

Ruppersberger  
Rush  
Ryan (OH)  
Sánchez  
Sarbanes  
Schakowsky  
Schiff  
Schneider  
Schrader  
Scott (VA)  
Scott, David  
Serrano  
Sewell (AL)  
Shea-Porter

Sherman  
Sinema  
Sires  
Smith (WA)  
Soto  
Speier  
Suozzi  
Swalwell (CA)  
Takano  
Thompson (CA)  
Thompson (MS)  
Titus  
Tonko  
Torres

Tsongas  
Vargas  
Veasey  
Vela  
Velázquez  
Visclosky  
Walz  
Wasserman  
Schultz  
Waters, Maxine  
Watson Coleman  
Welch  
Wilson (FL)  
Yarmuth

## NOT VOTING—6

Amodei  
Chaffetz

Franks (AZ)  
Grothman

Meng  
Slaughter

□ 1437

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GROTHMAN. Mr. Speaker, I was unavoidably detained. Had I been present, I would have voted “yea” on rollcall No. 241.

### FEMA ACCOUNTABILITY, MODERNIZATION AND TRANSPARENCY ACT OF 2017

The SPEAKER pro tempore (Mr. DUNCAN of Tennessee). The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 1679) to ensure that the Federal Emergency Management Agency’s current efforts to modernize its grant management system includes applicant accessibility and transparency, and for other purposes, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. BARLETTA) that the House suspend the rules and pass the bill.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 419, nays 0, not voting 11, as follows:

[Roll No. 242]

YEAS—419

Abraham  
Adams  
Aderholt  
Aguilar  
Allen  
Amash  
Arrington  
Babin  
Bacon  
Banks (IN)  
Barletta  
Barr  
Barragán  
Barton  
Bass  
Beatty  
Bera  
Bergman  
Beyer  
Biggs  
Bilirakis  
Bishop (GA)  
Bishop (MI)  
Bishop (UT)  
Black  
Blackburn  
Blum  
Blumenauer  
Blunt Rochester  
Bonamici

Bost  
Boyle, Brendan F.  
Brady (PA)  
Brady (TX)  
Brat  
Bridenstine  
Brooks (AL)  
Brooks (IN)  
Brown (MD)  
Brownley (CA)  
Buchanan  
Buck  
Bucshon  
Budd  
Burgess  
Bustos  
Butterfield  
Byrne  
Calvert  
Capuano  
Carbajal  
Cárdenas  
Carson (IN)  
Carter (GA)  
Carter (TX)  
Cartwright  
Castor (FL)  
Castro (TX)  
Chabot

Cheney  
Chu, Judy  
Cicilline  
Clark (MA)  
Clarke (NY)  
Clay  
Cleaver  
Clyburn  
Coffman  
Cohen  
Cole  
Collins (GA)  
Collins (NY)  
Comer  
Conaway  
Connolly  
Conyers  
Cook  
Cooper  
Correa  
Costa  
Costello (PA)  
Courtney  
Cramer  
Crawford  
Crist  
Crowley  
Cuellar  
Culberson  
Cummings

