

114TH CONGRESS
2D SESSION

H. R. 6281

To prevent further advances in North Korea’s nuclear program by preventing specialized financial messaging services to, or direct or indirect access to such messaging services for, the Central Bank of the Democratic People’s Republic of Korea and certain other financial institutions and sanctioned persons, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 2016

Mr. SALMON (for himself, Mr. SHERMAN, Mr. DESJARLAIS, Mr. BERA, Mr. ROHRABACHER, Mr. MARINO, Ms. ROS-LEHTINEN, Mr. LOWENTHAL, Mr. DUNCAN of South Carolina, and Mr. PERRY) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To prevent further advances in North Korea’s nuclear program by preventing specialized financial messaging services to, or direct or indirect access to such messaging services for, the Central Bank of the Democratic People’s Republic of Korea and certain other financial institutions and sanctioned persons, 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 “Block Access to North
5 Korea Act of 2016” or “BANK Act of 2016”.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) North Korea continues to develop a ballistic
4 missile and nuclear weapons program, despite nu-
5 merous United States and international sanctions,
6 including United Nations Security Council Resolu-
7 tions 1695, 1718, 1874, 2087, 2094, and 2270,
8 among others.

9 (2) North Korea tested its fifth and largest nu-
10 clear device on September 9, 2016.

11 (3) North Korea has increased the pace of its
12 missile testing, including the test of a submarine-
13 launched ballistic missile, potentially furthering the
14 development of a second-strike capability.

15 (4) North Korea has persistently demonstrated
16 an unwillingness to meaningfully negotiate with the
17 United States regarding denuclearization.

18 (5) By its actions and continued investments in
19 its nuclear program, it is clear that the Government
20 of North Korea has no intention to reduce or elimi-
21 nate its nuclear weapons program.

22 (6) Specialized financial messaging services
23 allow for messaging and contact, including the
24 transfer of funds, between financial institutions.

25 (7) The Central Bank of the Democratic Peo-
26 ple's Republic of Korea and certain other financial

1 institutions are currently able to avail themselves to
2 financial messaging systems which could be used in
3 funding the North Korean nuclear program.

4 (8) Experts link North Korea to the hacking of
5 specialized financial messaging institutions, resulting
6 in the theft of \$81,000,000 from the central bank of
7 Bangladesh.

8 (9) North Korean provocations continue to en-
9 danger its citizens, those of United States allies, and
10 those of Americans.

11 **SEC. 3. SENSE OF CONGRESS.**

12 It is the sense of Congress that—

13 (1) providers of specialized financial messaging
14 services are a critical link to the international finan-
15 cial system;

16 (2) directly providing specialized financial mes-
17 saging services to, or enabling or facilitating direct
18 or indirect access to such messaging services for,
19 any financial institution is inconsistent with para-
20 graph 11 of the United Nations Security Council
21 Resolution 2094; and

22 (3) the United States reaffirms its commitment
23 to its allies in the region, including the Republic of
24 Korea and Japan, which are directly threatened by
25 North Korea.

1 **SEC. 4. AUTHORIZATION OF IMPOSITION OF SANCTIONS**
2 **WITH RESPECT TO THE PROVISION OF SPE-**
3 **CIALIZED FINANCIAL MESSAGING SERVICES**
4 **TO THE CENTRAL BANK OF THE DEMO-**
5 **CRATIC PEOPLE'S REPUBLIC OF KOREA AND**
6 **CERTAIN OTHER FINANCIAL INSTITUTIONS**
7 **AND SANCTIONED PERSONS.**

8 (a) IN GENERAL.—The President shall impose sanc-
9 tions pursuant to the International Emergency Economic
10 Powers Act (50 U.S.C. 1701 et seq.) with respect to a
11 person if, on or after the date that is 90 days after the
12 date of the enactment of this Act, the person continues
13 to knowingly and directly provide specialized financial
14 messaging services to, or knowingly enable or facilitate di-
15 rect or indirect access to such messaging services for—

16 (1) the Central Bank of the Democratic Peo-
17 ple's Republic of Korea;

18 (2) a financial institution that facilitates any
19 transaction or transactions or provides significant fi-
20 nancial services for nuclear development or prolifera-
21 tion for or on behalf of North Korea; or

22 (3) a person identified on the list of specially
23 designated nationals and blocked persons maintained
24 by the Office of Foreign Assets Control of the De-
25 partment of the Treasury by reason of assisting the

1 nuclear development or proliferation efforts of North
2 Korea.

3 (b) WAIVER.—The President may waive the require-
4 ment to impose sanctions with respect to a person under
5 subsection (a) if—

6 (1) the person is subject to a sanctions regime
7 under its governing foreign law that requires it to
8 eliminate the knowing provision of such messaging
9 services to, and the knowing enabling and facilita-
10 tion of direct or indirect access to such messaging
11 services for, the Central Bank of the Democratic
12 People’s Republic of Korea, any financial institution
13 described in subsection (a)(2), and any person de-
14 scribed in subsection (a)(3);

15 (2) the person has, pursuant to that sanctions
16 regime, terminated the knowing provision of such
17 messaging services to, and the knowing enabling and
18 facilitation of direct or indirect access to such mes-
19 saging services for, the Central Bank of the Demo-
20 cratic People’s Republic of Korea, any financial in-
21 stitution described in subsection (a)(2), and any per-
22 son described in subsection (a)(3); and

23 (3) the President determines that such a waiver
24 is in the national interest of the United States.

1 (c) CLARIFICATION.—For purposes of this section,
2 enabling or facilitating direct or indirect access to special-
3 ized financial messaging services for the Central Bank of
4 the Democratic People’s Republic of Korea, a financial in-
5 stitution described in subsection (a)(2), or a person de-
6 scribed in subsection (a)(3) includes doing so by serving
7 as an intermediary financial institution with access to such
8 messaging services.

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