section
11 104 of the North Korean Human Rights Act of
12 2004 (22 U.S.C. 7814) (as added by section
13 301 of this Act), \$2,000,000.

14 (d) SATISFACTION OF JUDGMENTS.—

15 (1) IN GENERAL.—The President may direct a
16 transfer of funds from the Fund established under
17 this section to the United States district court in
18 which any judgment has been entered against the
19 Government of North Korea pursuant to section
20 1605A of title 28, United States Code, pursuant to
21 section 1083(c)(2) of the National Defense Author-
22 ization Act for Fiscal Year 2008 (28 U.S.C. 1605A
23 note), or pursuant to section 201 of the Terrorism
24 Risk Insurance Act of 2002 (28 U.S.C. 1610 note),
25 such amounts as may be available after the obliga-

1 tion of amounts appropriated pursuant to the au-
2 thorization of appropriations under subsection (c),
3 for the satisfaction of such judgments.

4 (2) RULE OF CONSTRUCTION ON STANDING BY
5 JUDGMENT CREDITORS.—Nothing in this section,
6 any amendment made by section 105, or section 306
7 shall be construed to create standing by any judg-
8 ment creditor to contest or intervene in a forfeiture
9 action under chapter 46 of title 18, United States
10 Code.

11 (e) BRIEFING REQUIRED.—Not later than 180 days
12 after the date of the enactment of this Act, and every 180
13 days thereafter, the President shall provide a briefing to
14 the appropriate congressional committees describing
15 amounts available in the Fund, amounts obligated and ex-
16 pended for each purpose, and any amounts transferred out
17 of the Fund.

18 (f) TRANSFER.—To prevent the accumulation of ex-
19 cessive surpluses in the Fund, in any fiscal year an
20 amount specified in an annual appropriation law that is
21 available after the obligation of amounts authorized to be
22 appropriated in subsection (c) and authorized to be trans-
23 ferred in subsection (d), may be transferred out of the
24 Fund and deposited, in equal proportions, into the funds

1 established under section 524(c) of title 28, United States
2 Code, and section 9703 of title 31, United States Code.

3 (g) SUNSET.—The Fund established under this sec-
4 tion shall cease to exist on September 30, 2023, and any
5 unexpended funds remaining in the Fund after such date
6 shall be transferred in accordance with subsection (f).

7 **SEC. 404. RULEMAKING.**

8 (a) IN GENERAL.—The President is authorized to
9 promulgate such rules and regulations as may be nec-
10 essary to carry out the provisions of this Act (which may
11 include regulatory exceptions), including under section
12 205 of the International Emergency Economic Powers Act
13 (50 U.S.C. 1704).

14 (b) RULE OF CONSTRUCTION.—Nothing in this Act
15 or in any amendment made by this Act shall be construed
16 to limit the authority of the President to designate or
17 sanction persons pursuant to an applicable Executive
18 order or otherwise pursuant to the International Emer-
19 gency Economic Powers Act (50 U.S.C. 1701 et seq.).

20 **SEC. 405. EFFECTIVE DATE.**

21 Except as otherwise provided in this Act, this Act,
22 and the amendments made by this Act, shall be in effect
23 during the 3-year period beginning on the date of the en-
24 actment of this Act.

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