Curbelo (FL)  
Davidson  
Davis (CA)  
Davis, Danny  
DeFazio  
DeGette  
Delaney  
DeLauro  
DeBene  
Demings  
Denham  
Dent  
DeSantis  
DeSaulnier  
DesJarlais  
Deutsch  
Diaz-Balart  
Dingell  
Doggett  
Donovan  
Doyle, Michael F.  
Duffy  
Duncan (SC)  
Duncan (TN)  
Dunn  
Ellison  
Emmer  
Engel  
Eshoo  
Españillat  
Estes (KS)  
Esty (CT)  
Evans  
Farenthold  
Faso  
Ferguson  
Fitzpatrick  
Fleischmann  
Flores  
Fortenberry  
Foster  
Foxy  
Frankel (FL)  
Frelinghuysen  
Fudge  
Gabbard  
Gaetz  
Gallagher  
Gallego  
Garamendi  
Garrett  
Gibbs  
Gohmert  
Gonzalez (TX)  
Goodlatte  
Gosar  
Gottheimer  
Gowdy  
Granger  
Graves (GA)  
Graves (LA)  
Graves (MO)  
Green, Al  
Green, Gene  
Grijalva  
Grothman  
Guthrie  
Hanabusa  
Harper  
Harris  
Hartzler  
Hastings  
Heck  
Hensarling  
Herrera Beutler  
Hice, Jody B.  
Higgins (LA)  
Higgins (NY)  
Hill  
Himes  
Holding  
Hollingsworth  
Hoyer  
Hudson  
Huffman  
Huizenga  
Hultgren  
Hunter  
Hurd  
Issa  
Jackson Lee  
Jayapal  
Jeffries  
Jenkins (KS)  
Jenkins (WV)  
Johnson (GA)  
Johnson (LA)  
Johnson (OH)

Johnson, E. B.  
Johnson, Sam  
Jones  
Jordan  
Joyce (OH)  
Kaptur  
Katko  
Keating  
Kelly (IL)  
Kelly (MS)  
Kelly (PA)  
Kennedy  
Khanna  
Kihuen  
Kildee  
Kilmer  
Kind  
King (IA)  
King (NY)  
Kinzinger  
Knight  
Krishnamoorthi  
Kuster (NH)  
Kustoff (TN)  
Labrador  
LaHood  
LaMalfa  
Lamborn  
Lance  
Langevin  
Larsen (WA)  
Larson (CT)  
Latta  
Lawrence  
Lawson (FL)  
Lee  
Levin  
Lewis (GA)  
Lewis (MN)  
Lieu, Ted  
Lipinski  
LoBiondo  
Loeb sack  
Loftgren  
Long  
Love  
Lowenthal  
Lowe  
Lucas  
Luetkemeyer  
Lujan Grisham, M.  
Luján, Ben Ray  
Lynch  
MacArthur  
Maloney, Carolyn B.  
Maloney, Sean  
Marchant  
Marino  
Marshall  
Massie  
Mast  
Matsui  
McCarthy  
McCaul  
McClintock  
McColum  
McEachin  
McGovern  
McHenry  
McKinley  
McMorris  
Rodgers  
McNerney  
McSally  
Meadows  
Meehan  
Meeks  
Messer  
Mitchell  
Moelenaar  
Mooney (WV)  
Moore  
Moulton  
Mullin  
Murphy (FL)  
Murphy (PA)  
Nadler  
Napolitano  
Neal  
Newhouse  
Noem  
Nolan  
Norcross  
Nunes  
O’Halloran  
O’Rourke  
Olson

Palazzo  
Pallone  
Palmer  
Panetta  
Pascarell  
Paulsen  
Payne  
Pearce  
Pelosi  
Perlmutter  
Perry  
Peters  
Peterson  
Pingree  
Pittenger  
Pocan  
Poe (TX)  
Poliquin  
Polis  
Posey  
Price (NC)  
Quigley  
Raskin  
Ratcliffe  
Reed  
Reichert  
Renacci  
Rice (NY)  
Rice (SC)  
Richmond  
Roby  
Roe (TN)  
Rogers (AL)  
Rogers (KY)  
Rohrabacher  
Rokita  
Rooney, Francis  
Rooney, Thomas J.  
Ros-Lehtinen  
Rosen  
Roskam  
Ross  
Rothfus  
Rouzer  
Roybal-Allard  
Royce (CA)  
Ruiz  
Ruppersberger  
Russell  
Rutherford  
Ryan (OH)  
Sánchez  
Sanford  
Sarbanes  
Scalise  
Schakowsky  
Schiff  
Schneider  
Schrader  
Schweikert  
Scott (VA)  
Scott, Austin  
Scott, David  
Sensenbrenner  
Serrano  
Sessions  
Sewell (AL)  
Shea-Porter  
Sherman  
Shimkus  
Shuster  
Simpson  
Sinema  
Sires  
Smith (MO)  
Smith (NE)  
Smith (NJ)  
Smith (TX)  
Smith (WA)  
Smucker  
Soto  
Speier  
Stefanik  
Stewart  
Stivers  
Suozzi  
Swalwell (CA)  
Takano  
Taylor  
Tenney  
Thompson (CA)  
Thompson (MS)  
Thompson (PA)  
Thornberry  
Tiberi  
Tipton  
Titus  
Tonko

