

115TH CONGRESS
2D SESSION

S. 3486

To provide humanitarian relief to the Venezuelan people and Venezuelan migrants, to advance a constitutional and democratic solution to Venezuela's political crisis, to address Venezuela's economic reconstruction, to combat public corruption, narcotics trafficking, and money laundering, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 24, 2018

Mr. MENENDEZ (for himself, Mr. RUBIO, Mr. NELSON, Mr. CORNYN, Mr. DURBIN, Mr. PERDUE, Mr. CARDIN, Mr. CRUZ, Mr. KAINE, Mr. BENNET, and Mr. LEAHY) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To provide humanitarian relief to the Venezuelan people and Venezuelan migrants, to advance a constitutional and democratic solution to Venezuela's political crisis, to address Venezuela's economic reconstruction, to combat public corruption, narcotics trafficking, and money laundering, 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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
 3 “Venezuela Humanitarian Relief, Reconstruction, and
 4 Rule of Law Act of 2018”.

5 (b) **TABLE OF CONTENTS.**—The table of contents for
 6 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Sense of Congress.

TITLE I—HUMANITARIAN RELIEF FOR VENEZUELA

Sec. 101. Humanitarian relief for the Venezuelan people.

Sec. 102. Humanitarian assistance to Venezuelans in neighboring countries.

Sec. 103. Requirement for strategy to coordinate international humanitarian assistance.

Sec. 104. Support for efforts at the United Nations on the humanitarian crisis in Venezuela.

**TITLE II—RESTORING DEMOCRACY AND ADDRESSING THE
 POLITICAL CRISIS IN VENEZUELA**

Sec. 201. Recognition of Venezuela’s democratically elected National Assembly.

Sec. 202. Advancing a negotiated solution to Venezuela’s crisis.

Sec. 203. Support for the Lima Group.

Sec. 204. Accountability for crimes against humanity.

Sec. 205. Upholding the Organization of American States Inter-American Democratic Charter.

Sec. 206. Support for international election observation and democratic civil society.

TITLE III—SUPPORTING THE RECONSTRUCTION OF VENEZUELA

Sec. 301. Engaging international financial institutions to advance the reconstruction of Venezuela’s economy and energy infrastructure.

Sec. 302. Recovering assets stolen from the Venezuelan people.

TITLE IV—RESTORING THE RULE OF LAW IN VENEZUELA

Sec. 401. Concerns and report on the involvement of Venezuelan officials in corruption and illicit narcotics trafficking.

Sec. 402. Sanctions on persons responsible for public corruption and undermining democratic governance.

Sec. 403. Public information about sanctioned officials.

Sec. 404. Coordinating targeted sanctions with partners in the Western Hemisphere and the European Union.

Sec. 405. Financial sanctions on Venezuelan government debt.

Sec. 406. Additional financial sanctions on Venezuelan government debt.

Sec. 407. Expanding kingpin sanctions on narcotics trafficking and money laundering.

Sec. 408. Exceptions for humanitarian assistance.

Sec. 409. Concerns over PDVSA transactions with Rosneft.

Sec. 410. Report on activities of certain foreign governments and actors in Venezuela.

TITLE V—CRYPTOCURRENCY SANCTIONS AND ENSURING THE
EFFECTIVENESS OF UNITED STATES SANCTIONS

Sec. 501. Sanctions on Venezuela’s cryptocurrency and the provision of related technologies.

Sec. 502. Report on the impact of cryptocurrencies on United States sanctions.

TITLE VI—TERMINATION

Sec. 601. Extension and termination of sanctions against Venezuela.

1 **SEC. 2. SENSE OF CONGRESS.**

2 It is the sense of Congress that—

3 (1) Venezuela’s electoral event on May 20,
4 2018—

5 (A) was not legitimate; and

6 (B) did not comply with international
7 standards for a free, fair, and transparent
8 democratic process; and

9 (2) senior officials in the de facto government
10 of Nicolás Maduro—

11 (A) have taken continuous steps—

12 (i) to consolidate an authoritarian
13 government; and

14 (ii) to direct political control over
15 Venezuela’s Supreme Tribunal of Justice,
16 National Electoral Council, and armed
17 forces;

18 (B) have implemented policies that are di-
19 rectly responsible for—

1 (i) Venezuela’s economic and humani-
2 tarian crises; and

3 (ii) the massive outflow of Venezuelan
4 migrants leaving the country;

5 (C) have used access to food as a tool of
6 political coercion and a source of corruption
7 and have directly profited from corruption in
8 food procurement contracts;

9 (D) have utilized repressive tactics to vio-
10 late and curtail human rights, political rights,
11 freedom of expression, and freedom of the
12 press, including the arbitrary detention of polit-
13 ical prisoners; and

14 (E) have engaged in acts of gross corrup-
15 tion and criminality that have contributed to
16 the absence of the rule of law in Venezuela.

17 **TITLE I—HUMANITARIAN**
18 **RELIEF FOR VENEZUELA**

19 **SEC. 101. HUMANITARIAN RELIEF FOR THE VENEZUELAN**
20 **PEOPLE.**

21 (a) SENSE OF CONGRESS.—It is the sense of Con-
22 gress that humanitarian assistance—

23 (1) should be provided directly to the people of
24 Venezuela; and

1 (2) should not be passed through the control or
2 distribution mechanisms of the Government of Ven-
3 ezuela.

4 (b) IN GENERAL.—The Secretary of State, in coordi-
5 nation with the Administrator of the United States Agen-
6 cy for International Development, shall work through
7 international and nongovernmental organizations to pro-
8 vide humanitarian assistance to individuals and commu-
9 nities in Venezuela, including—

10 (1) public health commodities to Venezuelan
11 health facilities and services, including medicines on
12 the World Health Organization’s Model List of Es-
13 sential Medicines and basic medical supplies and
14 equipment;

15 (2) the basic food commodities and nutritional
16 supplements needed to address growing malnutrition
17 and improve food security for the people of Ven-
18 ezuela, with a specific emphasis on the most vulner-
19 able populations; and

20 (3) technical assistance to ensure that health
21 and food commodities are appropriately selected,
22 procured, and distributed.

23 (c) STRATEGY REQUIREMENT.—

24 (1) IN GENERAL.—Not later than 180 days
25 after the date of the enactment of this Act, the Sec-

1 retary of State, in coordination with the Adminis-
2 trator of the United States Agency for International
3 Development shall submit a strategy for carrying out
4 the activities described in subsection (b) to—

5 (A) the Committee on Foreign Relations of
6 the Senate;

7 (B) the Committee on Appropriations of
8 the Senate;

9 (C) the Committee on Foreign Affairs of
10 the House of Representatives; and

11 (D) the Committee on Appropriations of
12 the House of Representatives.

13 (2) ADDITIONAL ELEMENTS.—The strategy re-
14 quired under paragraph (1) shall be based on inde-
15 pendent assessments of the humanitarian crisis in
16 Venezuela, including assessments by nongovern-
17 mental organizations and the United Nations hu-
18 manitarian agencies listed in section 103(a).

19 (d) AUTHORIZATION OF APPROPRIATIONS.—

20 (1) IN GENERAL.—There is authorized to be
21 appropriated to the Secretary of State \$20,000,000
22 for fiscal year 2019 to carry out the activities set
23 forth in subsection (b) in accordance with this sec-
24 tion.

25 (2) NOTIFICATION REQUIREMENT.—

1 (A) IN GENERAL.—Except as provided
2 under subparagraph (B), amounts appropriated
3 or otherwise made available pursuant to para-
4 graph (1) may not be obligated until 15 days
5 after the date on which the President provides
6 notice to the committees listed in subsection
7 (c)(1) of the intent to obligate such funds.

8 (B) WAIVER.—

9 (i) IN GENERAL.—The Secretary of
10 State may waive the requirement under
11 subparagraph (A) if the Secretary of State
12 determines that such requirement would
13 pose a substantial risk to human health or
14 welfare.

15 (ii) NOTIFICATION REQUIREMENT.—If
16 a waiver is invoked under clause (i), the
17 President shall notify the committees listed
18 in subsection (c)(1) of the intention to obli-
19 gate funds under this section as early as
20 practicable, but not later than 3 days after
21 taking the action to which such notification
22 requirement was applicable in the context
23 of the circumstances necessitating such
24 waiver.

