

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 1644  
OFFERED BY MR. ROYCE OF CALIFORNIA**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Korean Interdiction  
3 and Modernization of Sanctions Act”.

**4 SEC. 2. TABLE OF CONTENTS.**

5 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Definitions.

**TITLE I—SANCTIONS TO ENFORCE AND IMPLEMENT UNITED NA-  
TIONS SECURITY COUNCIL SANCTIONS AGAINST NORTH KOREA**

- Sec. 101. Modification and expansion of requirements for the designation of persons.
- Sec. 102. Prohibition on indirect correspondent accounts.
- Sec. 103. Limitations on foreign assistance to noncompliant governments.
- Sec. 104. Amendments to enhance inspection authorities.
- Sec. 105. Enforcing compliance with United Nations shipping sanctions against North Korea.
- Sec. 106. Report on cooperation between North Korea and Iran.
- Sec. 107. Report on implementation of United Nations Security Council resolutions by other governments.
- Sec. 108. Briefing on measures to deny specialized financial messaging services to designated North Korean financial institutions.

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

- Sec. 201. Sanctions for forced labor and slavery overseas of North Koreans.
- Sec. 202. Modifications to sanctions suspension and waiver authorities.
- Sec. 203. Reward for informants.
- Sec. 204. Determination on designation of North Korea as a state sponsor of terrorism.

TITLE III—GENERAL AUTHORITIES

- Sec. 301. Authority to consolidate reports.
- Sec. 302. Rule of construction.
- Sec. 303. Regulatory authority.
- Sec. 304. Limitation on funds.

1 **SEC. 3. DEFINITIONS.**

2 (a) AMENDMENTS TO DEFINITIONS IN THE NORTH  
3 KOREA SANCTIONS AND POLICY ENHANCEMENT ACT OF  
4 2016.—

5 (1) APPLICABLE EXECUTIVE ORDER.—Section  
6 3(1)(A) of the North Korea Sanctions and Policy  
7 Enhancement Act of 2016 (22 U.S.C. 9202(1)(A))  
8 is amended—

9 (A) by striking “or Executive Order  
10 13694” and inserting “Executive Order  
11 13694”; and

12 (B) by inserting “or Executive Order  
13 13722 (50 U.S.C. 1701 note; relating to block-  
14 ing the property of the Government of North  
15 Korea and the Workers’ Party of Korea, and  
16 Prohibiting Certain Transactions With Respect  
17 to North Korea),” before “to the extent”.

18 (2) APPLICABLE UNITED NATIONS SECURITY  
19 COUNCIL RESOLUTION.—Section 3(2)(A) of the  
20 North Korea Sanctions and Policy Enhancement Act  
21 of 2016 (22 U.S.C. 9202(2)(A)) is amended by

1 striking “or 2094 (2013)” and inserting “, 2094  
2 (2013), 2270 (2016), or 2321 (2016)”.

3 (3) FOREIGN PERSON.—Section 3 of the North  
4 Korea Sanctions and Policy Enhancement Act of  
5 2016 (22 U.S.C. 9202) is amended—

6 (A) by redesignating paragraphs (5)  
7 through (14) as paragraphs (6) through (15),  
8 respectively; and

9 (B) by inserting after paragraph (4) the  
10 following new paragraph:

11 “(5) FOREIGN PERSON.—The term ‘foreign per-  
12 son’ means—

13 “(A) an individual who is not a United  
14 States citizen or an alien lawfully admitted for  
15 permanent residence to the United States; or

16 “(B) an entity that is not a United States  
17 person.”.

18 (4) LUXURY GOODS.—Paragraph (9) of section  
19 3 of the North Korea Sanctions and Policy En-  
20 hancement Act of 2016 (22 U.S.C. 9202), as reded-  
21 icated by paragraph (3), is amended—

22 (A) in subparagraph (A), by striking  
23 “and” at the end;

24 (B) in subparagraph (B), by striking the  
25 period at the end and inserting “; and”; and

1 (C) by adding at the end the following new  
2 subparagraph:

3 “(C) also includes any items so designated  
4 under an applicable United Nations Security  
5 Council resolution.”.

6 (5) NORTH KOREAN PERSON.—Section 3 of the  
7 North Korea Sanctions and Policy Enhancement Act  
8 of 2016 (22 U.S.C. 9202), as amended by para-  
9 graph (3), is further amended—

10 (A) by redesignating paragraphs (13)  
11 through (15) as paragraphs (14) through (16),  
12 respectively; and

13 (B) by inserting after paragraph (12) the  
14 following new paragraph:

15 “(13) NORTH KOREAN PERSON.—The term  
16 ‘North Korean person’ means—

17 “(A) a North Korean citizen or national;  
18 or

19 “(B) an entity owned or controlled by the  
20 Government of North Korea or by a North Ko-  
21 rean citizen or national.”.

22 (b) DEFINITIONS FOR PURPOSES OF THIS ACT.—In  
23 this Act:

24 (1) APPLICABLE UNITED NATIONS SECURITY  
25 COUNCIL RESOLUTION; LUXURY GOODS.—The terms

1 “applicable United Nations Security Council resolu-  
2 tion” and “luxury goods” have the meanings given  
3 those terms, respectively, in section 3 of the North  
4 Korea Sanctions and Policy Enhancement Act of  
5 2016 (22 U.S.C. 9202), as amended by subsection  
6 (a).

7 (2) APPROPRIATE CONGRESSIONAL COMMIT-  
8 TEES; GOVERNMENT OF NORTH KOREA; UNITED  
9 STATES PERSON.—The terms “appropriate congres-  
10 sional committees”, “Government of North Korea”,  
11 and “United States person” have the meanings  
12 given those terms, respectively, in section 3 of the  
13 North Korea Sanctions and Policy Enhancement Act  
14 of 2016 (22 U.S.C. 9202).