Torres  
Trott  
Tsongas  
Turner  
Upton  
Valadao  
Vargas  
Veasey  
Vela  
Velázquez  
Visclosky  
Wagner  
Walberg

Walden  
Walker  
Walorski  
Walters, Mimi  
Walz  
Wasserman  
Schultz  
Waters, Maxine  
Watson Coleman  
Weber (TX)  
Webster (FL)  
Welch  
Wenstrup

Westerman  
Williams  
Wilson (FL)  
Wilson (SC)  
Yoho  
Wittman  
Womack  
Woodall  
Yarmuth  
Yoder  
Yoho  
Young (AK)  
Young (IA)  
Zeldin

## NOT VOTING—11

Amodei  
Chaffetz  
Comstock  
Davis, Rodney

Franks (AZ)  
Griffith  
Gutiérrez  
Loudermilk

Meng  
Rush  
Slaughter

□ 1449

So (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. RODNEY DAVIS of Illinois. Mr. Speaker, I was unavoidably detained. Had I been present, I would have voted “yea” on rollcall No. 242.

### KOREAN INTERDICTION AND MODERNIZATION OF SANCTIONS ACT

Mr. ROYCE of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1644) to enhance sanctions with respect to transactions relating to North Korea, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1644

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

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

#### SEC. 2. TABLE OF CONTENTS.

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 NATIONS 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.

**SEC. 3. DEFINITIONS.**

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

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

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

(B) by inserting “or Executive Order 13722 (50 U.S.C. 1701 note; relating to blocking the property of the Government of North Korea and the Workers’ Party of Korea, and Prohibiting Certain Transactions With Respect to North Korea),” before “to the extent”.

(2) **APPLICABLE UNITED NATIONS SECURITY COUNCIL RESOLUTION.**—Section 3(2)(A) of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9202(2)(A)) is amended by striking “or 2094 (2013)” and inserting “2094 (2013), 2270 (2016), or 2321 (2016)”.

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

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

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

“(5) **FOREIGN PERSON.**—The term ‘foreign person’ means—

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

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

(4) **LUXURY GOODS.**—Paragraph (9) of section 3 of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9202), as redesignated by paragraph (3) of this subsection, is amended—

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

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

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

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

(5) **NORTH KOREAN PERSON.**—Section 3 of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9202), as amended by paragraph (3) of this subsection, is further amended—

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

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

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

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

“(B) an entity owned or controlled by the Government of North Korea or by a North Korean citizen or national.”

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

(1) **APPLICABLE UNITED NATIONS SECURITY COUNCIL RESOLUTION; LUXURY GOODS.**—The

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

(2) **APPROPRIATE CONGRESSIONAL COMMITTEES; GOVERNMENT OF NORTH KOREA; UNITED STATES PERSON.**—The terms “appropriate congressional committees”, “Government of North Korea”, and “United States person” have the meanings given those terms, respectively, in section 3 of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9202).

(3) **FOREIGN PERSON; NORTH KOREAN PERSON.**—The terms “foreign person” and “North Korean person” have the meanings given those terms, respectively, in paragraph (5) and paragraph (13) of section 3 of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9202(5) and 9202(13)), as added by subsection (a).

