

114TH CONGRESS  
1ST SESSION

# S. 1747

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

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IN THE SENATE OF THE UNITED STATES

JULY 9, 2015

Mr. MENENDEZ (for himself and Mr. GRAHAM) introduced the following bill;  
which was read twice and referred to the Committee on Foreign Relations

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## 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 2015”.

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. Reporting requirements.
- Sec. 104. Designation of persons.
- Sec. 105. Forfeiture of property.
- Sec. 106. Exception relating to importation of goods.

## 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 AND STRATEGY TO COUNTER CYBERTERRORISM

- 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. Strategy to counter North Korean cyberterrorism.
- Sec. 405. Rulemaking.
- Sec. 406. 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

1           it to cease its development, testing, and produc-  
2           tion of weapons of mass destruction.

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

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

9                   (A) prohibited arms sales;

10                  (B) narcotics trafficking;

11                  (C) the counterfeiting of United States  
12           currency;

13                  (D) acts of cybervandalism and  
14           cyberterrorism; and

15                  (E) the counterfeiting of intellectual prop-  
16           erty of United States persons.

17           (4) North Korea has—

18                   (A) unilaterally withdrawn from the Ko-  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

21                   (B) committed provocations against South  
22           Korea—

23                          (i) by sinking the warship Cheonan  
24                          and killing 46 of her crew on March 26,  
25                          2010;

1 (ii) by shelling Yeonpyeong Island and  
2 killing 4 South Korean civilians on Novem-  
3 ber 23, 2010; and

4 (iii) by its involvement in the  
5 “DarkSeoul” cyberattacks against the fi-  
6 nancial and communications interests of  
7 the Republic of Korea on March 20, 2013.

8 (5) North Korea maintains a system of brutal  
9 political prison camps that contain as many as  
10 200,000 men, women, and children, who are—

11 (A) kept in atrocious living conditions with  
12 insufficient food, clothing, and medical care;  
13 and

14 (B) under constant fear of torture or arbi-  
15 trary execution.

16 (6) North Korea has prioritized weapons pro-  
17 grams and the procurement of luxury goods—

18 (A) in defiance of United Nations Security  
19 Council Resolutions 1695 (adopted July 15,  
20 2006), 1718 (adopted October 14, 2006), 1874  
21 (adopted June 12, 2009), 2087 (adopted Janu-  
22 ary 22, 2013), and 2094 (adopted March 7,  
23 2013); and

24 (B) in gross disregard of the needs of its  
25 people.

1           (7) Persons, including financial institutions,  
2           who engage in transactions with, or provide financial  
3           services to, the Government of North Korea and its  
4           financial institutions without establishing sufficient  
5           financial safeguards against North Korea's use of  
6           these transactions to promote proliferation, weapons  
7           trafficking, human rights violations, illicit activity,  
8           and the purchase of luxury goods—

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

11                  (B) violate the intent of the United Na-  
12                  tions Security Council resolutions referred to in  
13                  paragraph (6)(A).

14           (8) The Government of North Korea has both  
15           provided technical support and conducted destructive  
16           and coercive cyberattacks, including against Sony  
17           Pictures Entertainment and other United States  
18           persons.

19           (9) The conduct of the Government of North  
20           Korea poses an imminent threat to—

21                   (A) the security of the United States and  
22                  its allies;

23                   (B) the global economy;

24                   (C) the safety of members of the United  
25                  States Armed Forces;

1 (D) the integrity of the global financial  
2 system;

3 (E) the integrity of global nonproliferation  
4 programs; and

5 (F) the people of North Korea.

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

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

9 (2) to provide diplomatic leverage to negotiate  
10 necessary changes in North Korea’s conduct;

11 (3) to ease the suffering of the people of North  
12 Korea; and

13 (4) to reaffirm the purposes set forth in section  
14 4 of the North Korean Human Rights Act of 2004  
15 (22 U.S.C. 7802).

16 **SEC. 3. DEFINITIONS.**

17 In this Act:

18 (1) APPLICABLE EXECUTIVE ORDER.—The  
19 term “applicable Executive order” means—

20 (A) Executive Order 13382 (70 Fed. Reg.  
21 38567; relating to blocking property of weapons  
22 of mass destruction proliferators and their sup-  
23 ports), Executive Order 13466 (73 Fed. Reg.  
24 36787; relating to continuing certain restric-  
25 tions with respect to North Korea and North

Korean nationals), Executive Order 13551 (75 Fed. Reg. 53837; relating to blocking property of certain persons with respect to North Korea), Executive Order 13570 (76 Fed. Reg. 22291; relating to prohibiting certain transactions with respect to North Korea), or Executive Order 13687 (80 Fed Reg. 819), to the extent that such Executive order—

(i) authorizes the imposition of sanctions on persons for conduct; or

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

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

(i) authorizes the imposition of sanctions on persons for conduct; or

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

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

1 (A) United Nations Security Council Reso-  
 2 lution 1695 (adopted July 15, 2006), 1718  
 3 (adopted October 14, 2006), 1874 (adopted  
 4 June 12, 2009), 2087 (adopted January 22,  
 5 2013), or 2094 (adopted March 7, 2013); or

6 (B) any United Nations Security Council  
 7 resolution adopted on or after the date of the  
 8 enactment of this Act that—

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

11 (ii) prohibits transactions or activities  
 12 involving the Government of North Korea.

