

HR 1644

Korean Interdiction and Modernization of Sanctions Act

Congress: 115 (2017–2019, Ended)

Chamber: House

Policy Area: International Affairs

Introduced: Mar 21, 2017

Current Status: Received in the Senate and Read twice and referred to the Committee on Foreign Relations.

Latest Action: Received in the Senate and Read twice and referred to the Committee on Foreign Relations. (May 4, 2017)

Official Text: <https://www.congress.gov/bill/115th-congress/house-bill/1644>

Sponsor

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

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

Cosponsors (23 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Engel, Eliot L. [D-NY-16]	D · NY		Mar 21, 2017
Rep. Sherman, Brad [D-CA-30]	D · CA		Mar 21, 2017
Rep. Yoho, Ted S. [R-FL-3]	R · FL		Mar 21, 2017
Rep. Abraham, Ralph Lee [R-LA-5]	R · LA		Mar 27, 2017
Rep. Bera, Ami [D-CA-7]	D · CA		Mar 27, 2017
Rep. Connolly, Gerald E. [D-VA-11]	D · VA		Mar 27, 2017
Rep. Cook, Paul [R-CA-8]	R · CA		Mar 28, 2017
Rep. Gabbard, Tulsi [D-HI-2]	D · HI		Mar 28, 2017
Rep. Ros-Lehtinen, Ileana [R-FL-27]	R · FL		Mar 28, 2017
Rep. Wilson, Joe [R-SC-2]	R · SC		Mar 28, 2017
Rep. Chabot, Steve [R-OH-1]	R · OH		Mar 30, 2017
Rep. Cicilline, David N. [D-RI-1]	D · RI		Mar 30, 2017
Rep. Keating, William R. [D-MA-9]	D · MA		Mar 30, 2017
Rep. Poe, Ted [R-TX-2]	R · TX		Mar 30, 2017
Rep. Sires, Albio [D-NJ-8]	D · NJ		Mar 30, 2017
Rep. Guthrie, Brett [R-KY-2]	R · KY		Apr 3, 2017
Rep. Scott, Austin [R-GA-8]	R · GA		Apr 3, 2017
Rep. Barr, Andy [R-KY-6]	R · KY		Apr 25, 2017
Rep. Lieu, Ted [D-CA-33]	D · CA		Apr 25, 2017
Rep. McCaul, Michael T. [R-TX-10]	R · TX		Apr 25, 2017
Rep. Wagner, Ann [R-MO-2]	R · MO		Apr 26, 2017
Rep. Walters, Mimi [R-CA-45]	R · CA		Apr 27, 2017
Rep. Johnson, Sam [R-TX-3]	R · TX		Apr 28, 2017

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Discharged From	Apr 28, 2017
Foreign Affairs Committee	House	Reported By	Apr 28, 2017
Foreign Relations Committee	Senate	Referred To	May 4, 2017
Judiciary Committee	House	Discharged From	Apr 28, 2017
Oversight and Government Reform Committee	House	Discharged From	Apr 28, 2017
Transportation and Infrastructure Committee	House	Referred to	Mar 23, 2017
Ways and Means Committee	House	Referred to	Mar 24, 2017

Subjects & Policy Tags

Policy Area:

International Affairs

Related Bills

Bill	Relationship	Last Action
115 HR 3364	Related bill	Aug 2, 2017: Became Public Law No: 115-44.

Korean Interdiction and Modernization of Sanctions Act

TITLE I--SANCTIONS TO ENFORCE AND IMPLEMENT UNITED NATIONS SECURITY COUNCIL SANCTIONS AGAINST NORTH KOREA

(Sec. 101) This bill amends the North Korea Sanctions and Policy Enhancement Act of 2016 to direct the President to designate and subject to specified sanctions under such Act any person who knowingly:

- purchases or acquires from North Korea any significant amounts of gold, titanium ore, vanadium ore, copper, silver, nickel, zinc, or rare earth minerals;
- sells or transfers to North Korea any significant amount of rocket, aviation, or jet fuel, except for certain use by a civilian passenger aircraft outside North Korea;
- provides significant amounts of fuel or supplies or facilitates a significant transaction to operate or maintain a vessel or aircraft that is designated under an applicable executive order or an applicable United Nations Security Council resolution;
- insures or registers a vessel owned or controlled by the government of North Korea, except as approved by the Security Council; or
- maintains a correspondent account with any North Korean financial institution, except as approved by the Security Council.