15 (3) FOREIGN PERSON; NORTH KOREAN PER-  
16 SON.—The terms “foreign person” and “North Ko-  
17 rean person” have the meanings given those terms,  
18 respectively, in paragraph (5) and paragraph (13) of  
19 section 3 of the North Korea Sanctions and Policy  
20 Enhancement Act of 2016 (22 U.S.C. 9202(5) and  
21 9202(13)), as added by subsection (a).

22 (4) PROHIBITED WEAPONS PROGRAM.—The  
23 term “prohibited weapons program” means—

24 (A) any program related to the develop-  
25 ment of nuclear, chemical, or biological weap-

1           ons, and their means of delivery, including bal-  
2           listic missiles; and

3                   (B) any program to develop any related  
4           materials with respect to a program described  
5           in subparagraph (A).

6 **TITLE I—SANCTIONS TO EN-**  
7 **FORCE AND IMPLEMENT**  
8 **UNITED NATIONS SECURITY**  
9 **COUNCIL SANCTIONS**  
10 **AGAINST NORTH KOREA**

11 **SEC. 101. MODIFICATION AND EXPANSION OF REQUIRE-**  
12 **MENTS FOR THE DESIGNATION OF PERSONS.**

13           (a) EXPANSION OF MANDATORY DESIGNATIONS.—  
14 Section 104(a) of the North Korea Sanctions and Policy  
15 Enhancement Act of 2016 (22 U.S.C. 9214(a)) is amend-  
16 ed—

17                   (1) in paragraph (9), by striking “or” at the  
18           end;

19                   (2) by redesignating paragraph (10) as para-  
20           graph (15);

21                   (3) by inserting after paragraph (9) the fol-  
22           lowing new paragraphs:

23                   “(10) knowingly, directly or indirectly, pur-  
24           chases or otherwise acquires from North Korea any  
25           significant amounts of gold, titanium ore, vanadium

1 ore, copper, silver, nickel, zinc, or rare earth min-  
2 erals;

3 “(11) knowingly, directly or indirectly, sells or  
4 transfers to North Korea any significant amounts of  
5 rocket, aviation, or jet fuel (except for use by a civil-  
6 ian passenger aircraft outside North Korea, exclu-  
7 sively for consumption during its flight to North  
8 Korea or its return flight);

9 “(12) knowingly, directly or indirectly, provides  
10 fuel, supplies, or bunkering services to, or facilitates  
11 a significant transaction or transactions to operate  
12 or maintain, a vessel or aircraft that is designated  
13 under an applicable Executive order or an applicable  
14 United Nations Security Council resolution, or that  
15 is owned or controlled by a person designated under  
16 an applicable Executive order or applicable United  
17 Nations Security Council resolution;

18 “(13) knowingly, directly or indirectly, insures,  
19 registers, facilitates the registration of, or maintains  
20 insurance or a registration for, a vessel owned or  
21 controlled by the Government of North Korea, ex-  
22 cept as specifically approved by the United Nations  
23 Security Council;

24 “(14) knowingly, directly or indirectly, main-  
25 tains a correspondent account (as defined in section

1 201A(d)(1)) with any North Korean financial insti-  
2 tution, except as specifically approved by the United  
3 Nations Security Council; or”; and

4 (4) in paragraph (15), as so redesignated, by  
5 striking “(9)” and inserting “(14)”.

6 (b) EXPANSION OF ADDITIONAL DISCRETIONARY  
7 DESIGNATIONS.—Section 104(b)(1) of the North Korea  
8 Sanctions and Policy Enhancement Act of 2016 (22  
9 U.S.C. 9214(b)(1)) is amended—

10 (1) in subparagraph (A), by striking “pursuant  
11 to an applicable United Nations Security Council  
12 resolution;” and inserting the following: “pursuant  
13 to—

14 “(i) an applicable United Nations Se-  
15 curity Council resolution;

16 “(ii) any regulation promulgated  
17 under section 404; or

18 “(iii) any applicable Executive  
19 order;”;

20 (2) in subparagraph (B)(iii), by striking “or” at  
21 the end;

22 (3) in subparagraph (C), by striking the period  
23 at the end and inserting a semicolon; and

24 (4) by adding at the end the following new sub-  
25 paragraphs:



1           “(D) knowingly, directly or indirectly, pur-  
2           chased or otherwise acquired from the Govern-  
3           ment of North Korea significant quantities of  
4           coal, iron, or iron ore, in excess of the limita-  
5           tions provided in applicable United Nations Se-  
6           curity Council resolutions;

7           “(E) knowingly, directly or indirectly, pur-  
8           chased or otherwise acquired significant types  
9           or amounts of textiles from the Government of  
10          North Korea;

11          “(F) knowingly facilitated any transfer of  
12          funds or property of the Government of North  
13          Korea that materially contributes to any viola-  
14          tion of an applicable United National Security  
15          Council resolution;

16          “(G) knowingly, directly or indirectly, fa-  
17          cilitated a significant transfer to or from the  
18          Government of North Korea of bulk cash, pre-  
19          cious metals, gemstones, or other stores of  
20          value not described under subsection (a)(10);

21          “(H) knowingly, directly or indirectly, sold,  
22          transferred, or otherwise provided significant  
23          amounts of crude oil, condensates, refined pe-  
24          troleum, other types of petroleum or petroleum  
25          byproducts, liquified natural gas, or other nat-

1           ural gas resources to the Government of North  
2           Korea (except for heavy fuel oil, gasoline, or  
3           diesel fuel for humanitarian use or as excepted  
4           under subsection (a)(11));

5           “(I) knowingly, directly or indirectly, en-  
6           gaged in, facilitated, or was responsible for the  
7           online commercial activities of the Government  
8           of North Korea, including online gambling;

9           “(J) knowingly, directly or indirectly, pur-  
10          chased or otherwise acquired fishing rights  
11          from the Government of North Korea;

12          “(K) knowingly, directly or indirectly, pro-  
13          vided significant telephonic, telegraphic, tele-  
14          communications or other data services, in whole  
15          or in part, into or out of North Korea, in excess  
16          of services needed for humanitarian or diplo-  
17          matic purposes (other than services that are ex-  
18          cepted under section 203(b)(1) of the Inter-  
19          national Emergency Economic Powers Act (50  
20          U.S.C. 1702(b)(1)));