13 (3) APPROPRIATE CONGRESSIONAL COMMIT-  
 14 TEES.—The term “appropriate congressional com-  
 15 mittees” means—

16 (A) the Committee on Foreign Relations of  
 17 the Senate;

18 (B) the Committee on Banking, Housing,  
 19 and Urban Affairs of the Senate;

20 (C) the Committee on Foreign Affairs of  
 21 the House of Representatives; and

22 (D) the Committee on Financial Services  
 23 of the House of Representatives.

24 (4) DESIGNATED PERSON.—The term “des-  
 25 ignated person” means a person designated under



1 subsection (a) or (b) of section 104 for purposes of  
2 applying 1 or more of the sanctions described in title  
3 I or II with respect to the person.

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

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

9 (B) any person owned or controlled by, or  
10 acting for or on behalf of, the Government of  
11 North Korea.

12 (6) LUXURY GOODS.—The term “luxury  
13 goods”—

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

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

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

1 (8) NORTH KOREAN FINANCIAL INSTITUTION.—

2 The term “North Korean financial institution”  
3 means any financial institution that—

4 (A) is organized under the laws of North  
5 Korea or any jurisdiction within North Korea  
6 (including a foreign branch of such institution);

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

10 (C) is owned or controlled by the Govern-  
11 ment of North Korea, regardless of location;  
12 and

13 (D) is owned or controlled by a financial  
14 institution described in subparagraph (A), (B),  
15 or (C), regardless of location.

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

18 (A) prepaid access devices, tangible or in-  
19 tangible prepaid access devices, and other in-  
20 struments or devices for the storage or trans-  
21 mission of value (as such terms are defined in  
22 part 1010 of title 31, Code of Federal Regula-  
23 tions); and

24 (B) any covered goods (as defined in sec-  
25 tion 1027.100 of title 31, Code of Federal Reg-

1           ulations), and any instrument or tangible or in-  
 2           tangible access device used for the storage and  
 3           transmission of a representation of covered  
 4           goods, or other device (as defined in such sec-  
 5           tion 1027.100).

6   **TITLE I—INVESTIGATIONS, PRO-**  
 7       **HIBITED CONDUCT, AND PEN-**  
 8       **ALTIES**

9   **SEC. 101. STATEMENT OF POLICY.**

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

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

15           (2) to sanction the persons, including financial  
 16       institutions, that facilitate proliferation, illicit activi-  
 17       ties, arms trafficking, cyberterrorism, imports of lux-  
 18       ury goods, serious human rights abuses, cash smug-  
 19       gling, and censorship by the Government of North  
 20       Korea;

21           (3) to authorize the President to sanction per-  
 22       sons who fail to exercise due diligence to ensure that  
 23       such financial institutions and jurisdictions do not  
 24       facilitate proliferation, arms trafficking, kleptocracy,

1 and imports of luxury goods by the Government of  
2 North Korea;

3 (4) to deny the Government of North Korea ac-  
4 cess to the funds it uses to obtain nuclear weapons,  
5 ballistic missiles, cyberwarfare capabilities, and lux-  
6 ury goods instead of providing for the needs of its  
7 people; and

8 (5) to enforce sanctions in a manner that does  
9 not significantly hinder or delay the efforts of legiti-  
10 mate United States or foreign humanitarian organi-  
11 zations from providing assistance to meet the basic  
12 needs of civilians facing humanitarian crisis, includ-  
13 ing access to food, health care, shelter, and clean  
14 drinking water to prevent or alleviate human suf-  
15 fering.

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. REPORTING REQUIREMENTS.**

8 (a) PRESIDENTIAL BRIEFINGS TO CONGRESS.—Not  
9 later than 180 days after the date of the enactment of  
10 this Act, and periodically thereafter, the President shall  
11 provide to the appropriate congressional committees a  
12 briefing on efforts to implement this Act.

13 (b) REPORT FROM SECRETARY OF STATE.—Not  
14 later than 6 months after the date of the enactment of  
15 this Act, the Secretary of State shall conduct, coordinate,  
16 and submit to Congress a comprehensive report on United  
17 States policy towards North Korea that—

18 (1) is based on a full and complete interagency  
19 review of current policy and possible alternatives, in-  
20 cluding North Korea's weapons of mass destruction  
21 and missile programs and human rights atrocities;  
22 and

23 (2) includes recommendations for such legisla-  
24 tive or administrative action as the Secretary con-

1       siders appropriate in light of the results of the re-  
2       view.

