To impose sanctions with respect to the provision of certain vessels for the construction of Russian energy export pipelines, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 11, 2019

Mr. KINZINGER (for himself, Mr. PENCE, and Mr. HECK) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To impose sanctions with respect to the provision of certain vessels for the construction of Russian energy export pipelines, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Protecting Europe’s Energy Security Act of 2019”.

SEC. 2. SENSE OF CONGRESS ON RUSSIAN ENERGY PROJECTS.

It is the sense of Congress that—
(1) the Government of the Russian Federation, working through Russian state-owned enterprises, uses energy as a tool of coercion and political leverage;

(2) the Government of Russia pursues a strategy to make European countries dependent on Russia for energy supplies, so as to increase this political leverage;

(3) a central aspect to this Russian strategy is the development of export energy pipelines that are driven not by commercial viability but by the foreign policy goals of Russia;

(4) the Nord Stream 2 pipeline and the Turk Stream pipeline are two examples of such Russian energy export pipelines;

(5) the President should take action to halt such Russian energy export pipelines unless the President determines that doing so is not in the national interest of the United States; and

(6) in making such a determination, the President should consider whether—

(A) the non-Russian parties involved in the project have put in place safeguards to minimize the ability of Russia to use the pipeline as a tool of coercion and political leverage, includ-
ing by requiring unbundling of energy production and transmission, transparency in the energy market, and effective regulatory oversight; and

(B) the non-Russian parties involved in the project have taken concrete steps to ensure that it will not result in a significant decrease in the transit of Russian energy exports through existing pipelines in other countries, particularly Ukraine.

SEC. 3. SANCTIONS WITH RESPECT TO THE PROVISION OF PIPE-LAYING VESSELS FOR THE CONSTRUCTION OF RUSSIAN ENERGY EXPORT PIPELINES.

(a) In General.—The President shall impose the sanctions described in subsection (b) on each foreign person that the President determines knowingly, on or after the date of the enactment of this Act, sells, leases, or provides pipe-laying vessels for the construction of any Russian-origin energy export pipeline that makes landfall in Germany or Turkey.

(b) Sanctions Described.—

(1) In General.—The sanctions described in this subsection are the following:
(A) Asset Blocking.—The blocking, in accordance with the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), of all transactions in all property and interests in property of a foreign person if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person.

(B) Inadmissibility to the United States.—In the case of a foreign person who is an individual—

(i) ineligibility to receive a visa to enter the United States or to be admitted to the United States; or

(ii) if the individual has been issued a visa or other documentation, revocation, in accordance with section 221(i) of the Immigration and Nationality Act (8 U.S.C. 1201(i)), of the visa or other documentation.

(2) Penalties.—A person that violates, attempts to violate, conspires to violate, or causes a violation of a measure imposed pursuant to subsection (a) or any regulation, license, or order issued
to carry out this section shall be subject to the penalties specified in subsections (b) and (e) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of such section.

(3) Exception relating to importation of goods.—

(A) In general.—The requirement to block and prohibit all transactions in all property and interests in property under subsection (b)(1)(A) does not include the authority to impose sanctions on the importation of goods.

(B) Good defined.—The term ‘‘good’’ means any article, natural or man-made substance, material, supply or manufactured product, including inspection and test equipment, and excluding technical data.

(4) Exception to comply with United Nations Headquarters Agreement.—Sanctions under paragraph (1)(B) shall not apply with respect to the admission of an alien to the United States if the admission of the alien is necessary to permit the United States to comply with the Agreement regarding the Headquarters of the United Nations, signed
at Lake Success June 26, 1947, and entered into
force November 21, 1947, between the United Na-
tions and the United States, or other applicable
international obligations.

(c) IMPLEMENTATION; REGULATORY AUTHORITY.—

(1) IMPLEMENTATION.—The President may ex-
ercise all authorities provided under sections 203
and 205 of the International Emergency Economic
Powers Act (50 U.S.C. 1702 and 1704) to carry out
this section.

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

(d) NATIONAL INTEREST WAIVER.—The President
may waive the application of the sanctions under sub-
section (b) with respect to a foreign person if the Presi-
dent—

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

(2) submits to the appropriate congressional
committees a notice of and justification for the waiv-
er.

(e) TERMINATION AND SUNSET.—The authority to
impose sanctions with regards to a person involved in the
construction of a particular Russian energy export pipeline
under subsection (b), and any sanctions imposed pursuant
to such authority, shall terminate on the earlier of—

(1) the date on which the President certifies to
the appropriate congressional committees that ap-
propriate safeguards have been put in place to—

(A) minimize the ability of Russia to use
the pipeline as a tool of coercion and political
leverage, including by achieving unbundling of
energy production and transmission so that
Russian state-owned entities do not control the
transmission network for the pipelines, trans-
parency in the energy market, and effective reg-
ulatory oversight; and

(B) ensure, barring unforeseen cir-
cumstances, that the project would not result in
a decrease of more than 25 percent in the tran-
sit of Russian energy exports through existing
pipelines in other countries, particularly
Ukraine, relative to the average monthly transit
of Russian energy exports through such pipe-
lines in 2018; or

(2) the date that is 10 years after the date of
the enactment of this Act.

(f) DEFINITIONS.—In this section:
(1) **ADMISSION; ADMITTED; ALIEN.**—The terms “admission”, “admitted”, and “alien” have the meanings given those terms in section 101 of the Immigration and Nationality Act (8 U.S.C. 1101).

(2) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate congressional committees” means—

(A) the Committee on Foreign Affairs, the Committee on the Judiciary, and the Committee on Financial Services of the House of Representatives; and

(B) the Committee on Foreign Relations, the Committee on the Judiciary, and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) **FOREIGN PERSON.**—The term “foreign person” means an individual or entity that is not a United States person.

(4) **KNOWINGLY.**—The term “knowingly” with respect to conduct, a circumstance, or a result, means that a person has actual knowledge, or should have known, of the conduct, the circumstance, or the result.

(5) **PIPE-LAYING VESSEL.**—The term “pipe-laying vessel” means an offshore vessel that can be
used in the construction of subsea infrastructure
and is engaged in pipe-laying at depths of 100 feet
or more below sea level.

(6) UNITED STATES PERSON.—The term
"United States person" means—

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

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