21          “(L) knowingly, directly or indirectly, pur-  
22          chased or otherwise acquired significant types  
23          or amounts of food or agricultural products  
24          from the Government of North Korea;

1           “(M) knowingly, directly or indirectly, en-  
2           gaged in, facilitated, or was responsible for the  
3           exportation of workers from North Korea in a  
4           manner intended to generate significant rev-  
5           enue, directly or indirectly, for use by the Gov-  
6           ernment of North Korea or by the Workers’  
7           Party of Korea;

8           “(N) knowingly conducted a significant  
9           transaction or transactions in North Korea’s  
10          transportation, mining, energy, or financial  
11          services industries; or

12          “(O) except as specifically approved by the  
13          United Nations Security Council, and other  
14          than through a correspondent account as de-  
15          scribed in subsection (a)(14), knowingly facili-  
16          tated the operation of any branch, subsidiary,  
17          or office of a North Korean financial institu-  
18          tion.”.

19          (c) MANDATORY AND DISCRETIONARY ASSET  
20          BLOCKING.—Section 104(c) of the North Korea Sanctions  
21          and Policy Enhancement Act of 2016 (22 U.S.C. 9214(c))  
22          is amended—

23                  (1) by striking “of a designated person” and in-  
24                  serting “of a person designated under subsection  
25                  (a)”;

1           (2) by striking “The President” and inserting  
2           the following:

3           “(1) MANDATORY ASSET BLOCKING.—The  
4           President”; and

5           (3) by adding at the end the following new  
6           paragraph:

7           “(2) DISCRETIONARY ASSET BLOCKING.—The  
8           President may also exercise such powers, in the  
9           same manner and to the same extent described in  
10          paragraph (1), with respect to a person designated  
11          under subsection (b).”.

12          (d) DESIGNATION OF ADDITIONAL PERSONS.—

13           (1) IN GENERAL.—Not later than 180 days  
14           after the date of the enactment of this Act, the  
15           President shall submit to the appropriate congress-  
16           sional committees a report including a determination  
17           as to whether reasonable grounds exist, and an ex-  
18           planation of the reasons for any determination that  
19           such grounds do not exist, to designate, pursuant to  
20           section 104 of the North Korea Sanctions and Policy  
21           Enhancement Act of 2016 (22 U.S.C. 9214), as  
22           amended by this section, each of the following:

23                   (A) The Korea Shipowners’ Protection and  
24                   Indemnity Association, a North Korean insur-  
25                   ance company, with respect to facilitating im-

1 ports, exports, and reexports of arms and re-  
2 lated materiel to and from North Korea, or for  
3 other activities prohibited by such section 104.

4 (B) Chinpo Shipping Company (Private)  
5 Limited, a Singapore corporation, with respect  
6 to facilitating imports, exports, and reexports of  
7 arms and related materiel to and from North  
8 Korea.

9 (C) The Central Bank of the Democratic  
10 People's Republic of Korea, with respect to the  
11 sale of gold to, the receipt of gold from, or the  
12 import or export of gold by the Government of  
13 North Korea.

14 (D) Kumgang Economic Development Cor-  
15 poration (KKG), with respect to being an entity  
16 controlled by Bureau 39 of the Workers' Party  
17 of the Government of North Korea.

18 (E) Sam Pa, also known as Xu Jinghua,  
19 Xu Songhua, Sa Muxu, Samo, Sampa, or Sam  
20 King, and any entities owned or controlled by  
21 such individual, with respect to transactions  
22 with KKG.

23 (F) The Chamber of Commerce of the  
24 Democratic People's Republic of Korea, with re-  
25 spect to the exportation of workers in violation

1 of section 104(a)(5) or of section 104(b)(1)(M)  
2 of such Act, as amended by subsection (b) of  
3 this section.

4 (2) FORM.—The report submitted under para-  
5 graph (1) may contain a classified annex.

6 **SEC. 102. PROHIBITION ON INDIRECT CORRESPONDENT**  
7 **ACCOUNTS.**

8 (a) IN GENERAL.—Title II of the North Korea Sanc-  
9 tions and Policy Enhancement Act of 2016 (22 U.S.C.  
10 9221 et seq.) is amended by inserting after section 201  
11 the following new section:

12 **“SEC. 201A. PROHIBITION ON INDIRECT CORRESPONDENT**  
13 **ACCOUNTS.**

14 “(a) IN GENERAL.—Except as provided in subsection  
15 (b), if a United States financial institution has or obtains  
16 knowledge that a correspondent account established,  
17 maintained, administered, or managed by that institution  
18 for a foreign financial institution is being used by the for-  
19 eign financial institution to provide financial services indi-  
20 rectly to any person, foreign government, or financial in-  
21 stitution designated under section 104, the United States  
22 financial institution shall ensure that such correspondent  
23 account is no longer used to provide such services.

24 “(b) EXCEPTION.—A United States financial institu-  
25 tion is authorized to process transfers of funds to or from

1 North Korea, or for the direct or indirect benefit of any  
2 person, foreign government, or financial institution that  
3 is designated under section 104, only if the transfer—

4 “(1) arises from, and is ordinarily incident and  
5 necessary to give effect to, an underlying transaction  
6 that has been authorized by a specific or general li-  
7 cense issued by the Secretary of the Treasury; and

8 “(2) does not involve debiting or crediting a  
9 North Korean account.

10 “(c) DEFINITIONS.—In this section:

11 “(1) CORRESPONDENT ACCOUNT.—The term  
12 ‘correspondent account’ has the meaning given that  
13 term in section 5318A of title 31, United States  
14 Code.

15 “(2) UNITED STATES FINANCIAL INSTITU-  
16 TION.—The term ‘United States financial institu-  
17 tion’ means has the meaning given that term in sec-  
18 tion 510.310 of title 31, Code of Federal Regula-  
19 tions, as in effect on the date of the enactment of  
20 this section.