3   **SEC. 104. DESIGNATION OF PERSONS.**

4       (a) PROHIBITED ACTIVITIES.—

5           (1) PROHIBITED CONDUCT DESCRIBED.—Ex-  
6       cept as provided in section 207, the President may  
7       designate under this subsection any person that the  
8       President determines—

9           (A) knowingly (directly or indirectly) im-  
10       ported, exported, or reexported to, into, or from  
11       North Korea any goods, services, or technology  
12       controlled for export by the United States due  
13       to their use for weapons of mass destruction  
14       and their delivery systems and materially con-  
15       tributing to the use, development, production,  
16       possession, or acquisition by any persons of a  
17       nuclear, radiological, chemical, biological, or  
18       cyber weapon, or any device or system designed  
19       in whole or in part to deliver such a weapon;

20           (B) knowingly (directly or indirectly) pro-  
21       vided training, advice, or other services or as-  
22       sistance, or engaged in significant financial  
23       transactions, relating to the manufacture, main-  
24       tenance, or use of any such weapon or system

1 to be imported, exported, or reexported to, into,  
2 or from North Korea;

3 (C) knowingly (directly or indirectly) im-  
4 ported, exported, or reexported luxury goods to  
5 or into North Korea;

6 (D) knowingly engaged in, or is responsible  
7 for, censorship by the Government of North  
8 Korea;

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

12 (F) knowingly (directly or indirectly) en-  
13 gaged in money laundering, the counterfeiting  
14 of goods or currency, bulk cash smuggling, or  
15 narcotics trafficking that supports the Govern-  
16 ment of North Korea or any senior official  
17 thereof;

18 (G) knowingly engaged in, or attempted to  
19 engage in, acts of cyberterrorism or acts of van-  
20 dalism through the use of computer networks or  
21 systems against foreign persons, governments,  
22 or other entities; or

23 (H) knowingly attempted to engage in any  
24 of the conduct described in subparagraphs (A)  
25 through (F).

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

11      (b) ADDITIONAL PROHIBITED ACTIVITIES.—

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

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

22           (B) knowingly contributed to—

23           (i) the bribery of an official of the  
24           Government of North Korea;



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

5 (iii) the use of any proceeds of any  
6 such conduct; or

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

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

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

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

20 (C) prohibit any transactions in foreign ex-  
21 change—

22 (i) that are subject to the jurisdiction  
23 of the United States; and

24 (ii) in which such person has any in-  
25 terest; and

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

5 (i) are subject to the jurisdiction of  
6 the United States; and

7 (ii) involve any interest of such per-  
8 son.

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

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

1 whose property and interests in property are blocked pur-  
 2 suant to this section.

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

8 **SEC. 105. FORFEITURE OF PROPERTY.**

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

12 “(I) Any real or personal property that is in-  
 13 volved in a violation or attempted violation, or which  
 14 constitutes or is derived from proceeds traceable to  
 15 a violation, of section 104(a) of the North Korea  
 16 Sanctions Enforcement Act of 2015.”.

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

20 “(D) the Trading with the Enemy Act (50  
 21 U.S.C. App. 1 et seq.), the International Emer-  
 22 gency Economic Powers Act (50 U.S.C. 1701 et  
 23 seq.), or the North Korea Sanctions Enforce-  
 24 ment Act of 2015; 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 2015 (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 **SEC. 106. EXCEPTION RELATING TO IMPORTATION OF**  
 5 **GOODS.**

6 The authorities under sections 104(c) and 204 shall  
 7 not include the authority to impose sanctions on the im-  
 8 portation of goods.

9 **TITLE II—SANCTIONS AGAINST**  
 10 **NORTH KOREAN PROLIFERA-**  
 11 **TION, HUMAN RIGHTS**  
 12 **ABUSES, AND ILLICIT ACTIVI-**  
 13 **TIES**

14 **SEC. 201. DETERMINATIONS WITH RESPECT TO NORTH**  
 15 **KOREA AS A JURISDICTION OF PRIMARY**  
 16 **MONEY LAUNDERING CONCERN.**

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

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

1 (A) in 2006—

2 (i) stated, “Given [North Korea’s]  
3 counterfeiting of U.S. currency, narcotics  
4 trafficking and use of accounts world-wide  
5 to conduct proliferation-related trans-  
6 actions, the line between illicit and licit  
7 North Korean money is nearly invisible.”;  
8 and

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

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

13 (i) “remains intent on engaging in  
14 proliferation, selling arms as well as bring-  
15 ing in material”; and

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

18 (C) in 2013, stated—

19 (i) in reference to North Korea’s dis-  
20 tribution of high-quality counterfeit United  
21 States currency, that “North Korea is con-  
22 tinuing to try to pass a supernote into the  
23 international financial system”; and

24 (ii) the Department of the Treasury  
25 would soon introduce new currency with

1 improved security features to protect  
2 against counterfeiting by the Government  
3 of North Korea.