The President may designate and subject to such sanctions any person who knowingly:

- purchased or otherwise acquired significant quantities of coal or iron in excess of Security Council limitations from the North Korean government;
- purchased or otherwise acquired significant types or amounts of textiles from such government;
- facilitated a significant transfer to such government of funds or property that materially contributes to a violation of an applicable Security Council resolution;
- facilitated a significant transfer to or from such government of bulk cash, precious metals, or gemstones;
- sold or otherwise provided to such government significant amounts of crude oil, condensates, refined petroleum, other types of petroleum or petroleum by products, liquefied natural gas, or other natural gas resources, except for fuel oil, gasoline, or diesel fuel for humanitarian use;
- engaged in or was responsible for online commercial activities of such government, including online gambling;
- purchased or otherwise acquired fishing rights from such government;
- provided significant telephonic, telegraphic, telecommunications or other data services into or out of North Korea in excess of services needed for humanitarian or diplomatic purposes;
- purchased or otherwise acquired significant types or amounts of food or agricultural products from such government;
- engaged in or was responsible for the exportation of workers from North Korea in a manner intended to generate significant revenue;
- conducted significant transactions in North Korea's transportation, mining, energy, or financial services industries; or
- except as approved by the Security Council and other than through a correspondent account, facilitated the operation of any North Korean financial institution.

The President may block transactions of U.S.-based or -controlled property or interests as part of such discretionary sanction authority.

The President shall report to Congress whether the following entities should be designated and subject to sanctions: (1) the Korea Shipowners' Protection and Indemnity Association, (2) Chinpo Shipping Company (Private) Limited, (3) the Central Bank of the Democratic People's Republic of Korea, (4) Kumgang Economic Development Corporation, (5) Sam Pa, and (6) the Chamber of Commerce of the Democratic People's Republic of Korea.

(Sec. 102) A U.S. financial institution shall terminate the use of a correspondent account it uses to do business with foreign financial institutions if the bank knows that such account is being used to provide financial services to a person, foreign government, or financial institution designated under such Act.

A U.S. financial institution may process fund transfers to or from North Korea, or for a person, foreign government, or financial institution designated under such Act if the transfer: (1) arises from an underlying transaction authorized by the Department of the Treasury, and (2) does not involve debiting or crediting a North Korean account.

(Sec. 103) A foreign government that provides to or receives from North Korea a significant type or amount of specified defense articles or services (as determined by the President) is prohibited from receiving certain types of U.S. foreign assistance for two years.

The Department of State shall report to Congress periodically regarding foreign compliance with curtailing North Korea's arms trade.

(Sec. 104) The President shall report to Congress periodically:

- identifying foreign port and airport operators that knowingly fail to implement or enforce regulations to inspect ships, aircraft, cargo, or conveyances in transit to or from North Korea or that facilitate the transfer or conveyance of significant types or quantities of cargo, vessels, or aircraft owned or controlled by certain designated persons;
- describing the extent that Security Council resolutions to de-register any vessel owned, controlled, or operated by or on behalf of the government of North Korea have been implemented by foreign countries;
- describing the Islamic Republic of Iran's compliance with the sanctions mandated in Security Council resolutions;
- identifying vessels, aircraft, and conveyances owned or controlled by the Reconnaissance General Bureau of the Workers' Party of Korea; and
- describing the President's efforts to secure full implementation of applicable Security Council resolutions.

Each report shall include findings with respect to specified ports and airports in China, Iran, Russia, and Syria.

The Department of Homeland Security may implement enhanced screening of cargo bound for or landed in the United States that: (1) has been transported through a sea port or airport that has repeatedly failed to comply with applicable Security Council resolutions; (2) is aboard a vessel, aircraft, or within a conveyance that has entered North Korean territory or waters or landed in any of its seaports or airports, within the last 365 days; or (3) is registered by a country whose inspection compliance is deficient. An exception is provided for food, medicine, or humanitarian shipments. Such enhanced screening procedures shall not apply to food, medicine, and humanitarian shipments.

