

114TH CONGRESS
1ST SESSION

S. 2144

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

IN THE SENATE OF THE UNITED STATES

OCTOBER 6, 2015

Mr. GARDNER (for himself, Mr. RUBIO, and Mr. RISCH) 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 and Policy Enhancement Act of
6 2015”.

7 (b) **TABLE OF CONTENTS.**—The table of contents for
8 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. Travel recommendations for United States citizens to North Korea.
- Sec. 208. Exemptions, waivers, and removals of designation.

TITLE III—PROMOTION OF HUMAN RIGHTS

- Sec. 301. Amendments to North Korean Human Rights Act of 2004.
- Sec. 302. Strategy to promote North Korean human rights.
- Sec. 303. Report on North Korean prison camps.
- Sec. 304. Report on serious human rights abuses or censorship in North Korea.
- Sec. 305. Report on and diplomatic strategy to end repatriation of North Korean refugees and forced labor and slavery overseas of North Koreans.
- Sec. 306. North Korea Enforcement and Humanitarian Fund.

TITLE IV—GENERAL AUTHORITIES AND CYBERSECURITY
STRATEGY

- Sec. 401. Suspension of sanctions and other measures.
- Sec. 402. Termination of sanctions and other measures.
- Sec. 403. Report on those responsible for significant activities undermining cybersecurity .
- Sec. 404. Codification of sanctions with respect to North Korea and cybersecurity.
- Sec. 405. Strategy to counter North Korean cyberterrorism.
- Sec. 406. Sense of Congress on trilateral cooperation between the United States, Republic of Korea, and Japan.
- Sec. 407. Rulemaking.

1 SEC. 2. FINDINGS; PURPOSES.

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

3 (1) The Government of North Korea—

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

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

9 (2) Based on its past actions, including the
10 transfer of sensitive nuclear and missile technology
11 to state sponsors of terrorism, North Korea poses a
12 grave risk for the proliferation of nuclear weapons
13 and other weapons of mass destruction.

14 (3) The Government of North Korea has been
15 implicated repeatedly in money laundering and illicit
16 activities, including—

17 (A) prohibited arms sales;

18 (B) narcotics trafficking;

19 (C) the counterfeiting of United States
20 currency;

21 (D) significant activities undermining cy-
22 bersecurity; and

23 (E) the counterfeiting of intellectual prop-
24 erty of United States persons.

25 (4) North Korea has—

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

4 (B) committed provocations against South
5 Korea—

6 (i) by sinking the warship Cheonan
7 and killing 46 of her crew on March 26,
8 2010;

9 (ii) by shelling Yeonpyeong Island and
10 killing 4 South Korean civilians on Novem-
11 ber 23, 2010; and

12 (iii) by its involvement in the
13 “DarkSeoul” cyberattacks against the fi-
14 nancial and communications interests of
15 the Republic of Korea on March 20, 2013.

16 (5) North Korea maintains a system of brutal
17 political prison camps that contain as many as
18 200,000 men, women, and children, who are—

19 (A) kept in atrocious living conditions with
20 insufficient food, clothing, and medical care;
21 and

22 (B) under constant fear of torture or arbi-
23 trary execution.

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

1 (A) in defiance of United Nations Security
2 Council Resolutions 1695 (adopted July 15,
3 2006), 1718 (adopted October 14, 2006), 1874
4 (adopted June 12, 2009), 2087 (adopted Janu-
5 ary 22, 2013), and 2094 (adopted March 7,
6 2013); and

7 (B) in gross disregard of the needs of its
8 people.

9 (7) Persons, including financial institutions,
10 who engage in transactions with, or provide financial
11 services to, the Government of North Korea and its
12 financial institutions without establishing sufficient
13 financial safeguards against North Korea's use of
14 these transactions to promote proliferation, weapons
15 trafficking, human rights violations, illicit activity,
16 and the purchase of luxury goods—

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

19 (B) violate the intent of the United Na-
20 tions Security Council resolutions referred to in
21 paragraph (6)(A).

22 (8) The Government of North Korea has pro-
23 vided technical support and conducted destructive
24 and coercive cyberattacks against Sony Pictures En-
25 tertainment and other United States persons.

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

3 (A) the security of the United States and
4 its allies;

5 (B) the global economy;

6 (C) the safety of members of the United
7 States Armed Forces;

8 (D) the integrity of the global financial
9 system;

10 (E) the integrity of global nonproliferation
11 programs; and

12 (F) the people of North Korea.

13 (10) The Government of North Korea has re-
14 cently and repeatedly sponsored acts of international
15 terrorism, including—

16 (A) attempts to assassinate defectors and
17 human rights activists;

18 (B) repeated threats of violence against
19 foreign persons, leaders, newspapers, and cities;
20 and

21 (C) the shipment of weapons to terrorists
22 and state sponsors of terrorism.

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

1 (b) PURPOSES.—The purposes of this Act are—

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

4 (2) to provide diplomatic leverage to negotiate
5 necessary changes in the Government of North Ko-
6 rea’s conduct;

7 (3) to ease the suffering of the people of North
8 Korea; and

9 (4) to reaffirm the purposes set forth in section
10 4 of the North Korean Human Rights Act of 2004
11 (22 U.S.C. 7802).

12 **SEC. 3. DEFINITIONS.**

13 In this Act:

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

16 (A) Executive Order 13382 (70 Fed. Reg.
17 38567; relating to blocking property of weapons
18 of mass destruction proliferators and their sup-
19 ports), Executive Order 13466 (73 Fed. Reg.
20 36787; relating to continuing certain restric-
21 tions with respect to North Korea and North
22 Korean nationals), Executive Order 13551 (75
23 Fed. Reg. 53837; relating to blocking property
24 of certain persons with respect to North
25 Korea), Executive Order 13570 (76 Fed. Reg.