4 (2) The Financial Action Task Force, an inter-  
5 governmental body whose purpose is to develop and  
6 promote national and international policies to com-  
7 bat money laundering and terrorist financing, has  
8 repeatedly—

9 (A) expressed concern at deficiencies in  
10 North Korea's regimes to combat money laun-  
11 dering and terrorist financing;

12 (B) urged North Korea to adopt a plan of  
13 action to address significant deficiencies in  
14 these regimes and the serious threat they pose  
15 to the integrity of the international financial  
16 system;

17 (C) urged all jurisdictions to apply coun-  
18 termeasures to protect the international finan-  
19 cial system from ongoing and substantial money  
20 laundering and terrorist financing risks ema-  
21 nating from North Korea;

22 (D) urged all jurisdictions to advise their  
23 financial institutions to give special attention to  
24 business relationships and transactions with



1 North Korea, including North Korean compa-  
2 nies and financial institutions; and

3 (E) called on all jurisdictions—

4 (i) to protect against correspondent  
5 relationships being used to bypass or evade  
6 countermeasures and risk mitigation prac-  
7 tices; and

8 (ii) to take into account money laun-  
9 dering and terrorist financing risks when  
10 considering requests by North Korean fi-  
11 nancial institutions to open branches and  
12 subsidiaries in their respective jurisdic-  
13 tions.

14 (3) On March 7, 2013, the United Nations Se-  
15 curity Council unanimously adopted Resolution  
16 2094, which—

17 (A) welcomed the Financial Action Task  
18 Force's—

19 (i) recommendation on financial sanc-  
20 tions related to proliferation; and

21 (ii) guidance on the implementation of  
22 such sanctions;

23 (B) decided that United Nations Member  
24 States should apply enhanced monitoring and  
25 other legal measures to prevent the provision of

1 financial services or the transfer of property  
2 that could contribute to activities prohibited by  
3 applicable United Nations Security Council res-  
4 olutions; and

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

13 (i) activities prohibited by an applica-  
14 ble United Nations Security Council reso-  
15 lution; or

16 (ii) the evasion of such prohibitions.

17 (b) SENSE OF CONGRESS REGARDING THE DESIGNA-  
18 TION OF NORTH KOREA AS A JURISDICTION OF PRIMARY  
19 MONEY LAUNDERING CONCERN.—Congress—

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

1           (2) urges the President, in the strongest  
2 terms—

3           (A) to consider immediately designating  
4 North Korea as a jurisdiction of primary money  
5 laundering concern; and

6           (B) to adopt stringent special measures to  
7 safeguard the financial system against the risks  
8 posed by North Korea's willful evasion of sanc-  
9 tions and its illicit activities; and

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

16           (A) activities sanctioned by applicable  
17 United Nations Security Council resolutions; or

18           (B) the evasion of such sanctions.

19          (c) DETERMINATIONS REGARDING NORTH KOREA.—

20           (1) IN GENERAL.—Not later than 180 days  
21 after the date of the enactment of this Act, the Sec-  
22 retary of the Treasury, in consultation with the Sec-  
23 retary of State and Attorney General, and in accord-  
24 ance with section 5318A of title 31, United States  
25 Code, shall determine whether reasonable grounds

1 exist for concluding that North Korea is a jurisdic-  
2 tion of primary money laundering concern.

3 (2) ENHANCED DUE DILIGENCE AND REPORT-  
4 ING REQUIREMENTS.—Except as provided in section  
5 207, if the Secretary of the Treasury determines  
6 under this subsection that reasonable grounds exist  
7 for concluding that North Korea is a jurisdiction of  
8 primary money laundering concern, the Secretary, in  
9 consultation with the Federal functional regulators,  
10 shall impose 1 or more of the special measures de-  
11 scribed in paragraphs (1) through (5) of section  
12 5318A(b) of title 31, United States Code, with re-  
13 spect to the jurisdiction of North Korea.

14 (3) REPORT REQUIRED.—

15 (A) IN GENERAL.—The Secretary of the  
16 Treasury shall submit a report to the appro-  
17 priate congressional committees that contains  
18 the reasons for any determination under para-  
19 graph (1).