1 **SEC. 102. HUMANITARIAN ASSISTANCE TO VENEZUELAN**
2 **IN NEIGHBORING COUNTRIES.**

3 (a) IN GENERAL.—The Secretary of State, in coordi-
4 nation with the Administrator of the United States Agen-
5 cy for International Development, shall work through
6 international and nongovernmental organizations to pro-
7 vide Venezuelans in neighboring countries with humani-
8 tarian aid, such as—

9 (1) urgently needed health and nutritional as-
10 sistance, including logistical and technical assistance
11 to hospitals and health centers in affected commu-
12 nities;

13 (2) food assistance for vulnerable individuals,
14 including assistance to improve food security for af-
15 fected communities; and

16 (3) hygiene supplies and sanitation services.

17 (b) ADDITIONAL ELEMENTS.—The assistance de-
18 scribed in subsection (a)—

19 (1) may be provided—

20 (A) directly to Venezuelans in neighboring
21 countries; or

22 (B) indirectly through the communities in
23 which the Venezuelans reside; and

24 (2) should focus on the most vulnerable Ven-
25 ezuelans in neighboring countries.

1 (c) STRATEGY REQUIREMENT.—The strategy re-
2 quired under section 101(c) shall include a strategy for
3 carrying out the activities described in subsection (a).

4 (d) AUTHORIZATION OF APPROPRIATIONS.—

5 (1) IN GENERAL.—There is authorized to be
6 appropriated to the Secretary of State \$20,000,000
7 for fiscal year 2019 to carry out the activities set
8 forth in subsection (a) in accordance with this sec-
9 tion.

10 (2) NOTIFICATION REQUIREMENT.—

11 (A) IN GENERAL.—Except as provided
12 under subparagraph (B), amounts appropriated
13 or otherwise made available pursuant to para-
14 graph (1) may not be obligated until 15 days
15 after the date on which the President provides
16 notice to the committees listed in section
17 101(c)(1) of the intent to obligate such funds.

18 (B) WAIVER.—

19 (i) IN GENERAL.—The Secretary of
20 State may waive the requirement under
21 subparagraph (A) if the Secretary deter-
22 mines that such requirement would pose a
23 substantial risk to human health or wel-
24 fare.

1 (ii) NOTIFICATION REQUIREMENT.—If
2 a waiver is invoked under clause (i), the
3 President shall notify the committees listed
4 in section 101(c)(1) of the intention to ob-
5 ligate funds under this section as early as
6 practicable, but not later than 3 days after
7 taking the action to which such notification
8 requirement was applicable in the context
9 of the circumstances necessitating such
10 waiver.

11 **SEC. 103. REQUIREMENT FOR STRATEGY TO COORDINATE**
12 **INTERNATIONAL HUMANITARIAN ASSIST-**
13 **ANCE.**

14 (a) STRATEGY.—The strategy required under section
15 101(c) shall include a multiyear strategy that—

16 (1) describes how the United States will secure
17 support from international donors, including re-
18 gional partners in Latin America and the Caribbean,
19 for the provision of humanitarian assistance to the
20 people of Venezuela;

21 (2) identifies governments that are willing to
22 provide financial and technical assistance for the
23 provision of such humanitarian assistance to the
24 people of Venezuela and a description of such assist-
25 ance; and

1 (3) identifies the financial and technical assist-
2 ance to be provided by multilateral institutions, in-
3 cluding the United Nations humanitarian agencies
4 listed in section 103(a), the Pan American Health
5 Organization, the Inter-American Development
6 Bank, and the World Bank, and a description of
7 such assistance.

8 (b) DIPLOMATIC ENGAGEMENT.—The Secretary of
9 State, in consultation with the Administrator of the
10 United States Agency for International Development, shall
11 work with relevant foreign governments and multilateral
12 organizations to coordinate a donors summit and carry out
13 diplomatic engagement to advance the strategy described
14 in subsection (a).

15 **SEC. 104. SUPPORT FOR EFFORTS AT THE UNITED NATIONS**
16 **ON THE HUMANITARIAN CRISIS IN VEN-**
17 **EZUELA.**

18 (a) SENSE OF CONGRESS.—It is the sense of Con-
19 gress that the United Nations humanitarian agencies, in-
20 cluding the Office for the Coordination of Humanitarian
21 Affairs, the World Health Organization, the Pan Amer-
22 ican Health Organization, the Food and Agriculture Orga-
23 nization, UNICEF, and the United Nations High Com-
24 missioner for Refugees, should conduct and publish inde-
25 pendent assessments regarding—

1 (1) the extent and impact of the shortages of
2 food and medicine in Venezuela; and

3 (2) the efforts needed to resolve such shortages.

4 (b) INITIAL EFFORTS.—The President shall instruct
5 the Permanent Representative of the United States to the
6 United Nations to use the voice and vote of the United
7 States in the United Nations Security Council to secure
8 the necessary votes—

9 (1) to place the humanitarian and political cri-
10 sis in Venezuela on the United Nations Security
11 Council’s Programme of Work; and

12 (2) to secure a Presidential Statement from the
13 President of the United Nations Security Council
14 urging the Government of Venezuela—

15 (A) to allow the delivery of humanitarian
16 relief; and

17 (B) to lift bureaucratic impediments or
18 any other obstacles preventing independent non-
19 governmental organizations from providing the
20 proper assistance to the people of Venezuela
21 without any interference by the Government of
22 Venezuela.

23 (c) UNITED NATIONS HUMANITARIAN COORDI-
24 NATOR.—The President shall instruct the Permanent Rep-
25 resentative to the United Nations to use the voice and in-

1 fluence of the United States to advance the appointment
2 of a United Nations Humanitarian Coordinator for Ven-
3 ezuela to lead and coordinate the efforts of humanitarian
4 organizations in a manner that contributes to Venezuela's
5 long-term recovery.

6 (d) ADDITIONAL EFFORTS.—

7 (1) IN GENERAL.—If the Government of Ven-
8 ezuela refuses to allow the delivery of humanitarian
9 relief and to lift bureaucratic impediments and any
10 other obstacles described in subsection (b)(2)(B), the
11 President, beginning not later than 30 days after the
12 conclusion of the efforts of the United Nations de-
13 scribed in such subsection, shall instruct the Perma-
14 nent Representative of the United States to the
15 United Nations to use the voice and vote of the
16 United States to secure the adoption of a resolution
17 described in paragraph (2).

18 (2) RESOLUTION DESCRIBED.—The resolution
19 described in this paragraph is a Resolution of the
20 United Nations Security Council that—

21 (A) requires the Government of Venezuela
22 to promptly allow safe and unhindered access
23 for humanitarian agencies and their imple-
24 menting partners, including possible support
25 from neighboring countries; and

1 (B) calls on the Government of Ven-
2 ezuela—

3 (i) to allow the delivery of food and
4 medicine to the people of Venezuela;

5 (ii) to end human rights violations
6 against the people of Venezuela;

7 (iii) to agree to free, fair, and trans-
8 parent elections with credible international
9 observers;

10 (iv) to cease violence against the peo-
11 ple of Venezuela; and

12 (v) to release all political prisoners
13 held by the Government of Venezuela.

14 **TITLE II—RESTORING DEMOC-**
15 **RACY AND ADDRESSING THE**
16 **POLITICAL CRISIS IN VEN-**
17 **EZUELA**

18 **SEC. 201. RECOGNITION OF VENEZUELA'S DEMOCRAT-**
19 **ICALLY ELECTED NATIONAL ASSEMBLY.**

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

22 (1) Venezuela's unicameral National Assembly
23 convened on January 6, 2016, following democratic
24 elections that were held on December 6, 2015.

1 (2) Venezuela’s National Constituent Assembly
2 convened on August 4, 2017, in the aftermath of an
3 election on July 30, 2017, which was characterized
4 by widespread fraud and, as a result of administra-
5 tive processes, failed to comply with the Constitution
6 of the Bolivarian Republic of Venezuela.