1 22291; relating to prohibiting certain trans-
2 actions with respect to North Korea), or Execu-
3 tive Order 13687 (80 Fed Reg. 819), to the ex-
4 tent that such Executive order—

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

7 (ii) prohibits transactions or activities
8 involving the Government of North Korea;
9 and

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

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

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

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

21 (A) United Nations Security Council Reso-
22 lution 1695 (adopted July 15, 2006), 1718
23 (adopted October 14, 2006), 1874 (adopted
24 June 12, 2009), 2087 (adopted January 22,
25 2013), or 2094 (adopted March 7, 2013); and

1 (B) any United Nations Security Council
2 resolution adopted on or after the date of the
3 enactment of this Act that—

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

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

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

11 (A) the Committee on Foreign Relations of
12 the Senate;

13 (B) the Committee on Banking, Housing,
14 and Urban Affairs of the Senate;

15 (C) the Committee on Foreign Affairs of
16 the House of Representatives; and

17 (D) the Committee on Financial Services
18 of the House of Representatives.

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

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

1 (A) the Government of the Democratic
2 People’s Republic of Korea or any political sub-
3 division, agency, or instrumentality of such gov-
4 ernment; and

5 (B) any person owned or controlled by, or
6 acting for or on behalf of, the Government of
7 North Korea.

8 (6) LUXURY GOODS.—The term “luxury
9 goods”—

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

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

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

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

23 (A) is organized under the laws of North
24 Korea or any jurisdiction within North Korea
25 (including a foreign branch of such institution);

1 (B) is located in North Korea, except for
2 a financial institution that is excluded by the
3 President in accordance with section 208(c);

4 (C) is owned or controlled by the Govern-
5 ment of North Korea, regardless of location;
6 and

7 (D) is owned or controlled by a financial
8 institution described in subparagraph (A), (B),
9 or (C), regardless of location.

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

12 (A) prepaid access devices, tangible or in-
13 tangible prepaid access devices, and other in-
14 struments or devices for the storage or trans-
15 mission of value (as such terms are defined in
16 part 1010 of title 31, Code of Federal Regula-
17 tions); and

18 (B) any covered goods (as defined in sec-
19 tion 1027.100 of title 31, Code of Federal Reg-
20 ulations), and any instrument or tangible or in-
21 tangible access device used for the storage and
22 transmission of a representation of covered
23 goods, or other device (as defined in such sec-
24 tion 1027.100).

1 (10) SIGNIFICANT ACTIVITIES UNDERMINING
2 CYBERSECURITY.—The term “significant activities
3 undermining cybersecurity” means—

4 (A) significant efforts to—

5 (i) deny access to or degrade, disrupt,
6 or destroy an information and communica-
7 tions technology system or network; or

8 (ii) exfiltrate information from such a
9 system or network without authorization;

10 (B) significant destructive malware at-
11 tacks;

12 (C) significant denial of service activities;
13 and

14 (D) such other significant activities de-
15 scribed in regulations promulgated to imple-
16 ment section 104.

17 **TITLE I—INVESTIGATIONS, PRO-**
18 **HIBITED CONDUCT, AND PEN-**
19 **ALTIES**

20 **SEC. 101. STATEMENT OF POLICY.**

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

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

1 (2) to sanction the persons, including financial
2 institutions, that facilitate proliferation, illicit activi-
3 ties, arms trafficking, cyberterrorism, imports of lux-
4 ury goods, serious human rights abuses, cash smug-
5 gling, and censorship by the Government of North
6 Korea;

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

13 (4) to deny the Government of North Korea ac-
14 cess to the funds it uses to obtain nuclear weapons,
15 ballistic missiles, cyberwarfare capabilities, and lux-
16 ury goods instead of providing for the needs of its
17 people; and

18 (5) to enforce sanctions in a manner that to the
19 extent possible avoids any adverse humanitarian im-
20 pact on the people of North Korea.

21 **SEC. 102. INVESTIGATIONS.**

22 (a) INITIATION.—The President shall initiate an in-
23 vestigation into the possible designation of a person under
24 section 104(a) upon receipt by the President of credible

1 information indicating that such person has engaged in
2 conduct described in section 104(a).

3 (b) PERSONNEL.—The President may direct the Sec-
4 retary of State, the Secretary of the Treasury, and the
5 heads of other Federal departments and agencies to assign
6 sufficient experienced and qualified investigators, attor-
7 neys, and technical personnel—

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

10 (2) to coordinate and ensure the effective en-
11 forcement of this Act.

12 **SEC. 103. REPORTING REQUIREMENTS.**

13 (a) PRESIDENTIAL BRIEFINGS TO CONGRESS.—Not
14 later than 180 days after the date of the enactment of
15 this Act, and periodically thereafter, the President shall
16 provide a briefing to the appropriate congressional com-
17 mittees on efforts to implement this Act.

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

23 (1) is based on a full and complete interagency
24 review of current policy and possible alternatives, in-
25 cluding North Korea's weapons of mass destruction

1 and missile programs, human rights atrocities, and
2 significant activities undermining cybersecurity; and

3 (2) includes recommendations for such legisla-
4 tive or administrative action as the Secretary con-
5 siders appropriate based on the results of the review.