21 “(3) FOREIGN FINANCIAL INSTITUTION.—The  
22 term ‘foreign financial institution’ has the meaning  
23 given that term in section 1010.605 of title 31, Code  
24 of Federal Regulations, as in effect on the date of  
25 the enactment of this section.”.

1 (b) CLERICAL AMENDMENT.—The table of contents  
2 for the North Korea Sanctions and Policy Enhancement  
3 Act of 2016 is amended by inserting after the item relat-  
4 ing to section 201 the following new item:

“Sec. 201A. Prohibition on indirect correspondent accounts.”.

5 **SEC. 103. LIMITATIONS ON FOREIGN ASSISTANCE TO NON-**  
6 **COMPLIANT GOVERNMENTS.**

7 Section 203 of the North Korea Sanctions and Policy  
8 Enhancement Act of 2016 (22 U.S.C. 9223) is amended—

9 (1) in subsection (b)—

10 (A) in the heading, by striking “TRANS-  
11 ACTIONS IN LETHAL MILITARY EQUIPMENT”  
12 and inserting “TRANSACTIONS IN DEFENSE  
13 ARTICLES OR DEFENSE SERVICES”;

14 (B) in paragraph (1), by striking “that  
15 provides lethal military equipment to the Gov-  
16 ernment of North Korea” and inserting “that  
17 provides to or receives from the Government of  
18 North Korea a defense article or defense serv-  
19 ice, as such terms are defined in section 47 of  
20 the Arms Export Control Act (22 U.S.C.  
21 2794)”;

22 (C) in paragraph (2), by striking “1 year”  
23 and inserting “2 years”;

24 (2) in subsection (d), by striking “emergency”;

25 and



1           (3) by adding at the end the following new sub-  
2           section:

3           “(e) REPORT ON ARMS TRAFFICKING INVOLVING  
4 NORTH KOREA.—

5           “(1) IN GENERAL.—Not later than 180 days  
6 after the date of the enactment of this subsection,  
7 and every 180 days thereafter for 5 years, the Sec-  
8 retary of State shall submit to the appropriate con-  
9 gressional committees a report that specifically de-  
10 scribes the compliance of foreign countries and other  
11 foreign jurisdictions with the requirement to curtail  
12 the trade described in subsection (b)(1).

13           “(2) FORM.—The report required under para-  
14 graph (1) shall be submitted in unclassified form but  
15 may contain a classified annex.”.

16 **SEC. 104. AMENDMENTS TO ENHANCE INSPECTION AU-**  
17 **THORITIES.**

18           Title II of the North Korea Sanctions and Policy En-  
19 hancement Act of 2016 (22 U.S.C. 9221 et seq.), as  
20 amended by section 102 of this Act, is further amended  
21 by striking section 205 and inserting the following:

22 **“SEC. 205. ENHANCED INSPECTION AUTHORITIES.**

23           “(a) REPORT REQUIRED.—

24           “(1) IN GENERAL.—Not later than 180 days  
25 after the date of the enactment of this section, and

1       annually thereafter for 5 years, the President shall  
2       submit to the appropriate congressional committees  
3       a report—

4               “(A) identifying the operators of foreign  
5       sea ports and airports that have knowingly—

6               “(i) failed to implement or enforce  
7       regulations to inspect ships, aircraft,  
8       cargo, or conveyances in transit to or from  
9       North Korea, as required by applicable  
10      United Nations Security Council resolu-  
11      tions;

12              “(ii) facilitated the transfer, trans-  
13      shipment, or conveyance of significant  
14      types or quantities of cargo, vessels, or air-  
15      craft owned or controlled by persons des-  
16      ignated under applicable United Nations  
17      Security Council resolutions; or

18              “(iii) facilitated any of the activities  
19      described in section 104(a);

20              “(B) describing the extent to which the re-  
21      quirements of applicable United Nations Secu-  
22      rity Council resolutions to de-register any vessel  
23      owned, controlled, or operated by the Govern-  
24      ment of North Korea have been implemented by  
25      other foreign countries;

1           “(C) describing the compliance of the Is-  
2           lamic Republic of Iran with the sanctions man-  
3           dated in applicable United Nations Security  
4           Council resolutions;

5           “(D) identifying vessels, aircraft, and con-  
6           veyances owned or controlled by the Reconnaissance  
7           General Bureau of the Workers’ Party of  
8           Korea; and

9           “(E) describing the diplomatic and en-  
10          forcement efforts by the President to secure the  
11          full implementation of the applicable United  
12          Nations Security Council resolutions, as de-  
13          scribed in subparagraphs (A) through (C).

14          “(2) FORM.—The report required under para-  
15          graph (1) shall be submitted in unclassified form but  
16          may contain a classified annex.

17          “(b) SPECIFIC FINDINGS.—Each report required  
18          under subsection (a) shall include specific findings with  
19          respect to the following ports and airports:

20                 “(1) The ports of Dandong, Dalian, and any  
21                 other port in the People’s Republic of China that the  
22                 President deems appropriate.

23                 “(2) The ports of Abadan, Bandar-e-Abbas,  
24                 Chabahar, Bandar-e-Khomeini, Bushehr Port,  
25                 Asaluyeh Port, Kish, Kharg Island, Bandar-e-Lenge,

1 and Khorramshahr, and Tehran Imam Khomeini  
2 International Airport, in the Islamic Republic of  
3 Iran.

4 “(3) The ports of Nakhodka, Vanino, and Vlad-  
5 ivostok, in the Russian Federation.

6 “(4) The ports of Latakia, Banias, and  
7 Tartous, and Damascus International Airport, in the  
8 Syrian Arab Republic.