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

(A) any program related to the development of nuclear, chemical, or biological weapons, and their means of delivery, including ballistic missiles; and

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

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

**SEC. 101. MODIFICATION AND EXPANSION OF REQUIREMENTS FOR THE DESIGNATION OF PERSONS.**

(a) **EXPANSION OF MANDATORY DESIGNATIONS.**—Section 104(a) of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9214(a)) is amended—

(1) in paragraph (9), by striking “; or” and inserting “or any defense article or defense service (as such terms are defined in section 47 of the Arms Export Control Act (22 U.S.C. 2794));”; and

(2) by redesignating paragraph (10) as paragraph (15);

(3) by inserting after paragraph (9) the following new paragraphs:

“(10) knowingly, directly or indirectly, purchases or otherwise acquires from North Korea any significant amounts of gold, titanium ore, vanadium ore, copper, silver, nickel, zinc, or rare earth minerals;

“(11) knowingly, directly or indirectly, sells or transfers to North Korea any significant amounts of rocket, aviation, or jet fuel (except for use by a civilian passenger aircraft outside North Korea, exclusively for consumption during its flight to North Korea or its return flight);

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

“(13) knowingly, directly or indirectly, insures, registers, facilitates the registration of, or maintains insurance or a registration for, a vessel owned or controlled by the Government of North Korea, except as specifically approved by the United Nations Security Council;

“(14) knowingly, directly or indirectly, maintains a correspondent account (as defined in section 201A(d)(1)) with any North Korean financial institution, except as spe-

cifically approved by the United Nations Security Council; or”; and

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

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

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

“(i) an applicable United Nations Security Council resolution;

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

“(iii) any applicable Executive order;”;

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

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

(4) by adding at the end the following new subparagraphs:

“(D) knowingly, directly or indirectly, purchased or otherwise acquired from the Government of North Korea significant quantities of coal, iron, or iron ore, in excess of the limitations provided in applicable United Nations Security Council resolutions;

“(E) knowingly, directly or indirectly, purchased or otherwise acquired significant types or amounts of textiles from the Government of North Korea;

“(F) knowingly facilitated a significant transfer of funds or property of the Government of North Korea that materially contributes to any violation of an applicable United Nations Security Council resolution;

“(G) knowingly, directly or indirectly, facilitated a significant transfer to or from the Government of North Korea of bulk cash, precious metals, gemstones, or other stores of value not described under subsection (a)(10);

“(H) knowingly, directly or indirectly, sold, transferred, or otherwise provided significant amounts of crude oil, condensates, refined petroleum, other types of petroleum or petroleum byproducts, liquified natural gas, or other natural gas resources to the Government of North Korea (except for heavy fuel oil, gasoline, or diesel fuel for humanitarian use or as excepted under subsection (a)(11));

“(I) knowingly, directly or indirectly, engaged in, facilitated, or was responsible for the online commercial activities of the Government of North Korea, including online gambling;

“(J) knowingly, directly or indirectly, purchased or otherwise acquired fishing rights from the Government of North Korea;

“(K) knowingly, directly or indirectly, provided significant telephonic, telegraphic, telecommunications or other data services, in whole or in part, into or out of North Korea, in excess of services needed for humanitarian or diplomatic purposes (other than services that are excepted under section 203(b)(1) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(1)));

“(L) knowingly, directly or indirectly, purchased or otherwise acquired significant types or amounts of food or agricultural products from the Government of North Korea;

“(M) knowingly, directly or indirectly, engaged in, facilitated, or was responsible for the exportation of workers from North Korea in a manner intended to generate significant revenue, directly or indirectly, for use by the Government of North Korea or by the Workers’ Party of Korea;

“(N) knowingly conducted a significant transaction or transactions in North Korea’s

transportation, mining, energy, or financial services industries; or

“(O) except as specifically approved by the United Nations Security Council, and other than through a correspondent account as described in subsection (a)(14), knowingly facilitated the operation of any branch, subsidiary, or office of a North Korean financial institution.”.