6 **SEC. 104. DESIGNATION OF PERSONS.**

7 (a) PROHIBITED ACTIVITIES.—

8 (1) PROHIBITED CONDUCT DESCRIBED.—Ex-
9 cept as provided in section 208, the President shall
10 designate under this subsection any person that the
11 President determines—

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

23 (B) knowingly (directly or indirectly) pro-
24 vided training, advice, or other services or as-
25 sistance, or engaged in significant financial

1 transactions, relating to the manufacture, main-
2 tenance, or use of any such weapon or system
3 to be imported, exported, or reexported to, into,
4 or from North Korea;

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

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

11 (E) knowingly engaged in, or is responsible
12 for, serious human rights abuses by the Govern-
13 ment of North Korea, including torture or
14 cruel, inhuman, or degrading treatment or pun-
15 ishment, prolonged detention without charges
16 and trial, forced labor or trafficking in persons,
17 causing the disappearance of persons by the ab-
18 duction and clandestine detention of those per-
19 sons, and other denial of the right to life, lib-
20 erty, or the security of a person;

21 (F) knowingly (directly or indirectly) en-
22 gaged in money laundering, the counterfeiting
23 of goods or currency, bulk cash smuggling, or
24 narcotics trafficking that supports the Govern-

1 ment of North Korea or any senior official of
2 such government;

3 (G) knowingly engaged in acts of signifi-
4 cant activities undermining cybersecurity
5 through the use of computer networks or sys-
6 tems against foreign persons, governments, or
7 other entities; or

8 (H) knowingly sold, supplied, or trans-
9 ferred directly to or from North Korea a pre-
10 cious metal, graphite, or raw or semi-finished
11 metals, including aluminum, steel, coal, and
12 software, for integrating industrial processes.

13 (2) PENALTIES.—The penalties provided for in
14 subsections (b) and (c) of section 206 of the Inter-
15 national Emergency Economic Powers Act (50
16 U.S.C. 1705) shall apply to any person who violates,
17 attempts to violate, conspires to violate, or causes a
18 violation of any prohibition under this subsection, or
19 an order or regulation prescribed under this Act, to
20 the same extent that such penalties apply to a per-
21 son that commits an unlawful act described in sec-
22 tion 206(a) of such Act (50 U.S.C. 1705(a)).

23 (b) ADDITIONAL PROHIBITED ACTIVITIES.—

24 (1) PROHIBITED CONDUCT DESCRIBED.—Ex-
25 cept as provided in section 208, the President may

1 designate under this subsection any person that the
2 President determines—

3 (A) knowingly engaged in, contributed to,
4 assisted, sponsored, or provided financial, mate-
5 rial or technological support for, or goods and
6 services in support of, any person designated
7 pursuant to an applicable United Nations Secu-
8 rity Council resolution;

9 (B) knowingly contributed to—

10 (i) the bribery of an official of the
11 Government of North Korea;

12 (ii) the misappropriation, theft, or em-
13 bezzlement of public funds by, or for the
14 benefit of, an official of the Government of
15 North Korea; or

16 (iii) the use of any proceeds of any
17 such conduct; or

18 (C) knowingly and materially assisted,
19 sponsored, or provided significant financial, ma-
20 terial, or technological support for, or goods or
21 services to or in support of, the activities de-
22 scribed in subparagraph (A) or (B).

23 (2) EFFECT OF DESIGNATION.—With respect to
24 any person designated under this subsection, the
25 President may—

1 (A) apply the sanctions described in sec-
2 tion 203, 204, or 206;

3 (B) apply any of the special measures de-
4 scribed in section 5318A of title 31, United
5 States Code;

6 (C) prohibit any transactions in foreign ex-
7 change—

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

10 (ii) in which such person has any in-
11 terest; and

12 (D) prohibit any transfers of credit or pay-
13 ments between financial institutions or by,
14 through, or to any financial institution, to the
15 extent that such transfers or payments—

16 (i) are subject to the jurisdiction of
17 the United States; and

18 (ii) involve any interest of such per-
19 son.

20 (c) ASSET BLOCKING.—The President shall exercise
21 all of the powers granted to the President under the Inter-
22 national Emergency Economic Powers Act (50 U.S.C.
23 1701 et seq.) to the extent necessary to block and prohibit
24 all transactions in property and interests in property of
25 a person determined by the President to be subject to this

1 section if such property and interests in property are in
2 the United States, come within the United States, or are
3 or come within the possession or control of a United
4 States person.

5 (d) APPLICATION.—The designation of a person
6 under subsection (a) or (b) and the blocking of property
7 and interests in property under subsection (c) shall apply
8 with respect to a person who is determined to be owned
9 or controlled by, or to have acted or purported to have
10 acted for or on behalf of (directly or indirectly) any person
11 whose property and interests in property are blocked pur-
12 suant to this section.

13 (e) TRANSACTION LICENSING.—The President shall
14 deny or revoke any license for any transaction that the
15 President determines to lack sufficient financial controls
16 to ensure that such transaction will not facilitate any of
17 the conduct described in subsection (a) or (b).

18 **SEC. 105. FORFEITURE OF PROPERTY.**

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

22 “(I) Any real or personal property that is in-
23 volved in a violation or attempted violation, or which
24 constitutes or is derived from proceeds traceable to

1 a violation, of section 104(a) of the North Korea
2 Sanctions and Policy Enhancement Act of 2015.”.

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

6 “(D) the Trading with the Enemy Act (50
7 U.S.C. App. 1 et seq.), the International Emer-
8 gency Economic Powers Act (50 U.S.C. 1701 et
9 seq.), or the North Korea Sanctions Enforce-
10 ment Act of 2015; or”.

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

14 (1) by striking “or section 92 of” and inserting
15 “section 92 of”; and

16 (2) by adding at the end the following: “, or
17 section 104(a) of the North Korea Sanctions En-
18 forcement Act of 2015 (relating to prohibited trade
19 with North Korea);”.

20 (d) PAYMENT IN LIEU OF FORFEITURE.—Any money
21 paid to the United States by a financial institution or
22 other person in lieu of the commencement of criminal,
23 civil, or administrative forfeiture proceedings to forfeit
24 property involving any activity described in section 104(a)
25 or in settlement of such forfeiture proceedings—

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

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

4 (A) the Assets Forfeiture Fund established
5 under section 524(c) of title 28, United States
6 Code; or

7 (B) the Department of the Treasury For-
8 feiture Fund established under section 9705 of
9 title 31, United States Code.

