Suspend the Rules and Pass the Bill, H. R. 5094, With an Amendment

(The amendment strikes all after the enacting clause and inserts a new text)

114TH CONGRESS
2D Session

H. R. 5094

To contain, reverse, and deter Russian aggression in Ukraine, to assist Ukraine’s democratic transition, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

April 28, 2016

Mr. Engel (for himself, Mr. Kinzinger of Illinois, Mr. Levin, Mr. Fitzpatrick, Ms. Kaptur, Mr. Abraham, Mr. Costa, Mr. Weber of Texas, Mr. Deutch, Mr. Pompeo, Mr. Cicilline, Mr. Shimkus, Mr. Keating, Mr. Bilirakis, Mr. Cohen, and Mr. Ribble) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, the Judiciary, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To contain, reverse, and deter Russian aggression in Ukraine, to assist Ukraine’s democratic transition, 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,
SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Stability and Democracy for Ukraine Act” or “STAND for Ukraine Act”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Statements of policy.

TITLE I—CRIMEA ANNEXATION NON-RECOGNITION

Sec. 101. United States policy against recognition of territorial changes effected by force alone.
Sec. 102. Prohibitions against United States recognition of the Russian Federation’s annexation of Crimea.
Sec. 103. Determinations and codification of sanctions under Executive Order 13685.

TITLE II—SANCTIONS PROVISIONS

Sec. 201. Prohibiting certain transactions with foreign sanctions evaders and serious human rights abusers with respect to the Russian Federation.
Sec. 203. Requirements relating to transfers of defense articles and defense services to the Russian Federation.

TITLE III—OTHER MATTERS

Sec. 301. Strategy to respond to Russian Federation-supported information and propaganda efforts directed toward Russian-speaking communities in countries bordering the Russian Federation.
Sec. 302. Cost limitation.
Sec. 303. Sunset.

SEC. 2. STATEMENTS OF POLICY.

(a) In General.—It is the policy of the United States to further assist the Government of Ukraine in restoring its sovereignty and territorial integrity to contain, reverse, and deter Russian aggression in Ukraine. That policy shall be carried into effect, among other things, through a comprehensive effort, in coordination with allies
and partners of the United States where appropriate, that includes sanctions, diplomacy, and assistance, including lethal defensive weapons systems, for the people of Ukraine intended to enhance their ability to consolidate a rule of law-based democracy with a free market economy and to exercise their right under international law to self-defense.

(b) ADDITIONAL STATEMENT OF POLICY.—It is further the policy of the United States—

(1) to use its voice, vote, and influence in international fora to encourage others to provide assistance that is similar to assistance described in subsection (a) to Ukraine; and

(2) to ensure that any relevant sanctions relief for the Russian Federation is contingent on timely, complete, and verifiable implementation of the Minsk Agreements, especially the restoration of Ukraine’s control of the entirety of its eastern border with the Russian Federation in the conflict zone.

TITLE I—CRIMEA ANNEXATION NON-RECOGNITION

SEC. 101. UNITED STATES POLICY AGAINST RECOGNITION OF TERRITORIAL CHANGES EFFECTED BY FORCE ALONE.

Between the years of 1940 and 1991, the United States did not recognize the forcible incorporation and an-
nexation of the three Baltic States of Lithuania, Latvia, and Estonia into the Soviet Union under a policy known as the “Stimson Doctrine”.

SEC. 102. PROHIBITIONS AGAINST UNITED STATES RECOGNITION OF THE RUSSIAN FEDERATION’S ANNEXATION OF CRIMEA.

(a) IN GENERAL.—In accordance with United States policy enumerated in section 101, no Federal department or agency should take any action or extend any assistance that recognizes or implies any recognition of the de jure or de facto sovereignty of the Russian Federation over Crimea, its airspace, or its territorial waters.

(b) DOCUMENTS PORTRAYING CRIMEA AS PART OF RUSSIAN FEDERATION.—In accordance with United States policy enumerated in section 101, the Government Printing Office should not print any map, document, record, or other paper of the United States portraying or otherwise indicating Crimea as part of the territory of the Russian Federation.

SEC. 103. DETERMINATIONS AND CODIFICATION OF SANCTIONS UNDER EXECUTIVE ORDER 13685.

(a) DETERMINATIONS.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the President shall submit to the appropriate congressional com-
mittees a report that contains the assessment described in paragraph (2).