7 (b) SENSE OF CONGRESS.—It is the sense of Con-
8 gress that actions taken by the Government of Venezuela
9 that require legislative approval, ratification, or concur-
10 rence, including the provision or refinancing of debts,
11 should only be recognized as legitimate by the United
12 States and the international community if such legislative
13 actions are performed by the democratically elected Na-
14 tional Assembly of the Bolivarian Republic of Venezuela.

15 (c) POLICY.—It is the policy of the United States—

16 (1) to recognize the democratically elected Na-
17 tional Assembly of Venezuela as the only legitimate
18 national legislative body in Venezuela; and

19 (2) not to recognize Venezuela’s National Con-
20 stituent Assembly as a legitimate legislative body.

21 **SEC. 202. ADVANCING A NEGOTIATED SOLUTION TO VEN-**
22 **EZUELA’S CRISIS.**

23 (a) SENSE OF CONGRESS.—It is the sense of Con-
24 gress that—

1 (1) direct, credible negotiations between the
2 Government of Venezuela and political opposition,
3 which include democratically elected deputies of the
4 National Assembly of the Bolivarian Republic of
5 Venezuela, are supported by stakeholders in the
6 international diplomatic community, and include the
7 input and interests of Venezuelan civil society, rep-
8 resent the best opportunity to reach a solution to the
9 Venezuelan crisis that includes—

10 (A) restoring democracy and the rule of

11 law;

12 (B) freeing political prisoners;

13 (C) facilitating the delivery of humani-
14 tarian aid; and

15 (D) establishing conditions for free and
16 fair democratic elections;

17 (2) negotiations between the Government of
18 Venezuela and political opposition that commenced
19 in October 2017, and were supported by the Govern-
20 ments of Mexico, Chile, Bolivia, and Nicaragua, did
21 not result in an agreement because the Government
22 of Venezuela failed to credibly participate in the
23 process; and

24 (3) negotiations between the Government of
25 Venezuela and political opposition that commenced

1 in October 2016, and were supported by the Vati-
2 can, did not result in an agreement because the Gov-
3 ernment of Venezuela failed to credibly participate
4 in the process.

5 (b) POLICY.—It is the policy of the United States to
6 support diplomatic engagement in order to advance a ne-
7 gotiated solution to Venezuela’s political, economic, and
8 humanitarian crisis that is described in subsection (a)(1).

9 **SEC. 203. SUPPORT FOR THE LIMA GROUP.**

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

12 (1) The Lima Group is a diplomatic bloc whose
13 members include Argentina, Brazil, Canada, Chile,
14 Colombia, Costa Rica, Guatemala, Guyana, Hon-
15 duras, Mexico, Panama, Paraguay, Peru, and Saint
16 Lucia.

17 (2) The Lima Group—

18 (A) has condemned the rupture of the
19 democratic order in Venezuela;

20 (B) has reaffirmed the authority of the
21 democratically elected National Assembly of
22 Venezuela;

23 (C) has rejected Venezuela’s National Con-
24 stituent Assembly;

1 (D) has called on the Government of Ven-
2 zuela to accept humanitarian assistance in
3 order to address the country’s growing eco-
4 nomic crisis; and

5 (E) has stated that it does not recognize
6 the legitimacy of Venezuela’s May 20, 2018,
7 presidential election as it did not comply with
8 international standards for a democratic, free,
9 fair, and transparent process.

10 (b) SENSE OF CONGRESS.—It is the sense of Con-
11 gress that the Secretary of State should conduct diplo-
12 matic engagement in support of efforts by the Lima Group
13 to restore democracy and the rule of law Venezuela and
14 facilitate the delivery of humanitarian assistance for the
15 Venezuelan people.

16 **SEC. 204. ACCOUNTABILITY FOR CRIMES AGAINST HUMAN-**
17 **ITY.**

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

20 (1) On July 25, 2017, the Secretary General of
21 the Organization of American States stated “the
22 systematic attack against the civilian population [of
23 Venezuela] includes murders, imprisonment and tor-
24 ture, and it is evident in the eyes of the inter-

1 national community that we are in the presence of
2 crimes against humanity.”.

3 (2) On September 11, 2017, the United Na-
4 tions High Commissioner for Human Rights stated
5 that Venezuelan security forces may have committed
6 crimes against humanity against protesters and
7 called for a credible international investigation.

8 (3) A November 29, 2017, report by Human
9 Rights Watch documented that Venezuelan security
10 forces had used extreme and, at times, lethal forces
11 against protesters and, once detained, subjected
12 them to abuses ranging from severe beatings to tor-
13 ture involving electric shocks, asphyxiation, and
14 other techniques.

15 (4) On February 8, 2018, the Prosecutor of the
16 International Criminal Court opened a preliminary
17 examination of the situation in Venezuela as it re-
18 lates to Venezuelan security forces using excessive
19 force against civilians and the political opposition.

20 (5) On May 29, 2018, a panel of independent
21 international experts convened by the Secretary Gen-
22 eral of the Organization of American States found
23 that “there are reasonable grounds that satisfy the
24 standard of proof required by Article 53 of the
25 Rome Statute for considering that acts to which the

1 civilian population of Venezuela was subjected [. . .]
2 constitute crimes against humanity”.

3 (b) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that the Secretary of State should conduct robust
5 diplomatic engagement in support of efforts in Venezuela,
6 and on the part of the international community, to ensure
7 accountability for possible crimes against humanity and
8 other violations of international humanitarian law and vio-
9 lations and abuses of human rights.

10 (c) REPORT.—Not later than 180 days after the date
11 of the enactment of this Act, the Secretary of State shall
12 submit a report to Congress that—

13 (1) evaluates the degree to which the Govern-
14 ment of Venezuela and its officials, including mem-
15 bers of the Venezuelan security force, have engaged
16 in actions that constitute crimes against humanity
17 and violations of international humanitarian law;
18 and

19 (2) provides options for holding accountable the
20 perpetrators identified under paragraph (1).

21 **SEC. 205. UPHOLDING THE ORGANIZATION OF AMERICAN**
22 **STATES INTER-AMERICAN DEMOCRATIC**
23 **CHARTER.**

24 (a) FINDINGS.—Congress makes the following find-
25 ings:

1 (1) Article 1 of the Inter-American Democratic
2 Charter, which was adopted by the Organization of
3 American States in Lima on September 11, 2001,
4 states: “The peoples of the Americas have a right to
5 democracy and their governments have an obligation
6 to promote and defend it.”.

7 (2) Article 19 of the Inter-American Demo-
8 cratic Charter states “an unconstitutional interrup-
9 tion of the democratic order or an unconstitutional
10 alteration of the constitutional regime that seriously
11 impairs the democratic order in a member state,
12 constitutes, while it persists, an insurmountable ob-
13 stacle to its government’s participation in sessions of
14 the General Assembly . . . and other bodies of the
15 Organization.”.

16 (3) Article 20 of the Inter-American Demo-
17 cratic Charter states the following:

18 (A) “In the event of an unconstitutional al-
19 teration of the constitutional regime that seri-
20 ously impairs the democratic order in a member
21 state, any member state or the Secretary Gen-
22 eral may request the immediate convocation of
23 the Permanent Council to undertake a collective
24 assessment of the situation and to take such de-
25 cisions as it deems appropriate.”.

1 (B) “The Permanent Council, depending
2 on the situation, may undertake the necessary
3 diplomatic initiatives, including good offices, to
4 foster the restoration of democracy.”.

5 (4) Article 21 of the Inter-American Demo-
6 cratic Charter states “When the special session of
7 the General Assembly determines that there has
8 been an unconstitutional interruption of the demo-
9 cratic order of a member state, and that diplomatic
10 initiatives have failed, the special session shall take
11 the decision to suspend said member state.”.