10 (e) **RULE OF CONSTRUCTION.**—Nothing in this title
11 or any amendment made by this title may be construed
12 to restrict or limit the authority of the President under—

13 (1) section 524(c) of title 28, United States
14 Code; or

15 (2) section 9705 of title 31, United States
16 Code.

17 **SEC. 106. EXCEPTION RELATING TO IMPORTATION OF**
18 **GOODS.**

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

1 **TITLE II—SANCTIONS AGAINST**
2 **NORTH KOREAN PROLIFERA-**
3 **TION, HUMAN RIGHTS**
4 **ABUSES, AND ILLICIT ACTIVI-**
5 **TIES**

6 **SEC. 201. DETERMINATIONS WITH RESPECT TO NORTH**
7 **KOREA AS A JURISDICTION OF PRIMARY**
8 **MONEY LAUNDERING CONCERN.**

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

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

18 (A) in 2006—

19 (i) stated, “Given [North Korea’s]
20 counterfeiting of U.S. currency, narcotics
21 trafficking and use of accounts world-wide
22 to conduct proliferation-related trans-
23 actions, the line between illicit and licit
24 North Korean money is nearly invisible.”;
25 and

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

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

5 (i) “remains intent on engaging in
6 proliferation, selling arms as well as bring-
7 ing in material”; and

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

10 (C) in 2013, stated—

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

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

21 (2) The Financial Action Task Force, an inter-
22 governmental body whose purpose is to develop and
23 promote national and international policies to com-
24 bat money laundering and terrorist financing, has
25 repeatedly—

1 (A) expressed concern at deficiencies in
2 North Korea's regimes to combat money laun-
3 dering and terrorist financing;

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

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

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

19 (E) called on all jurisdictions—

20 (i) to protect against correspondent
21 relationships being used to bypass or evade
22 countermeasures and risk mitigation prac-
23 tices; and

24 (ii) to take into account money laun-
25 dering and terrorist financing risks when

1 considering requests by North Korean fi-
2 nancial institutions to open branches and
3 subsidiaries in their respective jurisdic-
4 tions.

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

8 (A) welcomed the Financial Action Task
9 Force’s—

10 (i) recommendation on financial sanc-
11 tions related to proliferation; and

12 (ii) guidance on the implementation of
13 such sanctions;

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

21 (C) called upon United Nations Member
22 States to prohibit North Korean banks from es-
23 tablishing or maintaining correspondent rela-
24 tionships with banks in their respective jurisdic-
25 tions to prevent the provision of financial serv-

1 ices if such states have information that pro-
2 vides reasonable grounds to believe that such
3 activities could contribute to—

4 (i) activities prohibited by an applica-
5 ble United Nations Security Council reso-
6 lution; or

7 (ii) the evasion of such prohibitions.

8 (b) SENSE OF CONGRESS REGARDING THE DESIGNA-
9 TION OF NORTH KOREA AS A JURISDICTION OF PRIMARY
10 MONEY LAUNDERING CONCERN.—Congress—

11 (1) acknowledges the efforts of the United Na-
12 tions Security Council to impose limitations on, and
13 to require the enhanced monitoring of, transactions
14 involving North Korean financial institutions that
15 could contribute to sanctioned activities;

16 (2) urges the President, in the strongest
17 terms—

18 (A) to immediately designate North Korea
19 as a jurisdiction of primary money laundering
20 concern; and

21 (B) to adopt stringent special measures to
22 safeguard the financial system against the risks
23 posed by North Korea's willful evasion of sanc-
24 tions and its illicit activities; and

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

7 (A) activities sanctioned by applicable

8 United Nations Security Council resolutions; or

9 (B) the evasion of such sanctions.

10 (c) DETERMINATIONS REGARDING NORTH KOREA.—

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

19 (2) ENHANCED DUE DILIGENCE AND REPORT-
20 ING REQUIREMENTS.—Except as provided in section
21 208, if the Secretary of the Treasury determines
22 under paragraph (1) that reasonable grounds exist
23 for concluding that North Korea is a jurisdiction of
24 primary money laundering concern, the Secretary, in
25 consultation with the Federal functional regulators,

1 shall impose 1 or more of the special measures de-
2 scribed in section 5318A(b) of title 31, United
3 States Code, with respect to the jurisdiction of
4 North Korea.

5 (3) REPORT REQUIRED.—

6 (A) IN GENERAL.—Not later than 90 days
7 after the date on which the Secretary of the
8 Treasury makes a determination under para-
9 graph (1), the Secretary shall submit a report
10 to the appropriate congressional committees
11 that contains the reasons for such determina-
12 tion.

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

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

20 (a) FINDINGS.—Congress makes the following find-
21 ings:

22 (1) All member states and jurisdictions are obli-
23 gated to implement and enforce applicable United
24 Nations Security Council resolutions fully and
25 promptly, including by blocking the property of, and

1 ensuring that any property is prevented from being
2 made available to, persons designated by the Secu-
3 rity Council under applicable United Nations Secu-
4 rity Council resolutions.

5 (2) As of May 2015, 158 of the United Na-
6 tions' 193 member states have not submitted reports
7 on measures taken to implement North Korea-spe-
8 cific United Nations Security Council resolutions
9 (1718, 1874, and 2094).

10 (3) A recent report by the Government Ac-
11 countability Office (GAO-15-485)—

12 (A) finds that officials of the United States
13 and representatives of the United Nations
14 Panel of Experts which monitors and facilitates
15 implementation of United Nations sanctions on
16 North Korea “agree that the lack of detailed re-
17 ports from all member states is an impediment
18 to the UN’s effective implementation of its
19 sanctions”; and

20 (B) notes that “many member states lack
21 the technical capacity to enforce sanctions and
22 prepare reports” on the implementation of
23 United Nations sanctions on North Korea.