9 “(c) ENHANCED SECURITY TARGETING REQUIRE-  
10 MENTS.—

11 “(1) IN GENERAL.—Except as provided in para-  
12 graph (2), the Secretary of Homeland Security may,  
13 using the Automated Targeting System operated by  
14 the National Targeting Center of U.S. Customs and  
15 Border Protection, require enhanced screening pro-  
16 cedures to determine whether physical inspections  
17 are warranted of any cargo bound for or landed in  
18 the United States that—

19 “(A) has been transported through a sea  
20 port or airport the operator of which has been  
21 identified by the President in accordance with  
22 subsection (a)(1) as having repeatedly failed to  
23 comply with applicable United Nations Security  
24 Council resolutions;

1           “(B) is aboard a vessel or aircraft, or with-  
2           in a conveyance that has, within the last 365  
3           days, entered the territory, waters, or airspace  
4           of North Korea, or landed in any of the sea  
5           ports or airports of North Korea; or

6           “(C) is registered by a country or jurisdic-  
7           tion whose compliance has been identified by  
8           the President as deficient pursuant to sub-  
9           section (a)(2).

10           “(2) EXCEPTION FOR FOOD, MEDICINE, AND  
11           HUMANITARIAN SHIPMENTS.—Paragraph (1) shall  
12           not apply to any vessel, aircraft, or conveyance that  
13           has entered the territory, waters, or airspace of  
14           North Korea, or landed in any of the sea ports or  
15           airports of North Korea, exclusively for the purposes  
16           described in section 208(b)(3)(B), or to import food,  
17           medicine, or supplies into North Korea to meet the  
18           humanitarian needs of the North Korean people.

19           “(d) SEIZURE AND FORFEITURE.—A vessel, aircraft,  
20           or conveyance used to facilitate any of the activities de-  
21           scribed in section 104(a) under the jurisdiction of the  
22           United States may be seized and forfeited under—

23           “(1) chapter 46 of title 18, United States Code;  
24           or

1           “(2) part V of title IV of the Tariff Act of 1930  
2           (19 U.S.C. 1581 et seq.).”.

3 **SEC. 105. ENFORCING COMPLIANCE WITH UNITED NATIONS**  
4           **SHIPPING SANCTIONS AGAINST NORTH**  
5           **KOREA.**

6           (a) IN GENERAL.—The Ports and Waterways Safety  
7 Act (33 U.S.C. 1221 et seq.) is amended by adding at  
8 the end the following new section:

9 **“SEC. 16. PROHIBITION ON ENTRY AND OPERATION.**

10          “(a) PROHIBITION.—

11           “(1) IN GENERAL.—Except as otherwise pro-  
12 vided in this section, no vessel described in sub-  
13 section (b) may enter or operate in the navigable wa-  
14 ters of the United States or transfer cargo in any  
15 port or place under the jurisdiction of the United  
16 States.

17           “(2) LIMITATION ON APPLICATION.—

18           “(A) DETERMINATION BY SECRETARY OF  
19 STATE.—Paragraph (1) shall not apply with re-  
20 spect to a vessel described in subsection (b)(2)  
21 if the Secretary of State determines that the  
22 vessel is no longer registered as described in  
23 that subsection.

24           “(B) NOTICE.—The Secretary of State  
25 shall publish a notice in the Federal Register of

1           each determination made under subparagraph  
2           (A).

3           “(b) VESSELS DESCRIBED.—A vessel referred to in  
4 subsection (a) is a foreign vessel for which a notice of ar-  
5 rival is required to be filed under section 4(a)(5), and  
6 that—

7           “(1) is on the most recent list of vessels pub-  
8 lished in Federal Register under subsection (c)(2);  
9 or

10           “(2) more than 180 days after the publication  
11 of such list, is knowingly registered, pursuant to the  
12 1958 Convention on the High Seas entered into  
13 force on September 30, 1962, by a government the  
14 agents or instrumentalities of which are maintaining  
15 a registration of a vessel that is included on such  
16 list.

17           “(c) INFORMATION AND PUBLICATION.—The Sec-  
18 retary of the department in which the Coast Guard is op-  
19 erating, in consultation with the Secretary of State,  
20 shall—

21           “(1) maintain timely information on the reg-  
22 istrations of all foreign vessels over 300 gross tons  
23 that are—

1           “(A) owned or operated by or on behalf of  
2           the Government of North Korea or a North Ko-  
3           rean person;

4           “(B) owned or operated by or on behalf of  
5           any country in which a sea port or airport is lo-  
6           cated, the operator of which the President has  
7           identified in the most recent report submitted  
8           under section 205(a)(1) of the North Korea  
9           Sanctions and Policy Enhancement Act of  
10          2016; or

11          “(C) owned or operated by or on behalf of  
12          any country identified by the President as a  
13          country that has not complied with the applica-  
14          ble United Nations Security Council resolutions  
15          (as such term is defined in section 3 of such  
16          Act); and

17          “(2) not later than 180 days after the date of  
18          the enactment of this section, and periodically there-  
19          after, publish in the Federal Register a list of the  
20          vessels described in paragraph (1).

21          “(d) NOTIFICATION OF GOVERNMENTS.—

22                 “(1) IN GENERAL.—The Secretary of State  
23                 shall notify each government, the agents or instru-  
24                 mentalities of which are maintaining a registration  
25                 of a foreign vessel that is included on a list pub-



1 lished under subsection (c)(2), not later than 30  
2 days after such publication, that all vessels reg-  
3 istered under such government’s authority are sub-  
4 ject to the prohibition under subsection (a).

5 “(2) ADDITIONAL NOTIFICATION.—In the case  
6 of a government that continues to maintain a reg-  
7 istration for a vessel that is included on such list  
8 after receiving an initial notification under para-  
9 graph (1), the Secretary shall issue an additional no-  
10 tification to such government not later than 120  
11 days after the publication of a list under subsection  
12 (c)(2).

