

## HR 757

North Korea Sanctions and Policy Enhancement Act of 2016

**Congress:** 114 (2015–2017, Ended)

**Chamber:** House

**Policy Area:** International Affairs

**Introduced:** Feb 5, 2015

**Current Status:** Became Public Law No: 114-122.

**Latest Action:** Became Public Law No: 114-122. (Feb 18, 2016)

**Law:** 114-122 (Enacted Feb 18, 2016)

**Official Text:** <https://www.congress.gov/bill/114th-congress/house-bill/757>

### Sponsor

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**Name:** Rep. Royce, Edward R. [R-CA-39]

**Party:** Republican • **State:** CA • **Chamber:** House

**Cosponsors** (36 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Engel, Eliot L. [D-NY-16]	D · NY		Feb 5, 2015
Rep. Keating, William R. [D-MA-9]	D · MA		Feb 5, 2015
Rep. Poe, Ted [R-TX-2]	R · TX		Feb 5, 2015
Rep. Salmon, Matt [R-AZ-5]	R · AZ		Feb 5, 2015
Rep. Sherman, Brad [D-CA-30]	D · CA		Feb 5, 2015
Rep. Gabbard, Tulsi [D-HI-2]	D · HI		Feb 10, 2015
Rep. Scott, Austin [R-GA-8]	R · GA		Feb 24, 2015
Rep. Connolly, Gerald E. [D-VA-11]	D · VA		Feb 25, 2015
Rep. Cook, Paul [R-CA-8]	R · CA		Feb 25, 2015
Rep. Reichert, David G. [R-WA-8]	R · WA		Feb 25, 2015
Rep. Ribble, Reid J. [R-WI-8]	R · WI		Feb 26, 2015
Rep. DesJarlais, Scott [R-TN-4]	R · TN		Feb 27, 2015
Rep. Bishop, Mike [R-MI-8]	R · MI		Jun 9, 2015
Rep. Stewart, Chris [R-UT-2]	R · UT		Jul 7, 2015
Rep. Hastings, Alcee L. [D-FL-20]	D · FL		Jul 9, 2015
Rep. Ros-Lehtinen, Ileana [R-FL-27]	R · FL		Jul 13, 2015
Rep. Kline, John [R-MN-2]	R · MN		Jul 15, 2015
Rep. Peterson, Collin C. [D-MN-7]	D · MN		Jul 15, 2015
Rep. Davis, Rodney [R-IL-13]	R · IL		Jul 16, 2015
Rep. Sanchez, Loretta [D-CA-46]	D · CA		Jul 16, 2015
Rep. Heck, Joseph J. [R-NV-3]	R · NV		Jul 21, 2015
Rep. MacArthur, Thomas [R-NJ-3]	R · NJ		Jul 21, 2015
Rep. Veasey, Marc A. [D-TX-33]	D · TX		Jul 27, 2015
Rep. Woodall, Rob [R-GA-7]	R · GA		Jul 28, 2015
Rep. Lieu, Ted [D-CA-33]	D · CA		Jul 31, 2015
Rep. Smith, Adam [D-WA-9]	D · WA		Sep 9, 2015
Rep. Israel, Steve [D-NY-3]	D · NY		Sep 18, 2015
Rep. Johnson, Sam [R-TX-3]	R · TX		Oct 6, 2015
Rep. Dold, Robert J. [R-IL-10]	R · IL		Oct 9, 2015
Rep. Boustany, Charles W., Jr. [R-LA-3]	R · LA		Jan 11, 2016
Rep. Duckworth, Tammy [D-IL-8]	D · IL		Jan 11, 2016
Rep. Ellmers, Renee L. [R-NC-2]	R · NC		Jan 11, 2016
Rep. Gibson, Christopher P. [R-NY-19]	R · NY		Jan 11, 2016
Rep. Guinta, Frank C. [R-NH-1]	R · NH		Jan 11, 2016
Rep. Guthrie, Brett [R-KY-2]	R · KY		Jan 11, 2016
Rep. Pompeo, Mike [R-KS-4]	R · KS		Jan 11, 2016