24 (4) All states and jurisdictions share a common
25 interest in protecting the international financial sys-

1 tem from the risks of money laundering and illicit
2 transactions emanating from North Korea.

3 (5) The United States dollar and the euro are
4 the world's principal reserve currencies, and the
5 United States and the European Union are pri-
6 marily responsible for the protection of the inter-
7 national financial system from these risks.

8 (6) The cooperation of the People's Republic of
9 China, as North Korea's principal trading partner,
10 is essential to—

11 (A) the enforcement of applicable United
12 Nations Security Council resolutions; and

13 (B) the protection of the international fi-
14 nancial system.

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

19 (A) states with less effective regulators;
20 and

21 (B) states that are unable to afford effec-
22 tive compliance to detect and prevent illicit
23 transfers involving North Korea.

24 (8) North Korea has historically exploited in-
25 consistencies between jurisdictions in the interpreta-

1 tion and enforcement of financial regulations and
2 applicable United Nations Security Council resolu-
3 tions to circumvent sanctions and launder the pro-
4 ceeds of illicit activities.

5 (9) Amroggang Development Bank, Bank of
6 East Land, and Tanchon Commercial Bank have
7 been designated by the Secretary of the Treasury,
8 the United Nations Security Council, and the Euro-
9 pean Union as having materially contributed to the
10 proliferation of weapons of mass destruction.

11 (10) Korea Daesong Bank and Korea
12 Kwangson Banking Corporation have been des-
13 ignated by the Secretary of the Treasury and the
14 European Union as having materially contributed to
15 the proliferation of weapons of mass destruction.

16 (11) The Foreign Trade Bank of North Korea
17 has been designated by the Secretary of the Treas-
18 ury for facilitating transactions on behalf of persons
19 linked to its proliferation network, and for serving as
20 “a key financial node”.

21 (12) Daedong Credit Bank has been designated
22 by the Secretary of the Treasury for activities pro-
23 hibited by applicable United Nations Security Coun-
24 cil resolutions, including the use of deceptive finan-
25 cial practices to facilitate transactions on behalf of

1 persons linked to North Korea's proliferation net-
2 work.

3 (b) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that the President should intensify diplomatic efforts
5 in appropriate international fora, such as the United Na-
6 tions, and bilaterally, to develop and implement a coordi-
7 nated, consistent, multilateral strategy for protecting the
8 global financial system against risks emanating from
9 North Korea, including—

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

13 (2) the cessation of any financial services to
14 persons, including financial institutions, that present
15 unacceptable risks of facilitating money laundering
16 and illicit activity by the Government of North
17 Korea;

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

23 (4) the blocking of any property derived from il-
24 licit activity, or from the misappropriation, theft, or

1 embezzlement of public funds by, or for the benefit
2 of, officials of the Government of North Korea;

3 (5) the blocking of any property involved in sig-
4 nificant activities undermining cybersecurity by the
5 Government of North Korea, directly or indirectly,
6 against United States persons, or the theft of intel-
7 lectual property by the Government of North Korea,
8 directly or indirectly from United States persons;
9 and

10 (6) the blocking of any property of persons di-
11 rectly or indirectly involved in censorship or human
12 rights abuses by the Government of North Korea.

13 (c) STRATEGY TO IMPROVE INTERNATIONAL IMPLE-
14 MENTATION AND ENFORCEMENT OF UN NORTH KOREA-
15 SPECIFIC SANCTIONS.—The President shall direct the
16 Secretary of State, in coordination with other departments
17 and agencies, as appropriate, to develop a strategy to im-
18 prove international implementation and enforcement of
19 United Nations North Korea-specific sanctions. This
20 strategy should include elements—

21 (1) to increase the number of countries submit-
22 ting reports to the United Nations Panel of Experts,
23 including developing a list of targeted countries
24 where effective implementation and enforcement of

1 United Nations sanctions would reduce the North
2 Korean threat;

3 (2) to encourage member states to cooperate
4 and share information with the panel in order to
5 help facilitate investigations;

6 (3) to expand cooperation with the panel of ex-
7 perts;

8 (4) to provide technical assistance to member
9 states to implement United Nations sanctions, in-
10 cluding developing the capacity to enforce sanctions
11 through improved export control regulations and
12 customs and border patrol systems;

13 (5) to harness existing United States Govern-
14 ment initiatives and assistance programs, as appro-
15 priate, to improve sanctions implementation and en-
16 forcement; and

17 (6) to increase outreach to the people of North
18 Korea, and to support independent, non-govern-
19 mental journalistic, humanitarian, and other institu-
20 tions engagement in North Korea.

21 (d) REPORT REQUIRED.—Not later than 90 days
22 after the date of the enactment of this Act, and annually
23 thereafter, the Secretary of State shall submit a report
24 to the appropriate congressional committees that describes

1 the actions undertaken to implement the strategy set forth
2 in subsection (c).

3 **SEC. 203. PROLIFERATION PREVENTION SANCTIONS.**

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

5 A validated license shall be required for the export of any
6 goods or technology otherwise covered under section 6(j)
7 of the Export Administration Act of 1979 (50 U.S.C. App.
8 2405(j)). No defense exports may be approved for the
9 Government of North Korea.

10 (b) TRANSACTIONS IN LETHAL MILITARY EQUIP-
11 MENT.—

12 (1) IN GENERAL.—The President shall withhold
13 assistance under the Foreign Assistance Act of 1961
14 (22 U.S.C. 2151 et seq.) to the government of any
15 country that provides lethal military equipment to
16 the Government of North Korea.

17 (2) APPLICABILITY.—The prohibition under
18 this subsection with respect to a foreign government
19 shall terminate on the date that is 1 year after the
20 date on which the restriction under paragraph (1)
21 may have been applied.