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

1 **SEC. 202. ENSURING THE CONSISTENT ENFORCEMENT OF**  
2 **UNITED NATIONS SECURITY COUNCIL RESO-**  
3 **LUTIONS AND FINANCIAL RESTRICTIONS ON**  
4 **NORTH KOREA.**

5 (a) FINDINGS.—Congress finds that—

6 (1) all member states and jurisdictions are obli-  
7 gated to implement and enforce applicable United  
8 Nations Security Council resolutions fully and  
9 promptly, including by blocking the property of, and  
10 ensuring that any property is prevented from being  
11 made available to, persons designated by the Secu-  
12 rity Council under applicable United Nations Secu-  
13 rity Council resolutions;

14 (2) all states and jurisdictions share a common  
15 interest in protecting the international financial sys-  
16 tem from the risks of money laundering and illicit  
17 transactions emanating from North Korea;

18 (3) the United States dollar and the euro are  
19 the world's principal reserve currencies, and the  
20 United States and the European Union are pri-  
21 marily responsible for the protection of the inter-  
22 national financial system from these risks;

23 (4) the cooperation of the People's Republic of  
24 China, as North Korea's principal trading partner,  
25 is essential to—

1 (A) the enforcement of applicable United  
2 Nations Security Council resolutions; and

3 (B) the protection of the international fi-  
4 nancial system;

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

9 (A) states with less effective regulators;  
10 and

11 (B) states that are unable to afford effec-  
12 tive compliance to detect and prevent illicit  
13 transfers involving North Korea;

14 (6) North Korea has historically exploited in-  
15 consistencies between jurisdictions in the interpreta-  
16 tion and enforcement of financial regulations and  
17 applicable United Nations Security Council resolu-  
18 tions to circumvent sanctions and launder the pro-  
19 ceeds of illicit activities;

20 (7) Amrogang Development Bank, Bank of  
21 East Land, and Tanchon Commercial Bank have  
22 been designated by the Secretary of the Treasury,  
23 the United Nations Security Council, and the Euro-  
24 pean Union as having materially contributed to the  
25 proliferation of weapons of mass destruction;

1           (8) Korea Daesong Bank and Korea Kwangson  
2       Banking Corporation have been designated by the  
3       Secretary of the Treasury and the European Union  
4       as having materially contributed to the proliferation  
5       of weapons of mass destruction;

6           (9) the Foreign Trade Bank of North Korea  
7       has been designated by the Secretary of the Treas-  
8       ury for facilitating transactions on behalf of persons  
9       linked to its proliferation network, and for serving as  
10      “a key financial node”; and

11          (10) Daedong Credit Bank has been designated  
12      by the Secretary of the Treasury for activities pro-  
13      hibited by applicable United Nations Security Coun-  
14      cil resolutions, including the use of deceptive finan-  
15      cial practices to facilitate transactions on behalf of  
16      persons linked to North Korea’s proliferation net-  
17      work.

18      (b) SENSE OF CONGRESS.—It is the sense of Con-  
19      gress that the President should intensify diplomatic efforts  
20      in appropriate international fora, such as the United Na-  
21      tions, and bilaterally, to develop and implement a coordi-  
22      nated, consistent, multilateral strategy for protecting the  
23      global financial system against risks emanating from  
24      North Korea, including—

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

4           (2) the cessation of any financial services to  
5           persons, including financial institutions, that present  
6           unacceptable risks of facilitating money laundering  
7           and illicit activity by the Government of North  
8           Korea;

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

14          (4) the blocking of any property derived from il-  
15          licit activity, or from the misappropriation, theft, or  
16          embezzlement of public funds by, or for the benefit  
17          of, officials of the Government of North Korea.

18 **SEC. 203. PROLIFERATION PREVENTION SANCTIONS.**

19          (a) EXPORT OF CERTAIN GOODS OR TECHNOLOGY.—  
20          A validated license shall be required for the export of any  
21          goods or technology otherwise covered under section 6(j)  
22          of the Export Administration Act of 1979 (50 U.S.C. App.  
23          2405(j)). No defense exports may be approved for the  
24          Government of North Korea.



1 (b) TRANSACTIONS IN LETHAL MILITARY EQUIP-  
2 MENT.—

3 (1) IN GENERAL.—The President shall withhold  
4 assistance under the Foreign Assistance Act of 1961  
5 (22 U.S.C. 2151 et seq.) to the government of any  
6 country that provides lethal military equipment to  
7 the Government of North Korea.

8 (2) APPLICABILITY.—The prohibition under  
9 this subsection with respect to a foreign government  
10 shall terminate on the date that is 1 year after the  
11 date on which the restriction under paragraph (1)  
12 may have been applied.

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

17 (d) EXCEPTION.—The prohibitions under this section  
18 shall not apply to the provision of assistance for human  
19 rights, democracy, rule of law, or emergency humanitarian  
20 assistance.

21 **SEC. 204. PROCUREMENT SANCTIONS.**

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

1 (b) FEDERAL ACQUISITION REGULATION.—

2 (1) IN GENERAL.—The Federal Acquisition  
3 Regulation issued pursuant to section 1303 of title  
4 41, United States Code, shall be revised to require  
5 that each person that is a prospective contractor  
6 submit a certification that such person does not en-  
7 gage in any of the conduct described in section  
8 104(a).