(Sec. 105) The Ports and Waterways Safety Act is amended to prohibit, with specified exceptions, a foreign vessel from entering or operating in U.S. navigable waters or transferring cargo in any port under U.S. jurisdiction if such vessel is a foreign vessel for which a notice of arrival is required and is: (1) on a list of vessels owned or operated by or on behalf of

the government of North Korea, a North Korean person, a country with a designated port, or a country that is not in Security Council compliance; or (2) registered by a government that maintains registration of a vessel that is on such list.

(Sec. 106) The President shall report to Congress periodically regarding: (1) North Korea-Iran cooperation, (2) implementation of Security Council resolutions by other governments, and (3) measures to deny specialized financial messaging services to designated North Korean financial institutions or other North Korean persons.

TITLE II--SANCTIONS WITH RESPECT TO HUMAN RIGHTS ABUSES BY THE GOVERNMENT OF NORTH KOREA

(Sec. 201) The bill requires the State Department to report on the U.S. strategy to enhance international awareness of the North Korean human rights situation to identify foreign persons that knowingly employ forced North Korean laborers in a manner intended to generate revenue for the government of North Korea or by the Workers' Party of Korea.

Goods produced in whole or part by North Korean labor are prohibited from entering the United States unless U.S. Customs and Border Protection finds that they were not produced with convict, forced, or indentured labor.

The President shall impose U.S. property-based sanctions on foreign persons that employ North Korean forced laborers.

(Sec. 203) The bill amends the State Department Basic Authorities Act of 1956 to authorize the State Department to offer cash rewards for information on violations of North Korean sanctions.

(Sec. 204) The State Department shall submit to Congress a determination as to whether North Korea meets the criteria for designation as a state sponsor of terrorism.

TITLE III--GENERAL AUTHORITIES

(Sec. 301) The bill sets forth provisions regarding: (1) consolidation of reports, (2) presidential sanction and regulatory authority, and (3) limitation of funds.

Actions Timeline

- **May 4, 2017:** Considered as unfinished business. (consideration: CR H4172)
- **May 4, 2017:** 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): 419 - 1 (Roll no. 257). (text: CR 5/2/2017 H3026-3031)
- **May 4, 2017:** On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 419 - 1 (Roll no. 257). (text: CR 5/2/2017 H3026-3031)
- **May 4, 2017:** Motion to reconsider laid on the table Agreed to without objection. (text: CR H3026-3031)
- **May 4, 2017:** Received in the Senate and Read twice and referred to the Committee on Foreign Relations.
- **May 2, 2017:** Mr. Royce (CA) moved to suspend the rules and pass the bill, as amended.
- **May 2, 2017:** Considered under suspension of the rules. (consideration: CR H3026-3038)
- **May 2, 2017:** DEBATE - The House proceeded with forty minutes of debate on H.R. 1644.
- **May 2, 2017:** 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.
- **Apr 28, 2017:** Reported (Amended) by the Committee on Foreign Affairs. H. Rept. 115-98, Part I.
- **Apr 28, 2017:** Committee on Ways and Means discharged.
- **Apr 28, 2017:** Committee on Financial Services discharged.
- **Apr 28, 2017:** Committee on Transportation discharged.
- **Apr 28, 2017:** Committee on Oversight and Government discharged.
- **Apr 28, 2017:** Committee on the Judiciary discharged.
- **Apr 28, 2017:** Placed on the Union Calendar, Calendar No. 55.
- **Mar 29, 2017:** Committee Consideration and Mark-up Session Held.
- **Mar 29, 2017:** Ordered to be Reported in the Nature of a Substitute (Amended) by Voice Vote.
- **Mar 24, 2017:** Referred to the Subcommittee on Trade.
- **Mar 23, 2017:** Referred to the Subcommittee on Coast Guard and Maritime Transportation.
- **Mar 21, 2017:** Introduced in House
- **Mar 21, 2017:** Referred to the Committee on Foreign Affairs, and in addition to the Committees on Ways and Means, Financial Services, Transportation and Infrastructure, Oversight and Government Reform, and 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.