22 (c) WAIVER.—Notwithstanding any other provision of
23 law, the Secretary of State may waive the prohibitions
24 under this section with respect to a country if the Sec-
25 retary—

1 (1) determines that such waiver is in the na-
2 tional interest of the United States; and

3 (2) submits a written report to the relevant
4 congressional committees that describes—

5 (A) the steps that the relevant agencies are
6 taking to curtail the trade described in para-
7 graph (1); and

8 (B) why such waiver is in the vital national
9 interest of the United States.

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

14 **SEC. 204. PROCUREMENT SANCTIONS.**

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

19 (b) FEDERAL ACQUISITION REGULATION.—

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

1 gage in any of the conduct described in section
2 104(a).

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

8 (c) GENERAL SERVICES ADMINISTRATION.—

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

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

1 (A) terminate a contract with such person;

2 or

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

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

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

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

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

4 **SEC. 205. ENHANCED INSPECTION AUTHORITIES.**

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

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

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

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

25 or

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

3 **SEC. 206. TRAVEL SANCTIONS.**

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

8 (1) a designated person;

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

10 or

11 (3) a principal shareholder with a controlling
12 interest in a designated person.

13 **SEC. 207. TRAVEL RECOMMENDATIONS FOR UNITED**
14 **STATES CITIZENS TO NORTH KOREA.**

15 The Secretary of State shall expand the scope and
16 frequency of issuance of travel warnings for all United
17 States citizens to North Korea. The expanded travel warn-
18 ings, which should be issued not less frequently than every
19 3 months, should include—

20 (1) any publicly available information regarding
21 the detention of United States citizens by North Ko-
22 rean authorities, including specific details regarding
23 circumstances of arrest and detention, including du-
24 ration, legal proceedings, and conditions under which
25 the United States citizen has been, or continues to

1 be, detained by North Korean authorities, including
2 present-day cases and cases occurring during the 10-
3 year period ending on the date of the enactment of
4 this Act;

5 (2) any publicly available information on the
6 past and present detention and abduction or alleged
7 abduction of United States, South Korean, and Jap-
8 anese citizens by North Korean authorities;

9 (3) information about the nature of the North
10 Korean regime, including its weapons of mass de-
11 struction programs, illicit activities, international
12 sanctions violations, and human rights situation; and

13 (4) any other information that the Secretary
14 deems useful to provide United States citizens with
15 a complete picture of the nature of the North Ko-
16 rean regime.

17 **SEC. 208. 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) EXPORT ADMINISTRATION REGULATIONS
11 DEFINED.—In this subsection, the term “Export Ad-
12 ministration Regulations” means the regulations set
13 forth in subchapter C of chapter VII of title 15,
14 Code of Federal Regulations (15 C.F.R. 730 et seq.)
15 and maintained and amended under the authority of
16 the International Emergency Economic Powers Act
17 (50 U.S.C. 1701 et seq.).

18 (b) WAIVER.—The President may waive, on a case-
19 by-case basis, for renewable periods of between 30 days
20 and 1 year, the application of the sanctions authorized
21 under section 104, 203, 204, or 206 if the President sub-
22 mits to the appropriate congressional committees a written
23 determination that the waiver—

24 (1) is important to the national security inter-
25 ests of the United States;

1 (2) will further the enforcement of this Act or
2 is for an important law enforcement purpose; or

3 (3) is for an important humanitarian purpose,
4 including any of the purposes described in section 4
5 of the North Korean Human Rights Act of 2004 (22
6 U.S.C. 7802).

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

14 **TITLE III—PROMOTION OF**
15 **HUMAN RIGHTS**

16 **SEC. 301. AMENDMENTS TO NORTH KOREAN HUMAN**
17 **RIGHTS ACT OF 2004.**

18 (a) **INFORMATION TECHNOLOGY STUDY.**—Section
19 104 of the North Korean Human Rights Act of 2004 (22
20 U.S.C. 7814) is amended—

21 (1) by redesignating subsection (b) as sub-
22 section (d); and

23 (2) by inserting after subsection (a) the fol-
24 lowing:

1 “(b) INFORMATION TECHNOLOGY STUDY.—Not later
2 than 180 days after the date of the enactment of the
3 North Korea Sanctions and Policy Enhancement Act of
4 2015, the President shall submit a classified report to the
5 appropriate congressional committees that sets forth a de-
6 tailed plan for making unrestricted, unmonitored, and in-
7 expensive electronic mass communications available to the
8 people of North Korea.”.

9 (b) SPECIAL ENVOY.—Section 107(a) of the North
10 Korean Human Rights Act of 2004 (22 U.S.C. 7817(a))
11 is amended—

12 (1) by striking “within the Department of
13 State”; and

14 (2) by inserting “, shall report directly to the
15 Secretary of State,” after “ambassador”.

16 **SEC. 302. STRATEGY TO PROMOTE NORTH KOREAN HUMAN**
17 **RIGHTS.**

18 (a) REPORT.—Not later than 180 days after the date
19 of the enactment of this Act, the Secretary of State, in
20 coordination with other appropriate departments and
21 agencies, shall submit a report to the Committee on For-
22 eign Relations of the Senate and the Committee on For-
23 eign Affairs of the House of Representatives that details
24 a United States strategy to promote international aware-
25 ness of the human rights situation in North Korea.

1 (b) CONTENTS.—The report under subsection (a)
2 should include—

3 (1) a plan to enhance diplomatic outreach, in-
4 cluding sustained engagement with partners and al-
5 lies and with overseas posts to routinely demarche
6 host governments on North Korea human rights
7 issues, including forced labor, trafficking, and repa-
8 triation of North Korean citizens;

9 (2) public affairs and public diplomacy cam-
10 paigns, including options to work with news organi-
11 zations and media outlets to publish op-eds and se-
12 cure public speaking opportunities for United States
13 Government officials on issues related to the human
14 rights situation in North Korea; and

15 (3) opportunities to coordinate and collaborate
16 with appropriate nongovernmental organizations and
17 private sector entities to raise awareness and provide
18 assistance to North Korean defectors throughout the
19 world.