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Discharged From	Jan 11, 2016
Foreign Affairs Committee	House	Reported By	Jan 11, 2016
Foreign Relations Committee	Senate	Reported By	Feb 2, 2016
Judiciary Committee	House	Discharged From	Jan 11, 2016
Oversight and Government Reform Committee	House	Discharged From	Jan 11, 2016
Ways and Means Committee	House	Referred to	Feb 27, 2015

Subjects & Policy Tags

Policy Area:

International Affairs

Related Bills

No related bills are listed.

## **North Korea Sanctions and Policy Enhancement Act of 2016**

### **TITLE I--INVESTIGATIONS, PROHIBITED CONDUCT, AND PENALTIES**

(Sec. 102) This bill requires the President to investigate any credible information of sanctionable activities by a person (individual or entity) involving North Korea.

(Sec. 103) The President shall periodically brief Congress on efforts to implement this Act.

The Department of State shall report on U.S. policy towards North Korea that: (1) is based on a complete interagency review of current policies and possible alternatives, including with respect to North Korea's weapons of mass destruction and missile programs, human rights atrocities, and significant activities undermining cyber security; and (2) includes appropriate legislative or administrative recommendations.

(Sec. 104) The President shall designate any person (or subsidiary or agent) that knowingly:

- imports, exports, or reexports to or from North Korea any goods, services, or technology controlled for export by the United States due to their use for weapons of mass destruction and materially contributes to the use, development, or acquisition of a nuclear, radiological, chemical, or biological weapon or delivery device or system;
- provides training or other services or assistance or engages in significant financial transactions relating to the manufacture or use of any such weapon or system to be imported, exported, or reexported to or from North Korea;
- imports, exports, or reexports luxury goods to or into North Korea;
- engages in money laundering, counterfeiting of goods or currency, bulk cash smuggling, or narcotics trafficking that supports the government of North Korea or its senior officials;
- engages in or was responsible for North Korean censorship or human rights abuses;
- engages in significant activities undermining cyber security;
- sells, supplies, or transfers to or from North Korea a precious metal, graphite, or raw or semi-finished metals or aluminum, steel, coal, or software for integrating industrial processes directly related to weapons of mass destruction, the Korean Workers' Party, armed forces, internal security, or intelligence activities, or the operation and maintenance of political prison camps or forced labor camps;
- imports, exports, or reexports to, into, or from North Korea any arms or related materiel; or
- attempts to engage in such conduct.

The President may designate any person (or subsidiary or agent) that knowingly:

- engages in, contributes to, or provides financial, material or technological support for, or goods and services in support of, any person designated pursuant to an applicable U.N. Security Council resolution;
- contributed to the bribery of a North Korean government official;
- contributed to the misappropriation or embezzlement of public funds by, or for the benefit of, such an official;
- contributed to the use of any proceeds from such bribery or theft; or
- provided significant financial, material, or technological support for such activities.

With respect to a designated person (or subsidiary or agent), the President may:

- apply the procurement sanctions under this Act;

apply certain financial special measures for jurisdictions, financial institutions, international transactions, or types of accounts of primary money laundering concern;

- prohibit foreign exchange transactions that are subject to U.S. jurisdiction;
- prohibit transfers of credit or payments between financial institutions or by, through, or to financial institutions that are subject to U.S. jurisdiction; and
- exercise the authorities of the International Emergency Economic Powers Act to block property and property interests of a designated person, the government of North Korea, or the Workers' Party of Korea that are in or come within the United States or that are or come within the possession or control of any U.S. person.

The President shall deny or revoke a license for any transaction that lacks sufficient financial controls to ensure that it will not facilitate a prohibited activity.

The bill prescribes civil and criminal penalties under the International Emergency Economic Powers Act.

(Sec. 105) Any property, real or personal, involved in an actual or attempted violation of this Act, or that constitutes or is derived from proceeds traceable to a violation of it, is subject to U.S. forfeiture.