12 (b) SENSE OF CONGRESS.—It is the sense of Con-
13 gress that—

14 (1) Venezuelan President Nicolás Maduro and
15 the Supreme Tribunal of Justice of Venezuela have
16 carried out systematic efforts to undermine, block,
17 and circumvent the authorities and responsibilities
18 of the Venezuelan National Assembly, as mandated
19 in the Constitution of the Bolivarian Republic of
20 Venezuela;

21 (2) the National Electoral Council of Venezuela
22 convened presidential elections on May 20, 2018,
23 which were not democratic, free, fair, or transparent;

1 (3) such events constitute an unconstitutional
2 alteration of the constitutional regime that seriously
3 impairs the democratic order in Venezuela; and

4 (4) the Secretary of State, working through the
5 United States Permanent Representative to the Or-
6 ganization of American States, should take addi-
7 tional steps to support ongoing efforts by the Sec-
8 retary General—

9 (A) to invoke the Inter-American Demo-
10 cratic Charter; and

11 (B) to promote diplomatic initiatives to
12 foster the restoration of Venezuelan democracy.

13 **SEC. 206. SUPPORT FOR INTERNATIONAL ELECTION OB-**
14 **SERVATION AND DEMOCRATIC CIVIL SOCI-**
15 **ETY.**

16 (a) IN GENERAL.—The Secretary of State, in coordi-
17 nation with the Administrator of the United States Agen-
18 cy for International Development—

19 (1) shall work with the Organization of Amer-
20 ican States to ensure credible international observa-
21 tion of future elections in Venezuela that contributes
22 to free, fair, and transparent democratic electoral
23 processes; and

24 (2) shall work through nongovernmental organi-
25 zations—

1 (A) to strengthen democratic governance
2 and institutions, including the democratically
3 elected National Assembly of Venezuela;

4 (B) to defend internationally recognized
5 human rights for the people of Venezuela, in-
6 cluding support for efforts to document crimes
7 against humanity and violations of human
8 rights;

9 (C) to support the efforts of independent
10 media outlets to broadcast, distribute, and
11 share information beyond the limited channels
12 made available by the Government of Ven-
13 ezuela; and

14 (D) to combat corruption and improve the
15 transparency and accountability of institutions
16 that are part of the Government of Venezuela.

17 (b) VOICE AND VOTE AT THE ORGANIZATION OF
18 AMERICAN STATES.—The Secretary of State, acting
19 through the United States Permanent Representative to
20 the Organization of American States, should advocate and
21 build diplomatic support for sending an election observa-
22 tion mission to Venezuela to ensure that democratic elec-
23 toral processes are organized and carried out in a free,
24 fair, and transparent manner.

1 (c) STRATEGY REQUIREMENT.—Not later than 180
2 days after the date of the enactment of this Act, the Sec-
3 retary of State, in coordination with the Administrator of
4 the United States Agency for International Development,
5 shall submit a strategy to carry out the activities described
6 in subsection (a) to—

7 (1) the Committee on Foreign Relations of the
8 Senate;

9 (2) the Committee on Appropriations of the
10 Senate;

11 (3) the Committee on Foreign Affairs of the
12 House of Representatives; and

13 (4) the Committee on Appropriations of the
14 House of Representatives.

15 (d) AUTHORIZATION OF APPROPRIATIONS.—

16 (1) IN GENERAL.—There are authorized to be
17 appropriated to the Secretary of State for fiscal year
18 2019—

19 (A) \$500,000 to carry out the activities de-
20 scribed in subsection (a)(1); and

21 (B) \$14,500,000 to carry out the activities
22 described in subsection (a)(2).

23 (2) NOTIFICATION REQUIREMENT.—

24 (A) IN GENERAL.—Except as provided
25 under subparagraph (B), amounts appropriated

1 or otherwise made available pursuant to para-
2 graph (1) may not be obligated until 15 days
3 after the date on which the President provides
4 notice to the committees listed in subsection (c)
5 of intent to obligate such funds.

6 (B) WAIVER.—

7 (i) IN GENERAL.—The Secretary of
8 State may waive the notification require-
9 ment under subparagraph (A) if the Presi-
10 dent determines that such requirement
11 would pose a substantial risk to human
12 health or welfare.

13 (ii) NOTIFICATION REQUIREMENT.—If
14 a waiver is invoked under clause (i), the
15 Secretary of State shall notify the commit-
16 tees listed in subsection (c) of the intention
17 to obligate funds under this section as
18 early as practicable, but not later than 3
19 days after taking the action to which such
20 notification requirement was applicable in
21 the context of the circumstances necessi-
22 tating such waiver.

1 **TITLE III—SUPPORTING THE RE-**
2 **CONSTRUCTION OF VEN-**
3 **EZUELA**

4 **SEC. 301. ENGAGING INTERNATIONAL FINANCIAL INSTITU-**
5 **TIONS TO ADVANCE THE RECONSTRUCTION**
6 **OF VENEZUELA’S ECONOMY AND ENERGY IN-**
7 **FRASTRUCTURE.**

8 (a) IN GENERAL.—The Secretary of Treasury, in
9 consultation with the Secretary of State and the Secretary
10 of Energy, should work through the United States Execu-
11 tive Directors to the International Monetary Fund and the
12 Multilateral Development Banks to create a framework for
13 the economic reconstruction of Venezuela, contingent upon
14 the restoration of democracy and the rule of law in the
15 country.

16 (b) ADDITIONAL ELEMENTS.—The framework cre-
17 ated under subsection (a) should include policy pro-
18 posals—

19 (1) to provide Venezuelans with humanitarian
20 assistance, poverty alleviation, and a social safety
21 net;

22 (2) to advance debt restructuring and debt sus-
23 tainability measures;

1 (3) to restore the production and efficient man-
2 agement of Venezuela’s oil industry, including re-
3 building energy infrastructure;

4 (4) to eliminate price controls and market dis-
5 torting subsidies in the Venezuelan economy; and

6 (5) to address hyperinflation in Venezuela.

7 (c) CONSULTATION.—In creating the framework
8 under subsection (a), the Secretary of Treasury, the Sec-
9 retary of State, and the Secretary of Energy shall consult
10 with relevant stakeholders in the humanitarian, financial
11 and energy sectors.

12 (d) SENSE OF CONGRESS.—It is the sense of Con-
13 gress that any effort to conduct debt restructuring
14 should—

15 (1) include discussions with China, which is
16 Venezuela’s biggest creditor; and

17 (2) appropriately account for China’s and Rus-
18 sia’s high-risk lending to Venezuela.

19 (e) CERTIFICATION.—The Secretary of Treasury may
20 not support lending or financing from the International
21 Monetary Fund and the Multilateral Development Banks
22 until the Secretary of State submits a report to the Com-
23 mittee on Foreign Relations of the Senate and Committee
24 on Foreign Affairs of the House of Representatives certi-
25 fying that the Government of Venezuela is committed to—

- 1 (1) restoring democracy and the rule of law;
- 2 (2) freeing political prisoners;
- 3 (3) facilitating the delivery of humanitarian aid;
- 4 and
- 5 (4) establishing conditions for free and fair
- 6 democratic elections.

7 (f) BRIEFINGS.—Upon a request from the Committee
8 on Foreign Relations of the Senate, the Committee on
9 Foreign Affairs of the House of Representatives, the Com-
10 mittee on Finance of the Senate, or the Committee on
11 Ways and Means of the House of Representatives, the
12 Secretary of Treasury shall brief the requesting committee
13 on the progress made in implementing the framework cre-
14 ated under subsection (a).

15 **SEC. 302. RECOVERING ASSETS STOLEN FROM THE VEN-**
16 **EZUELAN PEOPLE.**

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

19 (1) Venezuela ranked 169th out of 180 coun-
20 tries in Transparency International’s Corruption
21 Perception Index 2017.

22 (2) In March 2016, the International Center for
23 Asset Recovery at the Basel Institute on Governance
24 in Switzerland estimated that approximately
25 \$350,000,000,000 in public funding had been lost in

1 Venezuela as the result of corruption, fraud, and
2 graft.

3 (3) In March 2015, the Department of the
4 Treasury's Financial Crimes Enforcement Network
5 determined that approximately \$2,000,000,000 had
6 been siphoned from Venezuela's public oil company,
7 *Petróleos de Venezuela, S.A.*, in conjunction with its
8 designation of the *Banca Privada d'Andorra* as a
9 Foreign Financial Institution of Primary Money
10 Laundering Concern.