13 “(e) NOTIFICATION OF VESSELS.—Upon receiving a  
14 notice of arrival under section 4(a)(5) from a vessel de-  
15 scribed in subsection (b), the Secretary of the department  
16 in which the Coast Guard is operating shall notify the  
17 master of such vessel that the vessel may not enter or op-  
18 erate in the navigable waters of the United States or  
19 transfer cargo in any port or place under the jurisdiction  
20 of the United States, unless—

21 “(1) the Secretary of State has made a deter-  
22 mination under subsection (a)(2); or

23 “(2) the Secretary of the department in which  
24 the Coast Guard is operating allows provisional

1 entry of the vessel, or transfer of cargo from the ves-  
2 sel, under subsection (f).

3 “(f) PROVISIONAL ENTRY OR CARGO TRANSFER.—  
4 Notwithstanding any other provision of this section, the  
5 Secretary of the department in which the Coast Guard is  
6 operating may allow provisional entry of, or transfer of  
7 cargo from, a vessel, if such entry or transfer is necessary  
8 for the safety of the vessel or persons aboard.

9 “(g) RIGHT OF INNOCENT PASSAGE.—This section  
10 shall not be construed as authority to restrict the right  
11 of innocent passage as recognized under international law.

12 “(h) FOREIGN VESSEL DEFINED.—In this section,  
13 the term ‘foreign vessel’ has the meaning given that term  
14 in section 110 of title 46, United States Code.”.

15 (b) CONFORMING AMENDMENTS.—

16 (1) SPECIAL POWERS.—Section 4(b)(2) of the  
17 Ports and Waterways Safety Act (33 U.S.C.  
18 1223(b)(2)) is amended by inserting “or 16” after  
19 “section 9”.

20 (2) DENIAL OF ENTRY.—Section 13(e) of the  
21 Ports and Waterways Safety Act (33 U.S.C.  
22 1232(e)) is amended by striking “section 9” and in-  
23 serting “section 9 or 16”.

1 **SEC. 106. REPORT ON COOPERATION BETWEEN NORTH**  
2 **KOREA AND IRAN.**

3 (a) IN GENERAL.—Not later than 90 days after the  
4 date of the enactment of this Act, and annually thereafter  
5 for 5 years, the President shall submit to the appropriate  
6 congressional committees a report that includes—

7 (1) an assessment of the extent of cooperation  
8 (including through the transfer of goods, services, or  
9 technology) between North Korea and Iran relating  
10 to their respective nuclear, ballistic missile develop-  
11 ment, chemical or biological weapons development,  
12 or conventional weapons programs;

13 (2) the names of any Iranian or North Korean  
14 persons that have knowingly engaged in or di-  
15 rected—

16 (A) the provision of material support to  
17 such programs; or

18 (B) the exchange of information between  
19 North Korea and Iran with respect to such pro-  
20 grams; and

21 (3) a determination whether any of the activi-  
22 ties described in paragraphs (1) and (2) violate  
23 United Nations Security Council Resolution 2231  
24 (2015).

1 (b) FORM.—The report required under subsection (a)  
2 shall be submitted in unclassified form but may contain  
3 a classified annex.

4 **SEC. 107. REPORT ON IMPLEMENTATION OF UNITED NA-**  
5 **TIONS SECURITY COUNCIL RESOLUTIONS BY**  
6 **OTHER GOVERNMENTS.**

7 (a) IN GENERAL.—Not later than 180 days after the  
8 date of the enactment of this Act, and every 180 days  
9 thereafter for 5 years, the President shall submit to the  
10 appropriate congressional committees a report that evalu-  
11 ates the degree to which the governments of other coun-  
12 tries have knowingly failed to—

13 (1) close the representative offices of persons  
14 designated under applicable United Nations Security  
15 Council resolutions;

16 (2) expel any North Korean nationals, including  
17 diplomats, working on behalf of such persons;

18 (3) prohibit the opening of new branches, sub-  
19 sidiaries, or representative offices of North Korean  
20 financial institutions within the jurisdictions of such  
21 governments; or

22 (4) expel any representatives of North Korean  
23 financial institutions.

1 (b) FORM.—The report required under subsection (a)  
2 shall be submitted in unclassified form but may contain  
3 a classified annex.

4 **SEC. 108. BRIEFING ON MEASURES TO DENY SPECIALIZED**  
5 **FINANCIAL MESSAGING SERVICES TO DES-**  
6 **IGNATED NORTH KOREAN FINANCIAL INSTI-**  
7 **TUTIONS.**

8 (a) IN GENERAL.—Not later than 180 days after the  
9 date of the enactment of this Act, and every 180 days  
10 thereafter for 5 years, the President shall provide to the  
11 appropriate congressional committees a briefing that in-  
12 cludes the following information:

13 (1) A list of each person or foreign government  
14 the President has identified that directly provides  
15 specialized financial messaging services to, or en-  
16 ables or facilitates direct or indirect access to such  
17 messaging services for, any North Korean financial  
18 institution (as such term is defined in section 3 of  
19 the North Korea Sanctions and Policy Enhancement  
20 Act of 2016 (22 U.S.C. 9202)) designated under an  
21 applicable United Nations Security Council resolu-  
22 tion.

23 (2) A detailed assessment of the status of ef-  
24 forts by the Secretary of the Treasury to work with  
25 the relevant authorities in the home jurisdictions of

1 such specialized financial messaging providers to end  
2 such provision or access.

3 (b) FORM.—The briefing required under subsection  
4 (a) may be classified.

5 **TITLE II—SANCTIONS WITH RE-**  
6 **SPECT TO HUMAN RIGHTS**  
7 **ABUSES BY THE GOVERN-**  
8 **MENT OF NORTH KOREA**

9 **SEC. 201. SANCTIONS FOR FORCED LABOR AND SLAVERY**  
10 **OVERSEAS OF NORTH KOREANS.**

11 (a) SANCTIONS FOR TRAFFICKING IN PERSONS.—

12 (1) IN GENERAL.—Section 302(b) of the North  
13 Korea Sanctions and Policy Enhancement Act of  
14 2016 (22 U.S.C. 9241(b)) is amended—

15 (A) in paragraph (1), by striking “and” at  
16 the end;

17 (B) in paragraph (2), by striking the pe-  
18 riod at the end and inserting “; and”; and

19 (C) by adding at the end the following new  
20 paragraph:

21 “(3) a list of foreign persons that employ North  
22 Korean laborers.”.