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

(Sec. 201) The bill: (1) acknowledges Security Council efforts to impose limitations on, and require enhanced monitoring of, transactions involving North Korean financial institutions that could contribute to sanctioned activities; and (2) urges the President to designate North Korea as a jurisdiction of primary money laundering concern, adopt measures to safeguard the financial system against North Korea's evasion of sanctions and its illicit activities, and seek the prompt implementation by other states of enhanced monitoring to prevent North Korea's misuse of the international financial system.

The Department of the Treasury shall: (1) determine whether reasonable grounds exist for concluding that North Korea is a jurisdiction of primary money laundering concern; and (2) if so, impose specified financial-related special measures and submit a related report to Congress.

(Sec. 202) The bill expresses the sense of Congress that the President should intensify diplomatic efforts to develop a multilateral strategy for protecting the global financial system against risks emanating from North Korea.

The President shall direct the State Department to: (1) develop a strategy to improve international implementation and enforcement of U.N. North Korea-specific sanctions, and (2) report annually on actions undertaken to implement the strategy.

(Sec. 203) A validated license is required for exports to North Korea of goods or technology that could make a significant contribution to the military potential of such country or could enhance the ability of such country to support acts of international terrorism. No defense exports may be approved for the government of North Korea.

The President shall withhold assistance under the Foreign Assistance Act of 1961 from the governments of countries providing lethal military equipment to North Korea.

The State Department may waive such prohibitions in the U.S. national interest.

These prohibitions shall not apply to assistance for human rights, democracy, rule of law, or emergency humanitarian

purposes.

(Sec. 204) An executive agency, except as provided for by this section, may not procure or contract to procure goods or services from a designated person.

The Federal Acquisition Regulation is amended to require each prospective contractor to certify that it does not engage in any activity sanctionable under this Act.

An executive agency shall: (1) terminate any contract with a person who has submitted a false certification, and (2) debar or suspend such person from federal contract eligibility for up to two years.

A person that is debarred, suspended, or proposed for debarment or suspension by an executive agency because of a false certification shall be included on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

The remedies of contract termination and suspension and debarment shall not apply with respect to federal procurement of the eligible products of certain foreign countries or instrumentalities under the Trade Agreements Act of 1979.

(Sec. 205) The President shall report on foreign seaports and airports whose inspections of ships, aircraft, and conveyances originating in North Korea, carrying North Korean property, or operated by the North Korean government are deficient to effectively prevent the facilitation of any of the activities sanctionable under this Act.

The Department of Homeland Security (DHS) may require enhanced inspections of any goods entering the United States that have been transported through such a port or airport.

Any vessel, aircraft, or conveyance used to facilitate sanctionable activity that comes within U.S. jurisdiction may be seized and forfeited.

(Sec. 206) The State Department may deny a visa to, and DHS may deny entry into the United States of, any alien who is: (1) a designated person, (2) a corporate officer of a designated person, or (3) a principal shareholder with a controlling interest in a designated person.

(Sec. 207) The State Department shall expand the scope and frequency of travel warnings for all U.S. citizens to North Korea. Such warnings should include:

- information regarding North Korea's detention of U.S. citizens;
- information on North Korea's past and present detention and abduction of citizens of the United States, South Korea, or Japan;
- information about the nature of the North Korean regime; and
- any other information that the State Department deems useful to provide U.S. citizens with a comprehensive picture of the North Korean regime.

(Sec. 208) The following are exempt from sanctions under this Act: (1) authorized U.S. intelligence activities, (2) transactions necessary to comply with U.S. obligations under the Agreement regarding the Headquarters of the United Nations or the Vienna Convention on Consular Relations, and (3) activities incidental to the POW/MIA accounting mission in North Korea.

The President may waive sanctions for renewable periods of between 30 days and 1 year for: (1) humanitarian purposes,

and (2) U.S. national security or law enforcement interests.