11 (b) IN GENERAL.—The Secretary of State, in coordi-
12 nation with the Secretary of the Treasury and the Attor-
13 ney General, shall advance a coordinated international ef-
14 fort—

15 (1) to carry out special financial investigations
16 to identify and track assets taken from the people
17 and institutions of Venezuela through theft, corrup-
18 tion, money laundering, or other illicit means; and

19 (2) work with foreign governments—

20 (A) to share financial investigations intel-
21 ligence, as appropriate;

22 (B) to block the assets identified pursuant
23 to paragraph (1); and

24 (C) to advance necessary civil forfeiture
25 litigation, including providing technical assist-

1 ance to help governments establish the nec-
2 essary legal framework to carry out asset for-
3 feitures.

4 (c) ADDITIONAL ELEMENTS.—The coordinated inter-
5 national effort described in subsection (b) shall—

6 (1) include input from—

7 (A) the Office of Foreign Assets Control of
8 the Department of the Treasury;

9 (B) the Financial Crimes Enforcement
10 Network of the Department of the Treasury;
11 and

12 (C) the Money Laundering and Asset Re-
13 covery Section of the Department of Justice;

14 (2) identify appropriate steps to advance nec-
15 essary civil forfeiture litigation in the United States;

16 (3) include an assessment of whether the
17 United States or another member of the inter-
18 national community should establish a managed
19 fund to hold the assets identified pursuant to sub-
20 section (b)(1) that could be returned to a future
21 democratic government in Venezuela; and

22 (4) include recommendations for new legislative
23 and regulatory measures in the United States that
24 would be needed to establish and manage the fund
25 described in paragraph (3).

1 (d) STRATEGY REQUIREMENT.—Not later than 180
2 days after the date of the enactment of this Act, the Sec-
3 retary of State shall submit a strategy for carrying out
4 the activities described in subsection (b) to—

5 (1) the Committee on Foreign Relations of the
6 Senate;

7 (2) the Committee on Finance of the Senate;

8 (3) the Committee on the Judiciary of the Sen-
9 ate;

10 (4) the Committee on Foreign Affairs of the
11 House of Representatives;

12 (5) the Committee on Ways and Means of the
13 House of Representatives; and

14 (6) the Committee on the Judiciary of the
15 House of Representatives.

16 (e) BRIEFINGS.—Upon a request from 1 of the con-
17 gressional committees listed in subsection (d), the Sec-
18 retary of State, the Secretary of the Treasury, or the At-
19 torney General shall brief the requesting committee on the
20 progress made in implementing the effort described in
21 subsection (b).

1 **TITLE IV—RESTORING THE**
2 **RULE OF LAW IN VENEZUELA**

3 **SEC. 401. CONCERNS AND REPORT ON THE INVOLVEMENT**
4 **OF VENEZUELAN OFFICIALS IN CORRUPTION**
5 **AND ILLICIT NARCOTICS TRAFFICKING.**

6 (a) REPORTING REQUIREMENT.—Not later than 180
7 days after the date of the enactment of this Act, the Sec-
8 retary of State, acting through the Bureau of Intelligence
9 and Research, and in coordination with the Director of
10 National Intelligence, shall submit a report to Congress
11 that describes the involvement of senior officials of the
12 Government of Venezuela, including members of the Na-
13 tional Electoral Council, the judicial system, and the Ven-
14 ezuelan security forces, in illicit narcotics trafficking and
15 acts of corruption in Venezuela.

16 (b) ADDITIONAL ELEMENTS.—The report submitted
17 under subsection (a) shall—

18 (1) describe how the acts of corruption de-
19 scribed in the report pose challenges for United
20 States national security and impact the rule of law
21 and democratic governance in countries of the West-
22 ern Hemisphere;

23 (2) identify individuals that frustrate the ability
24 of the United States to combat illicit narcotics traf-
25 ficking;

1 (3) include an assessment of the relationship
2 between individuals identified under subsection (a)
3 and President Nicolás Maduro or members of his
4 cabinet; and

5 (4) include input from the Drug Enforcement
6 Administration, the Office of Foreign Assets Con-
7 trol, and the Financial Crimes Enforcement Net-
8 work.

9 (c) FORM.—The report submitted under subsection
10 (a) shall be submitted in unclassified form, but may in-
11 clude a classified annex. The unclassified portion of the
12 report shall be made available to the public.

13 **SEC. 402. SANCTIONS ON PERSONS RESPONSIBLE FOR PUB-**
14 **LIC CORRUPTION AND UNDERMINING DEMO-**
15 **CRATIC GOVERNANCE.**

16 (a) FINDING.—Executive Order 13692 (50 U.S.C.
17 1701 note), which was signed on March 8, 2015, estab-
18 lished sanctions against individuals responsible for under-
19 mining democratic processes and institutions and involved
20 in acts of public corruption that were not included in the
21 Venezuela Defense of Human Rights and Civil Society Act
22 of 2014 (Public Law 113–278).

23 (b) SANCTIONS.—Section 5(a) of the Venezuela De-
24 fense of Human Rights and Civil Society Act of 2014
25 (Public Law 113–278) is amended—

1 (1) in paragraph (2), by striking “or” at the
2 end;

3 (2) by redesignating paragraph (3) as para-
4 graph (5);

5 (3) by inserting after paragraph (2) the fol-
6 lowing:

7 “(3) is responsible for, or complicit in, ordering,
8 controlling, or otherwise directing, significant actions
9 or policies that undermine democratic processes or
10 institutions;

11 “(4) is a government official, or a senior asso-
12 ciate of such an official, that is responsible for, or
13 complicit in, ordering, controlling, or otherwise di-
14 recting, acts of significant corruption, including the
15 expropriation of private or public assets for personal
16 gain, corruption related to government contracts or
17 the extraction of natural resources, bribery, or the
18 facilitation or transfer of the proceeds of corruption
19 to foreign jurisdictions; or”; and

20 (4) in paragraph (5), as redesignated, by strik-
21 ing “paragraph (1) or (2)” and inserting “para-
22 graph (1), (2), (3), or (4)”.

1 **SEC. 403. PUBLIC INFORMATION ABOUT SANCTIONED OFFI-**
2 **CIALS.**

3 (a) IN GENERAL.—Not later than 90 days after the
4 date of the enactment of this Act, and every 180 days
5 thereafter, except as provided in subsection (e), the Sec-
6 retary of Treasury, in consultation with the Secretary of
7 State, shall submit a report to Congress that describes the
8 total assessed value of blocked assets of Venezuelans des-
9 ignated under sanctions authorized under—

10 (1) the Foreign Narcotics Kingpin Designation
11 Act (title VIII of Public Law 106–120; 21 U.S.C.
12 1901 et seq.);

13 (2) the Venezuela Defense of Human Rights
14 and Civil Society Act of 2014 (Public Law 113–
15 278), as amended by section 402 of this Act; or

16 (3) Executive Order 13692 (50 U.S.C. 1701
17 note).

18 (b) ADDITIONAL ELEMENTS.—Reports submitted
19 under subsection (a) should provide descriptions of specific
20 cases that are most representative of the endemic corrup-
21 tion and illicit financial activities occurring in Venezuela.

22 (c) SUBSEQUENT REPORTS.—The Secretary of
23 Treasury is not required to submit an updated report to
24 Congress under subsection (a) unless, since the submission
25 of the preceding report—

1 (1) there has been meaningful change in the
2 value of blocked assets; or

3 (2) additional individuals have been targeted for
4 sanctions under the authorities listed in subsection
5 (a).

6 (d) BRIEFINGS.—If the Secretary of Treasury exer-
7 cises the exception described in subsection (c), the Sec-
8 retary of the Treasury, or designee, shall brief Congress
9 on—

10 (1) the decision to exercise the exception; and

11 (2) information related to the value of blocked
12 assets described in subsection (a).

13 (e) FORM.—Reports required under this section shall
14 be submitted in unclassified form, but may include a clas-
15 sified annex.