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

14 (c) GENERAL SERVICES ADMINISTRATION.—

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

24 (2) CONTRACT TERMINATION; SUSPENSION.—If  
25 the head of an executive agency determines that a

1 person has submitted a false certification under sub-  
2 section (b) after the date on which the Federal Ac-  
3 quisition Regulation is revised to implement the re-  
4 quirements of this section, the head of such execu-  
5 tive agency shall—

6 (A) terminate a contract with such person;

7 or

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

11 (3) APPLICABLE PROCEDURES.—Any debar-  
12 ment or suspension under paragraph (2)(B) shall be  
13 subject to the procedures that apply to debarment  
14 and suspension under the Federal Acquisition Regu-  
15 lation under subpart 9.4 of part 9 of title 48, Code  
16 of Federal Regulations.

17 (d) CLARIFICATION REGARDING CERTAIN PROD-  
18 UCTS.—The remedies specified in subsections (a) through  
19 (c) shall not apply with respect to the procurement of any  
20 eligible product (as defined in section 308(4) of the Trade  
21 Agreements Act of 1979 (19 U.S.C. 2518(4))) of any for-  
22 eign country or instrumentality designated under section  
23 301(b) of such Act (19 U.S.C. 2511(b)).

24 (e) RULE OF CONSTRUCTION.—Nothing in this sub-  
25 section may be construed to limit the use of other remedies

1 available to the head of an executive agency or any other  
2 official of the Federal Government on the basis of a deter-  
3 mination of a false certification under subsection (b).

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

7 **SEC. 205. ENHANCED INSPECTION AUTHORITIES.**

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

17 (b) ENHANCED CUSTOMS INSPECTION REQUIRE-  
18 MENTS.—The Secretary of Homeland Security may re-  
19 quire enhanced inspections of any cargo landed in the  
20 United States or entering the stream of interstate com-  
21 merce that has been transported through a port or airport  
22 identified by the President under subsection (a).

23 (c) SEIZURE AND FORFEITURE.—A vessel, aircraft,  
24 or conveyance used to facilitate any of the activities de-

1 scribed in section 104(a) under the jurisdiction of the  
 2 United States may be seized and forfeited under—

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

4 or

5 (2) under the Tariff Act of 1930 (19 U.S.C.  
 6 1202 et seq.).

7 **SEC. 206. TRAVEL SANCTIONS.**

8 The Secretary of State may deny a visa to, and the  
 9 Secretary of Homeland Security, pursuant to section 104,  
 10 may deny entry into the United States of, any alien who  
 11 is—

12 (1) a designated person;

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

14 or

15 (3) a principal shareholder with a controlling  
 16 interest in a designated person.

17 **SEC. 207. EXEMPTIONS, WAIVERS, AND REMOVALS OF DES-**  
 18 **IGNATION.**

19 (a) EXEMPTIONS.—

20 (1) IN GENERAL.—The following activities shall  
 21 be exempt from sanctions under sections 104 and  
 22 206:

23 (A) Activities subject to the reporting re-  
 24 quirements under title V of the National Secu-  
 25 rity Act of 1947 (50 U.S.C. 413 et seq.), or to

1 any authorized intelligence activities of the  
2 United States.

3 (B) Any transaction necessary to comply  
4 with United States obligations under the Agree-  
5 ment between the United Nations and the  
6 United States of America regarding the Head-  
7 quarters of the United Nations, signed June  
8 26, 1947, and entered into force on November  
9 21, 1947, or under the Vienna Convention on  
10 Consular Relations, signed April 24, 1963, and  
11 entered into force on March 19, 1967, or under  
12 other international agreements.

13 (C) Any financial transaction for which the  
14 exclusive purpose is to import agricultural prod-  
15 ucts, medicine, or medical devices into North  
16 Korea if such supplies or equipment—

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

20 (ii) are not controlled under—

21 (I) the Export Administration  
22 Act of 1979 (50 U.S.C. App. 2401 et  
23 seq.), as continued in effect under the  
24 International Emergency Economic  
25 Powers Act (50 U.S.C. 1701 et seq.);

1 (II) the Arms Export Control Act  
2 (22 U.S.C. 2751 et seq.);  
3 (III) part B of title VIII of the  
4 Nuclear Proliferation Prevention Act  
5 of 1994 (22 U.S.C. 6301 et seq.); or  
6 (IV) the Chemical and Biological  
7 Weapons Control and Warfare Elimini-  
8 nation Act of 1991 (22 U.S.C. 5601  
9 et seq.).

10 (2) HUMANITARIAN ACTIONS.—

11 (A) IN GENERAL.—The President may not  
12 impose any sanctions, including through related  
13 Executive orders, that would prevent United  
14 States or foreign humanitarian organizations,  
15 acting in good faith and with the appropriate  
16 notifications and controls in place, from access-  
17 ing and providing humanitarian aid to civilian  
18 populations facing humanitarian crises in order  
19 to prevent or alleviate human suffering, includ-  
20 ing individuals who are under the control of a  
21 foreign person subject to sanctions under this  
22 Act.