An internationally recognized humanitarian organization shall not be subject to sanctions for: (1) engaging in a financial transaction or transporting goods or services relating to humanitarian purposes, or (2) having incidental contact in the course of providing humanitarian assistance with individuals who are under the control of a foreign person subject to sanctions.

(Sec. 209) The President shall report on significant activities undermining cyber security conducted, or otherwise ordered or controlled, by the government of North Korea.

(Sec. 210) U.S. sanctions on the government of North Korea, persons acting for or on behalf of that government, or persons located in North Korea that undermine cyber security provided for in Executive Orders 13687 or 13694, shall remain in effect until 30 days after the President certifies that the government of North Korea, or persons acting for or on its behalf, are no longer engaged in the illicit activities described in such Executive Orders.

(Sec. 211) The bill expresses the sense of Congress that the President should strengthen high-level trilateral mechanisms for policy coordination toward North Korea between the United States, the Republic of Korea, and Japan.

### TITLE III--PROMOTION OF HUMAN RIGHTS

(Sec. 301) The bill amends the North Korean Human Rights Act of 2004 to require the President to report a plan for making unrestricted and inexpensive electronic mass communications available to the people of North Korea.

(Sec. 302) The State Department shall submit a report that details a U.S. strategy to address the human rights situation in North Korea. Such report should include a list of countries: (1) that forcibly repatriate refugees from North Korea, and (2) where North Korean laborers work.

(Sec. 303) The State Department shall submit a report that describes each political prison camp in North Korea, including: (1) the estimated prisoner population; (2) reasons for prisoner confinement; and (3) conditions of confinement and the responsible individuals and agencies.

(Sec. 304) The State Department shall submit a report that: (1) identifies each person responsible for serious human rights abuses or censorship in North Korea, and (2) describes serious human rights abuses or censorship undertaken by North Korea.

The President shall designate for sanctions any person listed in the report that knowingly engages in, or facilitates censorship or human rights abuses, by North Korea.

The bill expresses the sense of Congress that the President should:

- seek Security Council adoption of a resolution calling for the blocking of the assets of all persons responsible for severe human rights abuses or censorship in North Korea, and
- cooperate with the prosecution of any listed individual by any international tribunal that may be established to prosecute such persons.

### TITLE IV--GENERAL AUTHORITIES

(Sec. 401) Any sanction or other measure provided for in title I, II, or III may be suspended for up to 1 year and renewed for additional 180-day periods if the President certifies that North Korea has:

ceased counterfeiting U.S. currency and taken significant steps to cease and prevent the laundering of monetary instruments,

- taken steps toward verification of its compliance with specified Security Council resolutions,
- taken steps toward accounting for and repatriating abducted or unlawfully held citizens of other countries,
- begun to abide by international standards for humanitarian aid distribution and monitoring, and
- taken verified steps to improve living conditions in its political prison camps.

(Sec. 402) Any sanction or other measure provided for in title I, II, or III shall terminate when the President certifies that North Korea has met such requirements and has also made progress toward:

- dismantling nuclear, chemical, biological, and radiological weapons programs;
- releasing all political prisoners, including detained North Korean citizens;
- ending censorship of peaceful political activity;
- establishing an open and representative society; and
- accounting for and repatriating both alive and deceased U.S. citizens who were abducted or unlawfully held captive by the North Korea or detained in violation of the Korean War Armistice Agreement.

(Sec. 403) The bill authorizes appropriations for FY2017-FY2021 for:

- radio programming to North Korea,
- promotion of freedom of information inside North Korea,
- a plan for making electronic mass communications available to the people of North Korea, and
- provision of humanitarian assistance to North Koreans who are outside of North Korea without the government's permission.