23 (2) ADDITIONAL DETERMINATIONS; RE-  
24 PORTS.—With respect to any country identified in  
25 section 302(b)(2) of the North Korea Sanctions and

1 Policy Enhancement Act of 2016 (22 U.S.C.  
2 9241(b)(2)), as amended by paragraph (1), the re-  
3 port required under section 302(a) of such Act  
4 shall—

5 (A) include a determination whether each  
6 person identified in section 302(b)(3) of such  
7 Act (as amended by paragraph (1)) who is a  
8 national or a citizen of such identified country  
9 meets the criteria for sanctions under—

10 (i) section 111 of the Trafficking Vic-  
11 tims Protection Act of 2000 (22 U.S.C.  
12 7108) (relating to the prevention of traf-  
13 ficking in persons); or

14 (ii) section 104(a) or 104(b)(1) of the  
15 North Korea Sanctions and Policy En-  
16 hancement Act of 2016 (22 U.S.C.  
17 9214(a)), as amended by section 101 of  
18 this Act;

19 (B) be included in the report required  
20 under section 110(b) of the Trafficking Victims  
21 Protection Act of 2000 (22 U.S.C. 7107(b))  
22 (relating to the annual report on trafficking in  
23 persons); and

24 (C) be considered in any determination  
25 that the government of such country has made

1           serious and sustained efforts to eliminate severe  
2           forms of trafficking in persons, as such term is  
3           defined for purposes of the Trafficking Victims  
4           Protection Act of 2000.

5           (b) SANCTIONS ON FOREIGN PERSONS THAT EM-  
6           PLOY NORTH KOREAN LABOR.—

7           (1) IN GENERAL.—Title III of the North Korea  
8           Sanctions and Policy Enhancement Act of 2016 (22  
9           U.S.C. 9241 et seq.) is amended by inserting after  
10          section 302 the following new sections:

11       **“SEC. 302A. REBUTTABLE PRESUMPTION APPLICABLE TO**  
12                               **GOODS MADE WITH NORTH KOREAN LABOR.**

13       “(a) IN GENERAL.—Except as provided in subsection  
14       (b), any goods, wares, articles, and merchandise mined,  
15       produced, or manufactured wholly or in part by the labor  
16       of North Korean nationals or citizens shall be deemed to  
17       be prohibited under section 307 of the Tariff Act of 1930  
18       (19 U.S.C. 1307) and shall not be entitled to entry at any  
19       of the ports of the United States.

20       “(b) EXCEPTION.—The prohibition described in sub-  
21       section (a) shall not apply if the Commissioner of U.S.  
22       Customs and Border Protection finds, by clear and con-  
23       vincing evidence, that the goods, wares, articles, or mer-  
24       chandise described in such paragraph were not produced



1 with convict labor, forced labor, or indentured labor under  
2 penal sanctions.

3 **“SEC. 302B. SANCTIONS ON FOREIGN PERSONS EMPLOYING**  
4 **NORTH KOREAN LABOR.**

5 “(a) IN GENERAL.—Except as provided in subsection  
6 (c), the President shall designate any person identified  
7 under section 302(b)(3) for the imposition of sanctions  
8 under subsection (b).

9 “(b) IMPOSITION OF SANCTIONS.—

10 “(1) IN GENERAL.—The President shall impose  
11 the sanctions described in paragraph (2) with re-  
12 spect to any person designated under subsection (a).

13 “(2) SANCTIONS DESCRIBED.—The sanctions  
14 described in this paragraph are sanctions pursuant  
15 to the International Emergency Economic Powers  
16 Act (50 U.S.C. 1701 et seq.) to block and prohibit  
17 all transactions in property and interests in property  
18 of a person designated under subsection (a), if such  
19 property and interests in property are in the United  
20 States, come within the United States, or are or  
21 come within the possession or control of a United  
22 States person.

23 “(c) EXCEPTION.—

24 “(1) IN GENERAL.—A person may not be des-  
25 ignated under subsection (a) if the President cer-

1       tifies to the appropriate congressional committees  
2       that the President has received reliable assurances  
3       from such person that—

4               “(A) the employment of North Korean la-  
5       borers does not result in the direct or indirect  
6       transfer of convertible currency, luxury goods,  
7       or other stores of value to the Government of  
8       North Korea;

9               “(B) all wages and benefits are provided  
10       directly to the laborers, and are held, as appli-  
11       cable, in accounts within the jurisdiction in  
12       which they reside in locally denominated cur-  
13       rency; and

14               “(C) the laborers are subject to working  
15       conditions consistent with international stand-  
16       ards.

17               “(2) RECERTIFICATION.—Not later than 180  
18       days after the date on which the President transmits  
19       to the appropriate congressional committees an ini-  
20       tial certification under paragraph (1), and every 180  
21       days thereafter, the President shall—

22               “(A) transmit a recertification stating that  
23       the conditions described in such paragraph con-  
24       tinue to be met; or

1           “(B) if such recertification cannot be  
2 transmitted, impose the sanctions described in  
3 subsection (b) beginning on the date on which  
4 the President determines that such recertifi-  
5 cation cannot be transmitted.”.

6           (2) CLERICAL AMENDMENT.—The table of con-  
7 tents for the North Korea Sanctions and Policy En-  
8 hancement Act of 2016 is amended by inserting  
9 after the item relating to section 302 the following  
10 new items:

“Sec. 302A. Rebuttable presumption applicable to goods made with North Ko-  
rean labor.

“Sec. 302B. Sanctions on foreign persons employing North Korean labor.”.