16 **SEC. 404. COORDINATING TARGETED SANCTIONS WITH**
17 **PARTNERS IN THE WESTERN HEMISPHERE**
18 **AND THE EUROPEAN UNION.**

19 (a) STRENGTHENING SANCTIONS CAPACITY IN LATIN
20 AMERICA AND THE CARIBBEAN.—The Secretary of State,
21 working through the Assistant Secretary of State for Eco-
22 nomic and Business Affairs and the Assistant Secretary
23 of State for International Narcotics and Law Enforcement
24 Affairs, and in coordination with the Secretary of the
25 Treasury, shall provide technical assistance to partner

1 governments in Latin America and the Caribbean to assist
2 such governments in establishing the legislative and regu-
3 latory frameworks needed to impose targeted sanctions on
4 Venezuelan officials who—

- 5 (1) are responsible for human rights abuses;
- 6 (2) have engaged in public corruption; or
- 7 (3) are undermining democratic institutions and
8 processes in Venezuela.

9 (b) COORDINATING INTERNATIONAL SANCTIONS.—

10 The Secretary of State shall engage in diplomatic efforts
11 with partner governments, including the Government of
12 Canada, governments in the European Union, and govern-
13 ments in Latin America and the Caribbean, to impose tar-
14 geted sanctions on Venezuelan officials described in sub-
15 section (a).

16 (c) STRATEGY REQUIREMENT.—Not later than 90
17 days after the date of the enactment of this Act, the Sec-
18 retary of State shall submit a strategy for carrying out
19 the activities described in subsection (a) to—

- 20 (1) the Committee on Foreign Relations of the
21 Senate;
- 22 (2) the Committee on Appropriations of the
23 Senate;
- 24 (3) the Committee on Foreign Affairs of the
25 House of Representatives; and

1 (4) the Committee on Appropriations of the
2 House of Representatives.

3 (d) AUTHORIZATION OF APPROPRIATIONS.—

4 (1) IN GENERAL.—There is authorized to be
5 appropriated, to the International Narcotics Control
6 and Law Enforcement account, \$3,000,000 for fiscal
7 year 2019 to carry out the activities set forth in sub-
8 section (a) in accordance with this section.

9 (2) NOTIFICATION REQUIREMENT.—

10 (A) IN GENERAL.—Except as provided
11 under subparagraph (B), amounts appropriated
12 or otherwise made available pursuant to para-
13 graph (1) may not be obligated until 15 days
14 after the date on which the President provides
15 notice to the committees listed in subsection (c)
16 of intent to obligate such funds.

17 (B) WAIVER.—

18 (i) IN GENERAL.—The Secretary of
19 State may waive the requirement under
20 subparagraph (A) if the Secretary of State
21 determines that such waiver is in the na-
22 tional interest of the United States.

23 (ii) NOTIFICATION REQUIREMENT.—If
24 a waiver is invoked under clause (i), the
25 President shall notify the committees listed

1 in subsection (c) of the intention to obli-
2 gate funds under this section as early as
3 practicable, but not later than 3 days after
4 taking the action to which such notification
5 requirement was applicable in the context
6 of the circumstances necessitating such
7 waiver.

8 (e) TRANSFER AUTHORITY.—The Assistant Sec-
9 retary of State for International Narcotics and Law En-
10 forcement Affairs may transfer funding to the Assistant
11 Secretary of State for Economic and Business Affairs, as
12 necessary, to implement the strategy described in sub-
13 section (c).

14 (f) REPORTING REQUIREMENT.—Not later than 180
15 days after the date of the enactment of this Act, and annu-
16 ally thereafter, the Secretary of State, in consultation with
17 the Secretary of Treasury, shall brief the Committee on
18 Foreign Relations of the Senate, the Committee on Bank-
19 ing, Housing, and Urban Affairs of the Senate, the Com-
20 mittee on Foreign Affairs of the House of Representatives,
21 and the Committee on Financial Services of the House of
22 Representatives that provides an assessment of the efforts
23 to strengthen sanctions capabilities and coordinate inter-
24 national sanctions in accordance with this section.

1 **SEC. 405. FINANCIAL SANCTIONS ON VENEZUELAN GOV-**
2 **ERNMENT DEBT.**

3 (a) FINDING.—Executive Order 13808 (82 Fed. Reg.
4 41155), which was signed on August 24, 2017, established
5 sanctions against the Government of Venezuela’s ability
6 to issue public debt.

7 (b) DEFINITIONS.—In this section:

8 (1) ENTITY.—The term “entity” means a part-
9 nership, association, trust, joint venture, corpora-
10 tion, group, subgroup, or other organization.

11 (2) GOVERNMENT OF VENEZUELA.—The term
12 “Government of Venezuela” means the Government
13 of Venezuela, any political subdivision, agency, or in-
14 strumentality of such government, including the
15 Central Bank of Venezuela and Petróleos de Ven-
16 ezuela, S.A., and any person owned or controlled by,
17 or acting for or on behalf of, such government.

18 (3) PERSON.—The term “person” means an in-
19 dividual or entity.

20 (4) UNITED STATES PERSON.—The term
21 “United States person” means any—

22 (A) United States citizen;

23 (B) alien lawfully admitted for permanent
24 residence to the United States;

25 (C) entity organized under the laws of the
26 United States or any jurisdiction within the

1 United States (including a foreign branch of
2 any such entity); and

3 (D) any person physically located in the
4 United States.

5 (c) IN GENERAL.—The President may prohibit, in
6 the United States or by a United States person—

7 (1) any transaction related to, provision of fi-
8 nancing for, or other dealing in—

9 (A) debt instruments with a maturity of
10 greater than 90 days issued by *Petróleos de*
11 *Venezuela, S.A.*, on or after the date of the en-
12 actment of this Act;

13 (B) debt instruments with a maturity of
14 greater than 30 days or equity issued by the
15 Government of Venezuela on or after the date
16 of the enactment of this Act, excluding debt in-
17 struments issued by *Petróleos de Venezuela,*
18 *S.A.*, that are not covered under subparagraph
19 (A);

20 (C) bonds issued by the Government of
21 Venezuela before the date of the enactment of
22 this Act; or

23 (D) dividend payments or other distribu-
24 tions of profits to the Government of Venezuela

1 from any entity owned or controlled, directly or
2 indirectly, by the Government of Venezuela;

3 (2) the direct or indirect purchase of securities
4 from the Government of Venezuela, except for—

5 (A) securities qualifying as debt instru-
6 ments issued by *Petróleos de Venezuela, S.A.*,
7 on or after the date of the enactment of this
8 Act that are not described in paragraph (1)(A);
9 and

10 (B) securities qualifying as debt instru-
11 ments issued by the Government of Venezuela
12 on or after the date of the enactment of this
13 Act that are not described in paragraph (1)(B);

14 (3) any transaction that evades or avoids, has
15 the purpose of evading or avoiding, causes a viola-
16 tion of, or attempts to violate a prohibition under
17 paragraph (1) or (2); and

18 (4) any conspiracy to violate a prohibition
19 under paragraph (1), (2), or (3).

20 (d) SENSE OF CONGRESS.—It is the sense of Con-
21 gress that the President should waive the prohibitions de-
22 scribed in subsection (c) if the related debt instruments,
23 bonds, or securities have been approved or ratified by the
24 democratically elected National Assembly of the
25 Bolivarian Republic of Venezuela.

1 (e) IMPLEMENTATION; PENALTIES.—

2 (1) IMPLEMENTATION.—The President may ex-
3 ercise all authorities described in sections 203 and
4 205 of the International Emergency Economic Pow-
5 ers Act (50 U.S.C. 1702 and 1704) to carry out this
6 section.

7 (2) PENALTIES.—A person that violates, at-
8 tempts to violate, conspires to violate, or causes a
9 violation of this section or any regulation, license, or
10 order issued to carry out this section shall be subject
11 to the penalties set forth in subsections (b) and (c)
12 of section 206 of the International Emergency Eco-
13 nomic Powers Act (50 U.S.C. 1705) to the same ex-
14 tent as a person that commits an unlawful act de-
15 scribed in subsection (a) of that section.

16 **SEC. 406. ADDITIONAL FINANCIAL SANCTIONS ON VEN-**
17 **EZUELAN GOVERNMENT DEBT.**

18 (a) FINDING.—Executive Order 13835 (83 Fed. Reg.
19 24001), which was signed on May 21, 2018, established
20 additional sanctions against transactions involving the
21 Government of Venezuela’s existing public debt.