## Actions Timeline

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- **Feb 18, 2016:** Signed by President.
- **Feb 18, 2016:** Became Public Law No: 114-122.
- **Feb 12, 2016:** Mr. Royce moved that the House suspend the rules and agree to the Senate amendment. (consideration: CR H779-788)
- **Feb 12, 2016:** DEBATE - The House proceeded with forty minutes of debate on H.R. 757.
- **Feb 12, 2016:** At the conclusion of debate, the Yeas and Nays were demanded and ordered. Pursuant to the provisions of clause 8, rule XX, the chair announced that further proceedings on the motion would be postponed.
- **Feb 12, 2016:** Considered as unfinished business. (consideration: CR H802-803)
- **Feb 12, 2016:** Resolving differences -- House actions: On motion that the House suspend the rules and agree to the Senate amendment Agreed to by the Yeas and Nays: (2/3 required): 408 - 2 (Roll no. 82).(text as House agreed to Senate amendment: CR H779-785)
- **Feb 12, 2016:** On motion that the House suspend the rules and agree to the Senate amendment Agreed to by the Yeas and Nays: (2/3 required): 408 - 2 (Roll no. 82). (text as House agreed to Senate amendment: CR H779-785)
- **Feb 12, 2016:** Motion to reconsider laid on the table Agreed to without objection.
- **Feb 12, 2016:** Presented to President.
- **Feb 10, 2016:** Measure laid before Senate by unanimous consent. (consideration: CR S761-806)
- **Feb 10, 2016:** The committee substitute agreed to by Unanimous Consent. (text of committee substitute as amended: CR S761-767)
- **Feb 10, 2016:** Passed/agreed to in Senate: Passed Senate with an amendment by Yea-Nay Vote. 96 - 0. Record Vote Number: 20.
- **Feb 10, 2016:** Passed Senate with an amendment by Yea-Nay Vote. 96 - 0. Record Vote Number: 20.
- **Feb 10, 2016:** Message on Senate action sent to the House.
- **Feb 2, 2016:** Committee on Foreign Relations. Reported by Senator Corker with an amendment in the nature of a substitute. Without written report.
- **Feb 2, 2016:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 359.
- **Jan 28, 2016:** Committee on Foreign Relations. Ordered to be reported with an amendment in the nature of a substitute favorably.
- **Jan 19, 2016:** Received in the Senate and Read twice and referred to the Committee on Foreign Relations.
- **Jan 12, 2016:** Considered as unfinished business. (consideration: CR H323-324)
- **Jan 12, 2016:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 418 - 2 (Roll no. 43).(text: CR 1/11/2016 H229-235)
- **Jan 12, 2016:** Motion to reconsider laid on the table Agreed to without objection.
- **Jan 12, 2016:** On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 418 - 2 (Roll no. 43). (text: CR 1/11/2016 H229-235)
- **Jan 11, 2016:** Reported (Amended) by the Committee on Foreign Affairs. H. Rept. 114-392, Part I.
- **Jan 11, 2016:** Committee on Ways and Means discharged.
- **Jan 11, 2016:** Committee on the Judiciary discharged.
- **Jan 11, 2016:** Committee on Financial Services discharged.
- **Jan 11, 2016:** Committee on Oversight and Government discharged.
- **Jan 11, 2016:** Placed on the Union Calendar, Calendar No. 295.
- **Jan 11, 2016:** Mr. Royce moved to suspend the rules and pass the bill, as amended.
- **Jan 11, 2016:** Considered under suspension of the rules. (consideration: CR H229-241)
- **Jan 11, 2016:** DEBATE - The House proceeded with forty minutes of debate on H.R. 757.
- **Jan 11, 2016:** At the conclusion of debate, the Yeas and Nays were demanded and ordered. Pursuant to the provisions of clause 8, rule XX, the Chair announced that further proceedings on the motion would be postponed.
- **Feb 27, 2015:** Committee Consideration and Mark-up Session Held.
- **Feb 27, 2015:** Ordered to be Reported in the Nature of a Substitute (Amended) by Voice Vote.
- **Feb 27, 2015:** Referred to the Subcommittee on Trade.
- **Feb 5, 2015:** Introduced in House
- **Feb 5, 2015:** Referred to the Committee on Foreign Affairs, and in addition to the Committees on Ways and Means, the Judiciary, Financial Services, and Oversight and Government Reform, 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.