11 **SEC. 202. MODIFICATIONS TO SANCTIONS SUSPENSION AND**  
12 **WAIVER AUTHORITIES.**

13           (a) EXEMPTIONS, WAIVERS, AND REMOVALS OF  
14 DESIGNATION.—

15           (1) EXEMPTIONS.—Section 208(a) of the North  
16 Korea Sanctions and Policy Enhancement Act of  
17 2016 (22 U.S.C. 9228(a)) is amended in the matter  
18 preceding paragraph (1)—

19                   (A) by inserting “201A,” after “104,”;  
20                   and

21                   (B) by inserting “302A, 302B,” after  
22 “209,”.

23           (2) HUMANITARIAN WAIVER.—Section 208(b)  
24 of the North Korea Sanctions and Policy Enhance-

1       ment Act of 2016 (22 U.S.C. 9228(b)(1)) is amend-  
2       ed—

3               (A) by inserting “201A,” after “104,” in  
4       each place it appears; and

5               (B) by inserting “302A, 302B,” after  
6       “209(b),” in each place it appears.

7       (3) WAIVER.—Section 208(c) of the North  
8       Korea Sanctions and Policy Enhancement Act of  
9       2016 (22 U.S.C. 9228(c)) is amended in the matter  
10      preceding paragraph (1)—

11              (A) by inserting “201A,” after “104,”;  
12      and

13              (B) by inserting “302A, 302B,” after  
14      “209(b),”.

15      (b) SUPPORT FOR FAMILY REUNIFICATION FOR KO-  
16      REAN-AMERICANS.—Section 402(2) of the North Korea  
17      Sanctions and Policy Enhancement Act of 2016 (22  
18      U.S.C. 9252(2)) is amended—

19              (1) in subparagraph (D), by striking “and” at  
20      the end;

21              (2) in subparagraph (E), by striking the period  
22      at the end and inserting “; and”; and

23              (3) by adding at the end the following new sub-  
24      paragraph:

1           “(F) planning for unrestricted family re-  
2           unification meetings, including for those indi-  
3           viduals in the Korean-American community who  
4           maintain family ties with relatives in North  
5           Korea.”.

6 **SEC. 203. REWARD FOR INFORMANTS.**

7           Section 36(b) of the State Department Basic Au-  
8           thorities Act of 1956 (22 U.S.C. 2708(b)), is amended—

9           (1) in paragraph (9), by striking “or” at the  
10          end;

11          (2) in paragraph (10), by striking the period at  
12          the end and inserting a semicolon; and

13          (3) by adding at the end the following new  
14          paragraphs:

15                 “(11) the identification or location of any per-  
16                 son who, while acting at the direction of or under  
17                 the control of a foreign government, aids or abets a  
18                 violation of section 1030 of title 18, United States  
19                 Code; or

20                 “(12) the disruption of financial mechanisms of  
21                 any person who has engaged in the conduct de-  
22                 scribed in sections 104(a) or 104(b)(1) of the North  
23                 Korea Sanctions and Policy Enhancement Act of  
24                 2016 (22 U.S.C. 2914(a) or (b)(1)).”.

1 **SEC. 204. DETERMINATION ON DESIGNATION OF NORTH**  
2 **KOREA AS A STATE SPONSOR OF TERRORISM.**

3 (a) DETERMINATION.—

4 (1) IN GENERAL.—Not later than 90 days after  
5 the date of the enactment of this Act, the Secretary  
6 of State shall submit to the appropriate congress-  
7 sional committees a determination whether North  
8 Korea meets the criteria for designation as a state  
9 sponsor of terrorism.

10 (2) FORM.—The determination required by  
11 paragraph (1) shall be submitted in unclassified  
12 form but may include a classified annex, if appro-  
13 priate.

14 (b) STATE SPONSOR OF TERRORISM DEFINED.—For  
15 purposes of this section, the term “state sponsor of ter-  
16 rorism” means a country the government of which the  
17 Secretary of State has determined, for purposes of section  
18 6(j) of the Export Administration Act of 1979 (50 U.S.C.  
19 4605(j)) (as in effect pursuant to the International Emer-  
20 gency Economic Powers Act), section 620A of the Foreign  
21 Assistance Act of 1961 (22 U.S.C. 2371), section 40 of  
22 the Arms Export Control Act (22 U.S.C. 2780), or any  
23 other provision of law, is a government that has repeatedly  
24 provided support for acts of international terrorism.

1                   **TITLE III—GENERAL**  
2                   **AUTHORITIES**

3 **SEC. 301. AUTHORITY TO CONSOLIDATE REPORTS.**

4           Any reports required to be submitted to the appro-  
5 priate congressional committees under this Act or any  
6 amendment made by this Act that are subject to deadlines  
7 for submission consisting of similar units of time may be  
8 consolidated into a single report that is submitted to ap-  
9 propriate congressional committees pursuant to the earlier  
10 of such deadlines. The consolidated reports must contain  
11 all information required under this Act or any amendment  
12 made by this Act, in addition to all other elements man-  
13 dated by previous law.

14 **SEC. 302. RULE OF CONSTRUCTION.**

15           Nothing in this Act shall be construed to limit the  
16 authority or obligation of the President to apply the sanc-  
17 tions described in section 104 of the North Korea Sanc-  
18 tions and Policy Enhancement Act of 2016 (22 U.S.C.  
19 9214), as amended by section 101 of this Act, with regard  
20 to persons who meet the criteria for designation under  
21 such section, or in any other provision of law.

22 **SEC. 303. REGULATORY AUTHORITY.**

23           (a) IN GENERAL.—The President shall, not later  
24 than 180 days after the date of the enactment of this Act,

1 promulgate regulations as necessary for the implementa-  
2 tion of this Act and the amendments made by this Act.

3 (b) NOTIFICATION TO CONGRESS.—Not fewer than  
4 10 days before the promulgation of a regulation under  
5 subsection (a), the President shall notify and provide to  
6 the appropriate congressional committees the proposed  
7 regulation, specifying the provisions of this Act or the  
8 amendments made by this Act that the regulation is imple-  
9 menting.

10 **SEC. 304. LIMITATION ON FUNDS.**

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