20 **SEC. 303. REPORT ON NORTH KOREAN PRISON CAMPS.**

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

25 (1) the camp's estimated prisoner population;

1 (2) the camp’s geographical coordinates;

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

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

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

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

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

18 (b) FORM.—The report required under subsection (a)
19 may be included in the first human rights report required
20 to be submitted to Congress after the date of the enact-
21 ment of this Act under sections 116(d) and 502B(b) of
22 the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d)
23 and 2304(b)).

1 **SEC. 304. REPORT ON SERIOUS HUMAN RIGHTS ABUSES OR**
2 **CENSORSHIP IN NORTH KOREA.**

3 (a) IN GENERAL.—The Secretary of State shall sub-
4 mit a report to the appropriate congressional committees
5 that—

6 (1) identifies each person the Secretary deter-
7 mines to be responsible for serious human rights
8 abuses or censorship in North Korea; and

9 (2) describes the abuses or censorship engaged
10 in by such person.

11 (b) CONSIDERATION.—In preparing the report re-
12 quired under subsection (a), the Secretary of State shall—

13 (1) give due consideration to the findings of the
14 United Nations Commission of Inquiry on Human
15 Rights in North Korea; and

16 (2) make specific findings with respect to the
17 responsibility of Kim Jong Un, and of each natural
18 person who is a member of the National Defense
19 Commission of North Korea, or the Organization
20 and Guidance Department of the Workers' Party of
21 Korea, for serious human rights abuses and censor-
22 ship.

23 (c) DESIGNATION OF PERSONS.—The President shall
24 designate under section 104(a) any person listed in the
25 report required under subsection (a) as responsible for se-
26 rious human rights abuses or censorship in North Korea.

1 (d) SUBMISSION AND FORM.—

2 (1) SUBMISSION.—The report required under
3 subsection (a) shall be submitted not later than 90
4 days after the date of the enactment of this Act, and
5 every 180 days thereafter for a period not to exceed
6 3 years, and shall be included in each human rights
7 report required under sections 116(d) and 502B(b)
8 of the Foreign Assistance Act of 1961 (22 U.S.C.
9 2151n(d) and 2304(b)).

10 (2) FORM.—The report required under sub-
11 section (a) shall be submitted in unclassified form,
12 but may include a classified annex. The Secretary of
13 State shall also publish the unclassified part of the
14 report on the Department of State’s website.

15 **SEC. 305. REPORT ON AND DIPLOMATIC STRATEGY TO END**
16 **REPATRIATION OF NORTH KOREAN REFU-**
17 **GEES AND FORCED LABOR AND SLAVERY**
18 **OVERSEAS OF NORTH KOREANS.**

19 (a) IN GENERAL.—Not later than 180 days after the
20 date of the enactment of this Act, and annually thereafter,
21 the Secretary of State shall submit a report to the appro-
22 priate congressional committees that contains the informa-
23 tion described in subsections (b) and (c).

24 (b) INFORMATION.—The report required under sub-
25 section (a) shall include—

1 (1) a list of countries that forcibly repatriate
2 North Korean refugees; and

3 (2) a list of countries where North Korean la-
4 borers work, including governments that have formal
5 arrangements with the Government of North Korea
6 to employ North Korean workers.

7 (c) STRATEGY.—The report required by subsection
8 (a) shall include a diplomatic strategy to end repatriation
9 of North Korean refugees and forced labor and slavery
10 of North Koreans overseas, including—

11 (1) bilateral and multilateral outreach; and

12 (2) public diplomacy activities to raise aware-
13 ness.

14 **SEC. 306. NORTH KOREA ENFORCEMENT AND HUMANI-**
15 **TARIAN FUND.**

16 (a) ESTABLISHMENT.—There is established in the
17 Treasury of the United States a fund, which shall be
18 known as the North Korea Enforcement and Humani-
19 tarian Fund (referred to in this section as the “Fund”).

20 (b) DEPOSITS.—The President shall deposit into the
21 Fund, and shall transfer and consolidate on the books of
22 the Treasury in a special account for the uses described
23 in subsection (c), all revenues derived from—

1 (1) all fines and penalties assessed for a viola-
2 tion of this Act, any regulation established under
3 this Act, or an applicable Executive order; and

4 (2) except as provided in section 105(c), all
5 fines and penalties paid in lieu of the commencement
6 of, or paid in settlement of, criminal or civil pro-
7 ceedings for a violation of this Act, any regulation
8 established under this Act, or an applicable Execu-
9 tive order.

10 (c) USES.—

11 (1) IN GENERAL.—For each fiscal year, there is
12 authorized to be appropriated from the Fund an
13 amount equal to amounts appropriated for that fis-
14 cal year to administer the Fund.

15 (2) RADIO BROADCASTING AND PROMOTING
16 FREEDOM OF INFORMATION.—For each fiscal year,
17 there is authorized to be appropriated—

18 (A) \$3,000,000 to carry out section 103 of
19 the North Korea Human Rights Act of 2004
20 (22 U.S.C. 7813); and

21 (B) \$5,000,000 to carry out section 104 of
22 such Act (22 U.S.C. 7814).

23 (3) AVAILABILITY.—Amounts appropriated pur-
24 suant to paragraph (2) shall remain available, with-
25 out fiscal year limitation, until expended.