(2) ASSESSMENT DESCRIBED.—The assessment described in this paragraph is—

(A) a review of each person designated pursuant to Executive Order 13660 (March 6, 2014; 79 Fed. Reg. 13493; relating to blocking property of certain persons contributing to the situation in Ukraine) or Executive Order 13661 (March 16, 2014; 79 Fed. Reg. 15535; relating to blocking property of additional persons contributing to the situation in Ukraine); and

(B) a determination as to whether any such person meets the criteria for designation pursuant to Executive Order 13685 (December 19, 2014; 79 Fed. Reg. 77357; relating to blocking property of certain persons and prohibiting certain transactions with respect to the Crimea region of Ukraine).

(3) FORM.—The assessment required by paragraph (2) shall be submitted in unclassified form but may contain a classified annex.

(b) CODIFICATION.—United States sanctions provided for in Executive Order 13685, as in effect on the day before the date of the enactment of this Act, shall
remain in effect until the date on which the President sub-
mit to the appropriate congressional committees a certifi-
cation described in subsection (e).

(e) CERTIFICATION.—A certification described in this
subsection is a certification of the President that
Ukraine’s sovereignty over Crimea has been restored.

(d) RULE OF CONSTRUCTION.—Nothing in this sec-
tion shall be construed to restrict the authority of the
President to impose additional United States sanctions
with specific respect to the Russian Federation’s occupa-
tion of Crimea pursuant to Executive Order 13685.

(e) APPROPRIATE CONGRESSIONAL COMMITTEES.—
In this section, the term “appropriate congressional com-
mittees” means—

(1) the Committee on Foreign Affairs, the
Committee on Financial Services, and the Com-
mittee on Ways and Means of the House of Rep-
resentatives; and

(2) Committee on Foreign Relations and the
Committee on Banking, Housing, and Urban Affairs
of the Senate.
TITLE II—SANCTIONS

PROVISIONS

SEC. 201. PROHIBITING CERTAIN TRANSACTIONS WITH FOREIGN SANCTIONS EVADERS AND SERIOUS HUMAN RIGHTS ABUSERS WITH RESPECT TO THE RUSSIAN FEDERATION.

The Support for the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (Public Law 113–95; 22 U.S.C. 8901 et seq.) is amended by adding at the end the following new sections:

“SEC. 10. PROHIBITING CERTAIN TRANSACTIONS WITH FOREIGN SANCTIONS EVADERS WITH RESPECT TO THE RUSSIAN FEDERATION.

“(a) IN GENERAL.—The President is authorized to impose with respect to a foreign person the sanctions described in subsection (b) if the President determines that the foreign person knowingly—

“(1) has materially violated, attempted to violate, conspired to violate, or caused a violation of any license, order, regulation, or prohibition contained in, or issued pursuant to any covered Executive order; or

“(2) has facilitated significant deceptive or structured transactions for or on behalf of any per-
son subject to United States sanctions concerning the Russian Federation.

“(b) SANCTIONS DESCRIBED.—

“(1) IN GENERAL.—The sanctions described in this subsection are the exercise of all powers granted to the President by the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) to the extent necessary to block and prohibit all transactions in all property and interests in property of a person determined by the President to be subject to subsection (a) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person.

“(2) PENALTIES.—A person that is subject to sanctions described in paragraph (1) shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section.

“(c) WAIVER.—The President may waive the application of sanctions under subsection (b) on a case-by-case for a period of not more than 120 days, and may renew that waiver for additional periods of not more than 120
days with respect to a person if the President determines that such a waiver is in the national interests of the United States and on or before the date on which the waiver takes effect, submits to the appropriate congressional committees a notice of and justification for the waiver.

“(d) IMPLEMENTATION AUTHORITY.—The President may exercise all authorities provided to the President under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C. 1702 and 1704) for purposes of carrying out this section.

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

“(f) DEFINITIONS.—In this section:

“(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means—

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

“(B) Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.
“(2) COVERED EXECUTIVE ORDER.—The term ‘covered Executive order’ means any of the following:

“(A) Executive Order 13660 (March 6, 2014; 79 Fed. Reg. 13493; relating to blocking property of certain persons contributing to the situation in Ukraine).

“(B) Executive Order 13661 (March 16, 2014; 79 Fed. Reg. 15535; relating to blocking property of additional persons contributing to the situation in Ukraine).

“(C) Executive Order 13685 (December 19, 2014; 79 Fed. Reg. 77357; relating to blocking property of certain persons and prohibiting certain transactions with respect to the Crimea region of Ukraine).

“(3) FOREIGN PERSON.—The term ‘foreign person’ has the meaning given such term in section 595.304 of title 31, Code of Federal Regulations, as in effect on the date of the enactment of this Act.