22 (b) PROHIBITION.—The President may prohibit a
23 United States person or any person within the United
24 States from—

1 (1) purchasing any debt owed to the Govern-
2 ment of Venezuela, including accounts receivable;

3 (2) entering into any transaction related to any
4 debt owed to the Government of Venezuela that is
5 pledged as collateral after May 21, 2018, including
6 accounts receivable; or

7 (3) entering into any transaction involving the
8 selling, transferring, assigning, or pledging as collat-
9 eral by the Government of Venezuela of any equity
10 interest in any entity in which the Government of
11 Venezuela has a 50 percent or greater ownership in-
12 terest.

13 (c) SENSE OF CONGRESS.—It is the sense of Con-
14 gress that the President should waive the prohibitions de-
15 scribed in subsection (a) if transactions involving related
16 debt instruments, bonds, or securities have been approved
17 or ratified by the democratically elected National Assem-
18 bly of Venezuela.

19 (d) ENFORCEMENT.—The Secretary of the Treasury,
20 in consultation with the Secretary of State, may promul-
21 gate such regulations as may be necessary to enforce the
22 prohibition set forth in subsection (b).

1 **SEC. 407. EXPANDING KINGPIN SANCTIONS ON NARCOTICS**
2 **TRAFFICKING AND MONEY LAUNDERING.**

3 (a) FINDINGS.—Congress makes the following find-
4 ings:

5 (1) On February 13, 2017, the Department of
6 the Treasury designated Venezuelan nationals
7 Tareck El Aissami (the current Vice President of
8 Venezuela) and Samark López Bello pursuant to the
9 Foreign Narcotics Kingpin Designation Act (21
10 U.S.C. 1901 et seq.).

11 (2) On May 7, 2018, the Department of the
12 Treasury designated Venezuelan nationals Pedro
13 Luis Martin, Walter Alexander del Nogal, and Mario
14 Antonio Rodríguez pursuant to such Act.

15 (b) FINANCIAL SANCTIONS EXPANSION.—

16 (1) IN GENERAL.—The Secretary of the Treas-
17 ury, the Attorney General, the Secretary of State,
18 the Secretary of Defense, and the Director of the
19 Central Intelligence Agency shall expand investiga-
20 tions, intelligence collection, and analysis pursuant
21 to the Foreign Narcotics Kingpin Designation Act
22 (21 U.S.C. 1901 et seq.) to facilitate the identifica-
23 tion and support the application of sanctions
24 against—

25 (A) significant foreign narcotics traf-
26 fickers, their organizations and networks; and

1 (B) the foreign persons who provide mate-
2 rial, financial, or technological support to such
3 traffickers, organizations, and networks.

4 (2) TARGETS.—The efforts described in para-
5 graph (1) shall specifically target—

6 (A) senior members of the Government of
7 Venezuela, including military officers, involved
8 in narcotics trafficking and money laundering;

9 (B) foreign narcotics traffickers and their
10 organizations and networks that are operating
11 in Venezuela; and

12 (C) the foreign persons who provide mate-
13 rial, financial, or technological support to such
14 traffickers, organizations, and networks that
15 are operating in Venezuela.

16 **SEC. 408. EXCEPTIONS FOR HUMANITARIAN ASSISTANCE.**

17 (a) DEFINITIONS.—In this section:

18 (1) AGRICULTURAL COMMODITY.—The term
19 “agricultural commodity” has the meaning given
20 that term in section 102 of the Agricultural Trade
21 Act of 1978 (7 U.S.C. 5602).

22 (2) GOOD.—The term “good” has the meaning
23 given that term in section 16 of the Export Adminis-
24 tration Act of 1979 (50 U.S.C. 4618) (as continued

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

3 (3) MEDICAL DEVICE.—The term “medical de-
4 vice” has the meaning given the term “device” in
5 section 201 of the Federal Food, Drug, and Cos-
6 metic Act (21 U.S.C. 321).

7 (4) MEDICINE.—The term “medicine” has the
8 meaning given the term “drug” in section 201 of the
9 Federal Food, Drug, and Cosmetic Act (21 U.S.C.
10 321).

11 (b) IN GENERAL.—The conduct or facilitation of a
12 transaction for the sale of agricultural commodities, food,
13 medicine, or medical devices to Venezuela or for the provi-
14 sion of humanitarian assistance to the people of Ven-
15 ezuela, including engaging in a financial transaction relat-
16 ing to humanitarian assistance or for humanitarian pur-
17 poses or transporting goods or services that are necessary
18 to carry out operations relating to humanitarian assist-
19 ance or humanitarian purposes, regardless of whether the
20 transactions or provision of humanitarian assistance origi-
21 nate in, or have a connection to, the United States, shall
22 be exempt from sanctions described in sections 402, 405,
23 406, and 501 of this Act, the Venezuela Defense of
24 Human Rights and Civil Society Act of 2014 (Public Law

1 113–278); and Executive Orders 13692 (50 U.S.C. 1701
2 note), 13808, 13827, and 13835.

3 (c) IMPLEMENTATION.—In carrying out this Act, the
4 President may exercise all authorities provided under sec-
5 tions 203 and 205 of the International Emergency Eco-
6 nomic Powers Act (50 U.S.C. 1702 and 1704).

7 (d) RULE OF CONSTRUCTION.—Nothing in this Act
8 may be construed to limit the authority of the President
9 under the International Emergency Economic Powers Act
10 (50 U.S.C. 1701 et seq.).

11 **SEC. 409. CONCERNS OVER PDVSA TRANSACTIONS WITH**
12 **ROSNEFT.**

13 (a) FINDINGS.—Congress makes the following find-
14 ings:

15 (1) In late 2016, Venezuelan state-owned oil
16 company *Petróleos de Venezuela, S.A.* (referred to in
17 this section as “PDVSA”), through a no compete
18 transaction, secured a loan from Russian govern-
19 ment-controlled oil company *Rosneft*, using 49.9 per-
20 cent of PDVSA’s American subsidiary, *CITGO Pe-*
21 *troleum Corporation*, including its assets in the
22 United States, as collateral. As a result of this
23 transaction, 100 percent of *CITGO* is held as collat-
24 eral by PDVSA’s creditors.

1 (2) CITGO, a wholly owned subsidiary of
2 PDVSA, is engaged in interstate commerce and
3 owns and controls critical energy infrastructure in
4 19 States of the United States, including an exten-
5 sive network of pipelines, 48 terminals, and 3 refin-
6 eries, with a combined oil refining capacity of
7 749,000 barrels per day. CITGO's refinery in Lake
8 Charles, Louisiana, is the sixth largest refinery in
9 the United States.

10 (3) The Department of the Treasury imposed
11 sanctions on Rosneft, which is controlled by the Gov-
12 ernment of the Russian Federation, and its Execu-
13 tive Chairman, Igor Sechin, following Russia's mili-
14 tary invasion of Ukraine and its illegal annexation of
15 Crimea in 2014.

16 (4) The Department of Homeland Security has
17 designated the energy sector as critical to United
18 States infrastructure.

19 (5) The growing economic crisis in Venezuela
20 raises the probability that the Government of Ven-
21 ezuela and PDVSA will default on their inter-
22 national debt obligations, resulting in a scenario in
23 which Rosneft could come into control of CITGO's
24 United States energy infrastructure holdings.

1 (b) SENSE OF CONGRESS.—It is the sense of Con-
2 gress that—

3 (1) control of critical United States energy in-
4 frastructure by Rosneft, a Russian government-con-
5 trolled entity currently under United States sanc-
6 tions that is led by Igor Sechin, who is also under
7 United States sanctions and is a close associate of
8 Vladimir Putin, would pose a significant risk to
9 United States national security and energy security;
10 and

11 (2) a default by PDVSA on its loan from
12 Rosneft, resulting in Rosneft coming into possession
13 of PDVSA's United States CITGO assets, would
14 warrant careful consideration by the Committee on
15 Foreign Investment in the United States.

16 (c) PREVENTING ROSNEFT FROM CONTROLLING
17 UNITED STATES ENERGY INFRASTRUCTURE.—The Presi-
18 dent shall take all necessary steps to prevent Rosneft from
19 gaining control of critical United States energy infrastruc-
20 ture.