23 (B) EXAMPLES OF PROHIBITED SANC-  
24 TIONS.—The sanctions exempted under sub-  
25 paragraph (A) shall include—

1 (i) prohibiting United States or for-  
 2 eign financial institutions from engaging in  
 3 financial transactions with legitimate hu-  
 4 manitarian organizations for these pur-  
 5 poses;

6 (ii) prohibiting the export of standard,  
 7 commercially available goods, including  
 8 communications equipment, software and  
 9 computers, that are necessary to carry out  
 10 operations related to the provision of hu-  
 11 manitarian goods or services to prevent or  
 12 alleviate the suffering of civilian popu-  
 13 lations; and

14 (iii) prohibiting incidental contact  
 15 with individuals who are under the control  
 16 of a foreign person subject to sanctions  
 17 under this Act in the conduct of providing  
 18 humanitarian aid.

19 (3) EXPORT ADMINISTRATION REGULATIONS  
 20 DEFINED.—In this subsection, the term “Export Ad-  
 21 ministration Regulations” means the regulations set  
 22 forth in subchapter C of chapter VII of title 15,  
 23 Code of Federal Regulations (15 C.F.R. 730 et seq.)  
 24 and maintained and amended under the authority of



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

3 (b) WAIVER.—The President may waive, for 1-year  
4 renewable periods, the application of the sanctions author-  
5 ized under section 104, 204, 205, or 206 if the President  
6 submits to the appropriate congressional committees a  
7 written determination that the waiver meets 1 or more of  
8 the following requirements:

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

11 (2) The waiver will further the enforcement of  
12 this Act or is for an important law enforcement pur-  
13 pose.

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

18 (c) FINANCIAL SERVICES FOR HUMANITARIAN AND  
19 CONSULAR ACTIVITIES.—The President may promulgate  
20 such regulations, rules, and policies as may be necessary  
21 to facilitate the provision of financial services by a foreign  
22 financial institution that is not controlled by the Govern-  
23 ment of North Korea in support of the activities subject  
24 to exemption under this Act.

# **TITLE III—PROMOTION OF HUMAN RIGHTS**

## **3 SEC. 301. INFORMATION TECHNOLOGY.**

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

7       “(d) INFORMATION TECHNOLOGY STUDY.—Not later  
8 than 180 days after the date of the enactment of the  
9 North Korea Sanctions Enforcement Act of 2015, the  
10 President shall submit a classified report to the appro-  
11 priate congressional committees that sets forth a detailed  
12 plan for making unrestricted, unmonitored, and inexpen-  
13 sive electronic mass communications available to the peo-  
14 ple of North Korea.”.

## **15 SEC. 302. REPORT ON NORTH KOREAN PRISON CAMPS.**

16       (a) IN GENERAL.—The Secretary of State shall sub-  
17 mit a report to the appropriate congressional committees  
18 that describes, with respect to each political prison camp  
19 in North Korea, to the extent information is available—

- 20               (1) the camp’s estimated prisoner population;
- 21               (2) the camp’s geographical coordinates;
- 22               (3) the reasons for the confinement of the pris-  
23       oners;

1           (4) the camp’s primary industries and products,  
2           and the end users of any goods produced in such  
3           camp;

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

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

10          (7) imagery, to include satellite imagery of each  
11          such camp, in a format that, if published, would not  
12          compromise the sources and methods used by the in-  
13          telligence agencies of the United States to capture  
14          geospatial imagery.

15          (b) FORM.—The report required under subsection (a)  
16          may be included in the first report required to be sub-  
17          mitted to Congress after the date of the enactment of this  
18          Act under sections 116(d) and 502B(b) of the Foreign As-  
19          sistance Act of 1961 (22 U.S.C. 2151n(d) and 2304(b))  
20          (relating to the annual human rights report).

21      **SEC. 303. BRIEFING ON SERIOUS HUMAN RIGHTS ABUSES**  
22                              **OR CENSORSHIP IN NORTH KOREA.**

23          (a) IN GENERAL.—Not later than 180 days after the  
24          date of the enactment of this Act, the Secretary of State  
25          shall providing a briefing, which may be classified, to the

1 appropriate congressional committees that describes seri-  
2 ous human rights abuses or serious censorship undertaken  
3 by the North Korean government in the most recent year.

4 (b) DESIGNATION OF RESPONSIBLE PERSONS.—The  
5 President may designate under section 104(a) any person  
6 described in the briefing required under subsection (a) as  
7 responsible for serious human rights abuses or censorship  
8 in North Korea.

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

11 (1) seek the prompt adoption by the United Na-  
12 tions Security Council of a resolution calling for the  
13 blocking of the assets of all persons responsible for  
14 severe human rights abuses or censorship in North  
15 Korea; and

16 (2) fully cooperate with the prosecution of any  
17 natural person listed in the report required under  
18 subsection (a) before any international tribunal that  
19 may be established to prosecute persons responsible  
20 for severe human rights abuses or censorship in  
21 North Korea.