“(4) STRUCTURED.—The term ‘structured’, with respect to a transaction, has the meaning given the term ‘structure’ in paragraph (xx) of section 1010.100 of title 31, Code of Federal Regulations.
“(5) UNITED STATES PERSON.—The term ‘United States person’ has the meaning given such term in section 589.312 of title 31, Code of Federal Regulations, as in effect on the date of the enactment of this Act.

“SEC. 11. PROHIBITING CERTAIN TRANSACTIONS IN AREAS CONTROLLED BY THE RUSSIAN FEDERATION.

“(a) IN GENERAL.—The President is authorized to impose with respect to a foreign person the sanctions described in subsection (b) if the President determines that the foreign person, based on credible information—

“(1) is responsible for, complicit in, or responsible for ordering, controlling, or otherwise directing, the commission of serious human rights abuses in any territory forcibly occupied or otherwise controlled by the Government of the Russian Federation;

“(2) has materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to, a foreign person that is responsible for, complicit in, or responsible for ordering, controlling, or otherwise directing, the commission of serious human rights abuses in any territory forcibly occupied or otherwise controlled by the Government of the Russian Federation; or
“(3) is owned or controlled by a foreign person, or has acted or purported to act for or on behalf of, directly or indirectly, a foreign person, that is responsible for, complicit in, or responsible for ordering, controlling, or otherwise directing, the commission of serious human rights abuses in any territory forcibly occupied or otherwise controlled by the Government of the Russian Federation.

“(b) SANCTIONS DESCRIBED.—

“(1) IN GENERAL.—The sanctions described in this subsection are the exercise of all powers granted to the President by the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), without regard to section 202 of such Act, to the extent necessary to block and prohibit all transactions in all property and interests in property of a person determined by the President to be subject to subsection (a) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person.

“(2) PENALTIES.—A person that is subject to sanctions described in paragraph (1) shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Eco-
nomic Powers Act (50 U.S.C. 1705) to the same ex-
tent as a person that commits an unlawful act de-
scribed in subsection (a) of that section.

“(c) WAIVER.—The President may waive the applica-
tion of sanctions under subsection (b) on a case-by-case
for a period of not more than 120 days, and may renew
that waiver for additional periods of not more than 120
days with respect to a person if the President determines
that such a waiver is in the national interests of the
United States and on or before the date on which the waiv-
er takes effect, submits to the appropriate congressional
committees a notice of and justification for the waiver.

“(d) IMPLEMENTATION AUTHORITY.—The President
may exercise all authorities provided to the President
under sections 203 and 205 of the International Emer-
for purposes of carrying out this section.

“(e) REGULATORY AUTHORITY.—The President shall
issue such regulations, licenses, and orders as are nec-
essary to carry out this section.

“(f) DEFINITIONS.—In this section:

“(1) APPROPRIATE CONGRESSIONAL COMMIT-
TEES.—The term ‘appropriate congressional com-
mittees’ means—
“(A) the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Ways and Means of the House of Representatives; and

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

“(2) FOREIGN PERSON.—The term ‘foreign person’ has the meaning given such term in section 595.304 of title 31, Code of Federal Regulations, as in effect on the date of enactment of this section.

“(3) UNITED STATES PERSON.—The term ‘United States person’ has the meaning given such term in section 589.312 of title 31, Code of Federal Regulations, as in effect on the date of enactment of this section.”.

SEC. 202. REPORT ON CERTAIN FOREIGN FINANCIAL INSTITUTIONS.

The Support for the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (Public Law 113–95; 22 U.S.C. 8901 et seq.) is amended by inserting after section 11 (as added by section 201 of this Act) the following new section:
“SEC. 12. REPORT ON CERTAIN FOREIGN FINANCIAL INSTITUTIONS.

“(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this section, the Secretary of State and the Secretary of the Treasury shall jointly submit to the appropriate congressional committees a report on—

“(1) foreign financial institutions that are in direct control of assets owned or controlled by the Government of Ukraine in a manner determined by the Secretary of State and the Secretary of the Treasury to be in violation of the sovereignty, independence, or territorial integrity of Ukraine;

“(2) foreign financial institutions that are directly or indirectly assisting or otherwise aiding the violation of sovereignty, independence, and territorial integrity of Ukraine; and

“(3) foreign financial institutions determined by the Secretary of State and the Secretary of the Treasury to be complicit in illicit financial activity, including money laundering, financing of terrorism, transnational organized crime, or misappropriation of state assets, that are—

“(A) organized under the laws of the Russian Federation; or
“(B) owned or controlled by a foreign person whose property or interests in property have been blocked pursuant to any covered Executive order.