1 **TITLE IV—GENERAL AUTHORI-**
2 **TIES AND CYBERSECURITY**
3 **STRATEGY**

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, biological,
3 cal, and radiological weapons programs, including
4 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, including
8 the citizens of North Korea detained in
9 North Korea's political prison camps; and

10 (C)(i) ceasing its censorship of peaceful political
11 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 captive
17 by the Government of North Korea; or

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

20 **SEC. 403. REPORT ON THOSE RESPONSIBLE FOR SIG-**
21 **NIFICATION ACTIVITIES UNDERMINING CY-**
22 **BERSECURITY .**

23 (a) IN GENERAL.—The President shall submit a re-
24 port to the appropriate congressional committees that de-
25 scribes significant activities undermining cybersecurity

1 conducted by the Government of North Korea, or individ-
2 uals otherwise ordered or controlled, directly or indirectly,
3 by the Government of North Korea, including—

4 (1) the identity and nationality of persons that
5 have knowingly engaged in, directed, or provided
6 material support to conduct significant malicious
7 cyber-enabled activities by the Government of North
8 Korea;

9 (2) the conduct engaged in by each person iden-
10 tified;

11 (3) the extent to which a foreign government
12 has provided material support significant malicious
13 cyber activities conducted, or otherwise ordered or
14 controlled by, the Government of North Korea or
15 persons affiliated with the Government of North
16 Korea; and

17 (4) the efforts made by the United States to en-
18 gage foreign governments to halt the capability of
19 the Government of North Korea to conduct signifi-
20 cant malicious cyber-enabled activities.

21 (b) SUBMISSION AND FORM.—

22 (1) SUBMISSION.—The report required under
23 subsection (a) shall be submitted not later than 90
24 days after the date of the enactment of this Act, and
25 every 180 days thereafter.

1 (2) FORM.—The report required under sub-
2 section (a) shall be submitted in an unclassified
3 form, but may contain a classified annex.

4 (c) DESIGNATION OF PERSONS.—The President shall
5 designate under section 104(a) any person listed in the
6 report required under subsection (a) as responsible for sig-
7 nificant activities undermining cybersecurity aimed
8 against the United States Government or any United
9 States private sector entities or persons.

10 (d) WAIVER.—The President may waive, on a case-
11 by-case basis, the designations required under subsection
12 (c), if the President submits a written certification to the
13 appropriate congressional committees that the waiver is
14 important to the national security interests of the United
15 States.

16 **SEC. 404. CODIFICATION OF SANCTIONS WITH RESPECT TO**
17 **NORTH KOREA AND CYBERSECURITY.**

18 United States sanctions with respect to North Korea
19 and cybersecurity provided for in Executive Order No.
20 13606 and Executive Order No. 13694, as in effect on
21 the day before the date of the enactment of this Act, shall
22 remain in effect until the date that is 30 days after the
23 date on which the President submits to Congress the cer-
24 tification that the Government of North Korea, or individ-
25 uals otherwise ordered or controlled, directly or indirectly,

1 by the Government of North Korea are no longer engaged
2 in the illicit activities described in Executive Order No.
3 13606 and Executive Order No. 13694, including actions
4 in violation of United Nations Security Council Resolu-
5 tions 1718, 1874, 2087, and 2094, commission of serious
6 human rights abuses, and significant activities under-
7 mining cybersecurity aimed against the United States.

8 **SEC. 405. STRATEGY TO COUNTER NORTH KOREAN**
9 **CYBERTERRORISM.**

10 Not later than 180 days after the date of the enact-
11 ment of this Act, the President shall submit a report to
12 the Committee on Foreign Relations of the Senate and
13 the Committee on Foreign Affairs of the House of Rep-
14 resentatives that describes the President's strategy to
15 counter North Korea's efforts to conduct significant activi-
16 ties undermining cybersecurity against the United States.

17 **SEC. 406. SENSE OF CONGRESS ON TRILATERAL COOPERA-**
18 **TION BETWEEN THE UNITED STATES, REPUB-**
19 **LIC OF KOREA, AND JAPAN.**

20 (a) IN GENERAL.—It is the Sense of Congress that
21 the President—

22 (1) should seek to strengthen high-level tri-
23 lateral mechanisms for discussion and coordination
24 of policy toward the Democratic People's Republic of
25 Korea between the Governments of the United

1 States, the Government of the Republic of Korea,
2 and the Government of Japan;

3 (2) should ensure that the mechanisms specifi-
4 cally address the Democratic People’s Republic of
5 Korea’s nuclear, ballistic, and conventional weapons
6 programs; its human rights record, and cybersecu-
7 rity threats posed by the Democratic People’s Re-
8 public of Korea;

9 (3) should ensure that the parties meet on a
10 regular basis and include representatives of the
11 United States Department of State, United States
12 Department of Defense, representatives of the
13 United States intelligence communities, and their
14 relevant counterparts in the Government of the Re-
15 public of Korea and the Government of Japan; and

16 (4) should continue to brief relevant congres-
17 sional committees regularly on the status of such
18 discussions.

19 (b) RELEVANT COMMITTEES.—Relevant committees
20 referred to in subsection (a)(4) shall include—

21 (1) the Committee on Foreign Relations of the
22 Senate;

23 (2) the Committee on Foreign Affairs of the
24 House of Representatives;

1 (3) the Committee on Armed Services of the
2 Senate;

3 (4) the Committee on Armed Services of the
4 House of Representatives;

5 (5) the Select Committee on Intelligence of the
6 Senate; and

7 (6) the Permanent Select Committee on Intel-
8 ligence of the House of Representatives.

9 **SEC. 407. RULEMAKING.**

10 (a) **IN GENERAL.**—The President is authorized to
11 promulgate such rules and regulations as may be nec-
12 essary to carry out the provisions of this Act (which may
13 include regulatory exceptions), including under section
14 205 of the International Emergency Economic Powers Act
15 (50 U.S.C. 1704).

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

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