21 (d) SECURITY RISK ASSESSMENT.—

22 (1) IN GENERAL.—The Secretary of Homeland
23 Security, in consultation with the Secretary of State,
24 shall conduct an assessment of the security risks

1 posed by Russian control of CITGO's United States
2 energy infrastructure holdings.

3 (2) REPORT.—Not later than 180 days after
4 the date of the enactment of this Act, the Secretary
5 of Homeland Security shall submit a report to the
6 Committee on Foreign Relations of the Senate, the
7 Committee on Homeland Security and Governmental
8 Affairs of the Senate, the Committee on Foreign Af-
9 fairs of the House of Representatives, and the Com-
10 mittee on Homeland Security of the House of Rep-
11 resentatives that contains the results of the assess-
12 ment conducted pursuant to paragraph (1).

13 (e) REVIEW OF CITGO TRANSACTIONS.—If PDVSA
14 defaults on its debt obligations, the Secretary of the
15 Treasury should review CITGO's transactions with United
16 States persons to assess and ensure compliance with
17 United States sanctions policies and regulations.

18 **SEC. 410. REPORT ON ACTIVITIES OF CERTAIN FOREIGN**
19 **GOVERNMENTS AND ACTORS IN VENEZUELA.**

20 (a) IN GENERAL.—Not later than 180 days after the
21 date of the enactment of this Act, the Secretary of State,
22 acting through the Bureau of Intelligence and Research
23 of the Department of State, and in coordination with the
24 Director of National Intelligence, shall submit a report to
25 Congress that describes—

1 (1) the full extent of cooperation by the Govern-
2 ment of the Russian Federation, the Government of
3 the People’s Republic of China, the Government of
4 Cuba, and the Government of Iran with the Govern-
5 ment of Venezuela and the National Bolivarian
6 Armed Forces of Venezuela; and

7 (2) the activities of foreign armed groups, in-
8 cluding the Colombian guerilla group known as the
9 National Liberation Army (ELN), defectors from
10 the Colombian guerilla group known as the Revolu-
11 tionary Armed Forces of Colombia (FARC), and Co-
12 lombian criminal organizations, inside Venezuelan
13 territory.

14 (b) FORM.—The report required under subsection (a)
15 shall be submitted in unclassified form, but may include
16 a classified annex. The unclassified portion of the report
17 shall be made available to the public.

1 **TITLE V—CRYPTOCURRENCY**
2 **SANCTIONS AND ENSURING**
3 **THE EFFECTIVENESS OF**
4 **UNITED STATES SANCTIONS**

5 **SEC. 501. SANCTIONS ON VENEZUELA’S CRYPTOCURRENCY**
6 **AND THE PROVISION OF RELATED TECH-**
7 **NOLOGIES.**

8 (a) FINDING.—Executive Order 13827 (83 Fed. Reg.
9 12469), which was signed on March 19, 2018, established
10 sanctions against the Government of Venezuela’s ability
11 to issue a digital currency in an effort to circumvent
12 United States sanctions.

13 (b) DEFINITIONS.—In this section:

14 (1) ENTITY.—The term “entity” means a part-
15 nership, association, trust, joint venture, corpora-
16 tion, group, subgroup, or other organization.

17 (2) GOVERNMENT OF VENEZUELA.—The term
18 “Government of Venezuela” means the Government
19 of Venezuela, any political subdivision, agency, or in-
20 strumentality of such government, including the
21 Central Bank of Venezuela and Petróleos de Ven-
22 ezuela, S.A., and any person owned or controlled by,
23 or acting for or on behalf of, such government.

24 (3) PERSON.—The term “person” means an in-
25 dividual or entity.

1 (4) UNITED STATES PERSON.—The term
2 “United States person” means any—

3 (A) United States citizen;

4 (B) alien lawfully admitted for permanent
5 residence to the United States;

6 (C) entity organized under the laws of the
7 United States or any jurisdiction within the
8 United States (including a foreign branch of
9 any such entity); and

10 (D) any person physically located in the
11 United States.

12 (c) PROHIBITION OF CERTAIN TRANSACTIONS.—

13 (1) IN GENERAL.—All transactions by a United
14 States person or within the United States that relate
15 to, provide financing for, provide software for, or
16 otherwise deal in any digital currency, digital coin,
17 or digital token, that was issued by, for, or on behalf
18 of the Government of Venezuela are prohibited be-
19 ginning on the date of the enactment of this Act.

20 (2) APPLICABILITY.—The prohibitions under
21 paragraph (1) shall apply to the extent provided by
22 statutes, or in regulations, orders, directives, or li-
23 censes that may be issued pursuant to this Act, and
24 notwithstanding any contract entered into or any li-

1 cense or permit granted before the date of the enact-
2 ment of this Act.

3 (3) PROHIBITIONS.—Any transaction that
4 evades or avoids, has the purpose of evading or
5 avoiding, causes a violation of, or attempts to violate
6 any of the prohibitions set forth in this subsection
7 is prohibited. Any conspiracy formed to violate any
8 of the prohibitions set forth in this subsection is pro-
9 hibited.

10 (d) RULEMAKING.—

11 (1) IN GENERAL.—The Secretary of the Treas-
12 ury, in consultation with the Secretary of State, is
13 authorized to take such actions, including promul-
14 gating rules and regulations, to implement this sec-
15 tion.

16 (2) DELEGATION.—The Secretary of the Treas-
17 ury may redelegate any of the functions described in
18 paragraph (1) to other officers and executive depart-
19 ments and agencies of the United States Govern-
20 ment. All agencies of the United States Government
21 shall take all appropriate measures within their au-
22 thority to carry out the provisions of this section.

1 **SEC. 502. REPORT ON THE IMPACT OF**
2 **CRYPTOCURRENCIES ON UNITED STATES**
3 **SANCTIONS.**

4 (a) **DEFINED TERM.**—In this section, the term “ap-
5 propriate congressional committees” means—

6 (1) the Committee on Foreign Relations of the
7 Senate;

8 (2) the Committee on Banking, Housing, and
9 Urban Affairs of the Senate;

10 (3) the Committee on Foreign Affairs of the
11 House of Representatives; and

12 (4) the Committee on Financial Services of the
13 House of Representatives.

14 (b) **REPORTING REQUIREMENT.**—Not later than 180
15 days after the date of the enactment of this Act, the Sec-
16 retary of State, after consultation with the Secretary of
17 the Treasury, the Chairman of the Securities and Ex-
18 change Commission, and the Chairman of the Commodity
19 Futures Trading Commission, shall submit a report to the
20 appropriate congressional committees that provides an as-
21 sessment on how digital currencies affect the effectiveness
22 of United States sanctions around the world.

23 (c) **ADDITIONAL ELEMENTS.**—The report submitted
24 under subsection (b) shall—

25 (1) describe any global efforts, including efforts
26 by states, state-sponsored actors, and non-state-

1 sponsored actors, to utilize digital currencies to
2 evade or circumvent United States sanctions, includ-
3 ing through the direct or indirect use of products or
4 services of United States based technology, software,
5 or financial services firms; and

6 (2) include recommendations for new legislative
7 and regulatory measures needed to strengthen the
8 United States Government’s ability to prevent
9 states, state-sponsored actors, and non-state-spon-
10 sored actors from using digital currencies to evade
11 or circumvent United States sanctions, including
12 through the direct or indirect use of products or
13 services of United States based technology, software,
14 or financial services firms.

15 (d) FORM.—The report submitted under subsection
16 (b) shall be submitted in unclassified form, but may in-
17 clude a classified annex.

18 **TITLE VI—TERMINATION**

19 **SEC. 601. EXTENSION AND TERMINATION OF SANCTIONS** 20 **AGAINST VENEZUELA.**

21 (a) AMENDMENT.—Section 5(e) of the Venezuela De-
22 fense of Human Rights and Civil Society Act of 2014
23 (Public Law 113–278; 50 U.S.C. 1701 note) is amended
24 by striking “December 31, 2019” and inserting “Decem-
25 ber 31, 2025”.

1 (b) TERMINATION.—The requirement to impose sanc-
2 tions under this Act shall terminate on December 31,
3 2025.

○