1 **TITLE IV—GENERAL AUTHORI-**  
2 **TIES AND STRATEGY TO**  
3 **COUNTER CYBERTERRORISM**

4 **SEC. 401. SUSPENSION OF SANCTIONS AND OTHER MEAS-**  
5 **URES.**

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

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

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

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

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

24 (A) abducted or unlawfully held captive by  
25 the Government of North Korea; or

1 (B) detained in violation of the 1953 Armi-  
2 stice Agreement;

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

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

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

15 **SEC. 402. TERMINATION OF SANCTIONS AND OTHER MEAS-**  
16 **URES.**

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

22 (1) met the requirements set forth in section  
23 401; and

24 (2) has made significant progress toward—

1 (A) completely, verifiably, and irreversibly  
 2 dismantling all of its nuclear, chemical, biologi-  
 3 cal, and radiological weapons programs, includ-  
 4 ing all programs for the development of systems  
 5 designed in whole or in part for the delivery of  
 6 such weapons;

7 (B) releasing all political prisoners, includ-  
 8 ing the citizens of North Korea detained in  
 9 North Korea's political prison camps; and

10 (C)(i) ceasing its censorship of peaceful po-  
 11 litical activity;

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

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

16 (I) abducted or unlawfully held cap-  
 17 tive by the Government of North Korea; or

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

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

22 (a) **ESTABLISHMENT.**—There is established in the  
 23 Treasury of the United States a fund to be known as the  
 24 North Korea Enforcement and Humanitarian Fund (re-  
 25 ferred to in this section as the “Fund”).

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

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

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

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

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

20           (2) without regard to fiscal year limitation,  
 21 amounts not exceeding—

22                   (A) to carry out section 103 of the North  
 23 Korea Human Rights Act of 2004 (22 U.S.C.  
 24 7813), \$3,000,000;



1 (B) to carry out section 104 of the North  
2 Korea Human Rights Act of 2004 (22 U.S.C.  
3 7814), \$5,000,000;

4 (C) to carry out section 203 of the North  
5 Korea Human Rights Act of 2004 (22 U.S.C.  
6 7833), \$5,000,000; and

7 (D) to carry out subsection (d) of section  
8 104 of the North Korean Human Rights Act of  
9 2004 (22 U.S.C. 7814) (as added by section  
10 301 of this Act), \$2,000,000.

11 (d) SATISFACTION OF JUDGMENTS.—

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

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

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

15      (f) TRANSFER.—To prevent the accumulation of ex-  
16      cessive surpluses in the Fund, in any fiscal year an  
17      amount specified in an annual appropriation law that is  
18      available after the obligation of amounts authorized to be  
19      appropriated in subsection (c) and authorized to be trans-  
20      ferred in subsection (d), may be transferred out of the  
21      Fund and deposited, in equal proportions, into the funds  
22      established under section 524(c) of title 28, United States  
23      Code, and section 9703 of title 31, United States Code.

24      (g) SUNSET.—The Fund established under this sec-  
25      tion shall cease to exist on September 30, 2023, and any

1 unexpended funds remaining in the Fund after such date  
2 shall be transferred in accordance with subsection (f).

3 **SEC. 404. STRATEGY TO COUNTER NORTH KOREAN**  
4 **CYBERTERRORISM.**

5 (a) REPORT.—Not later than 180 days after the date  
6 of the enactment of this Act, the President shall submit  
7 a report to the Committee on Foreign Relations of the  
8 Senate and the Committee on Foreign Affairs of the  
9 House of Representatives on the President’s strategy to  
10 counter North Korea’s efforts to conduct cyberterrorism  
11 and acts of vandalism using computer networks and sys-  
12 tems against the United States.

13 (b) DESIGNATION OF REVIEW.—The President  
14 shall—

15 (1) review North Korean activities to attack the  
16 computer networks, servers, and data files of United  
17 States persons, organization, corporations, or gov-  
18 ernmental agencies since January 1, 2014; and

19 (2) direct the Secretary of the Treasury to des-  
20 ignate any North Korean persons who are respon-  
21 sible for or complicit in, or who have engaged, di-  
22 rectly or indirectly, in the attacks described in para-  
23 graph (1) in accordance with the Executive Order  
24 Blocking the Property of Certain Persons Engaging

1 in Significant Malicious Cyber-Enabled Activities of  
2 April 1, 2015.

3 **SEC. 405. RULEMAKING.**

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

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

16 **SEC. 406. EFFECTIVE DATE.**

17 Except as otherwise provided in this Act, this Act,  
18 and the amendments made by this Act, shall be in effect  
19 during the 3-year period beginning on the date of the en-  
20 actment of this Act.

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