“(b) FORM.—The report required to be submitted under this subsection shall be submitted in unclassified form but may include a classified annex.

“(c) DEFINITIONS.—In this section:

“(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means—

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

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

“(2) COVERED EXECUTIVE ORDER.—The term ‘covered Executive order’ has the meaning given the term in section 10(f) of this Act.”
SEC. 203. REQUIREMENTS RELATING TO TRANSFERS OF
DEFENSE ARTICLES AND DEFENSE SERVICES
TO THE RUSSIAN FEDERATION.

(a) STATEMENT OF POLICY.—It is the policy of the
United States to oppose the transfer of defense articles
and defense services from any country that is a member
of the North Atlantic Treaty Organization (NATO) to, or
on behalf of, the Russian Federation, during any period
in which the Russian Federation forcibly occupies the ter-
ritory of Ukraine or of a NATO member country.

(b) ADOPTION OF NATO POLICY.—The President
shall use the voice, vote, and influence of the United
States in NATO to seek the adoption of a policy by NATO
that is consistent with the policy of the United States
specified in subsection (a).

(c) MONITORING AND IDENTIFICATION OF TRANS-
FERS.—

(1) IN GENERAL.—The President shall direct
the heads of the appropriate departments and agen-
cies of the United States to identify those transfers
of defense articles and defense services described in
subsection (a) that are contrary to the policy of the
United States specified in subsection (a).

(2) REPORT.—

(A) IN GENERAL.—The President shall
submit a written report to the chairmen and
ranking members of the appropriate committees
of Congress within 5 days of the receipt of in-
formation indicating that a transfer described
in paragraph (1) has occurred.

(B) FORM.—The report required under
subparagraph (A) shall be submitted in unclas-
sified form but may include a classified annex.

(d) DEFINITIONS.—In this section:

(1) APPROPRIATE COMMITTEES OF CON-
GRESS.—The term “appropriate committees of Con-
gress” means—

(A) the Committee on Armed Services, the
Committee on Foreign Affairs, and the Perma-
nent Select Committee on Intelligence of the
House of Representatives; and

(B) the Committee on Armed Services, the
Committee on Foreign Relations, and the Select
Committee on Intelligence of the Senate.

(2) DEFENSE ARTICLES AND DEFENSE SER-
VICES.—The terms “defense article” and “defense
service” have the meanings given such terms in sec-
tion 47 of the Arms Export Control Act (22 U.S.C.
2794 note).
TITLE III—OTHER MATTERS

SEC. 301. STRATEGY TO RESPOND TO RUSSIAN FEDERATION-SUPPORTED INFORMATION AND PROPAGANDA EFFORTS DIRECTED TOWARD RUSSIAN-SPEAKING COMMUNITIES IN COUNTRIES BORDERING THE RUSSIAN FEDERATION.

(a) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the Secretary of State shall develop and implement a strategy to respond to Russian Federation-supported dis-information and propaganda efforts directed toward persons in countries bordering the Russian Federation.

(b) MATTERS TO BE INCLUDED.—The strategy required under subsection (a) should include the following:

(1) Development of a response to propaganda and dis-information campaigns as an element of the ongoing crisis in Ukraine, specifically—

(A) assistance in building the capacity of the Ukrainian military to document conflict zones and disseminate information in real-time;

(B) assistance in enhancing broadcast capacity with terrestrial television transmitters in Eastern Ukraine; and
(C) media training for officials of the Government of Ukraine.

(2) Establishment of a partnership with partner governments and private-sector entities to provide Russian-language entertainment and news content to broadcasters in Russian-speaking communities bordering the Russian Federation.

(3) Assessment of the extent of Russian Federation influence in political parties, financial institutions, media organizations, and other entities seeking to exert political influence and sway public opinion in favor of Russian Federation policy across Europe.

(e) REPORT.—The Secretary of State shall submit to the appropriate congressional committees a report on the strategy required under subsection (a) and its implementation.

(d) APPROPRIATE CONGRESSIONAL COMMITTEES.—In this section, the term “appropriate congressional committees” means—

(1) the Committee on Foreign Affairs and the Committee on Armed Services of the House of Representatives; and

(2) the Committee on Foreign Relations and the Committee on Armed Services of the Senate.
SEC. 302. COST LIMITATION.

No additional funds are authorized to carry out the requirements of this Act and the amendments made by this Act. Such requirements shall be carried out using amounts otherwise authorized.

SEC. 303. SUNSET.

This Act and the amendments made by this Act shall cease to be effective beginning on the date that is 5 years after the date of the enactment of this Act.