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

(1) by striking “of a designated person” and inserting “of a person designated under subsection (a)”;

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

“(1) **MANDATORY ASSET BLOCKING.**—The President”;

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

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

(d) **DESIGNATION OF ADDITIONAL PERSONS.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report including a determination as to whether reasonable grounds exist, and an explanation of the reasons for any determination that such grounds do not exist, to designate, pursuant to section 104 of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9214), as amended by this section, each of the following:

(A) The Korea Shipowners’ Protection and Indemnity Association, a North Korean insurance company, with respect to facilitating imports, exports, and reexports of arms and related materiel to and from North Korea, or for other activities prohibited by such section 104.

(B) Chinho Shipping Company (Private) Limited, a Singapore corporation, with respect to facilitating imports, exports, and reexports of arms and related materiel to and from North Korea.

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

(D) Kungang Economic Development Corporation (KKG), with respect to being an entity controlled by Bureau 39 of the Workers’ Party of the Government of North Korea.

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

(F) The Chamber of Commerce of the Democratic People’s Republic of Korea, with respect to the exportation of workers in violation of section 104(a)(5) or of section 104(b)(1)(M) of such Act, as amended by subsection (b) of this section.

(2) **FORM.**—The report submitted under paragraph (1) may contain a classified annex.

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

(a) **IN GENERAL.**—Title II of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9221 et seq.) is amended by inserting after section 201 the following new section:

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

“(a) **IN GENERAL.**—Except as provided in subsection (b), if a United States financial institution has or obtains knowledge that a correspondent account established, main-

tained, administered, or managed by that institution for a foreign financial institution is being used by the foreign financial institution to provide significant financial services indirectly to any person, foreign government, or financial institution designated under section 104, the United States financial institution shall ensure that such correspondent account is no longer used to provide such services.

“(b) **EXCEPTION.**—A United States financial institution is authorized to process transfers of funds to or from North Korea, or for the direct or indirect benefit of any person, foreign government, or financial institution that is designated under section 104, only if the transfer—

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

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

“(c) **DEFINITIONS.**—In this section:

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

“(2) **UNITED STATES FINANCIAL INSTITUTION.**—The term ‘United States financial institution’ means has the meaning given that term in section 510.310 of title 31, Code of Federal Regulations, as in effect on the date of the enactment of this section.

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

(b) **CLERICAL AMENDMENT.**—The table of contents in section 1(b) of the North Korea Sanctions and Policy Enhancement Act of 2016 is amended by inserting after the item relating to section 201 the following new item:

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

**SEC. 103. LIMITATIONS ON FOREIGN ASSISTANCE TO NONCOMPLIANT GOVERNMENTS.**

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

(1) in subsection (b)—

(A) in the heading, by striking “TRANSACTIONS IN LETHAL MILITARY EQUIPMENT” and inserting “TRANSACTIONS IN DEFENSE ARTICLES OR DEFENSE SERVICES”;

(B) in paragraph (1), by striking “that provides lethal military equipment to the Government of North Korea” and inserting “that provides to or receives from the Government of North Korea a defense article or defense service, as such terms are defined in section 47 of the Arms Export Control Act (22 U.S.C. 2794), if the President determines that a significant type or amount of such article or service has been so provided or received”; and

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

(2) in subsection (d), by striking “or emergency” and inserting “maternal and child health, disease prevention and response, or”; and

(3) by adding at the end the following new subsection:

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

“(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this subsection, and annually thereafter for 5 years, the Secretary of State shall submit to the appropriate congressional committees a report that specifically describes the compliance of foreign countries and other foreign

jurisdictions with the requirement to curtail the trade described in subsection (b)(1).

“(2) **FORM.**—The report required under paragraph (1) shall be submitted in unclassified form but may contain a classified annex.”.

**SEC. 104. AMENDMENTS TO ENHANCE INSPECTION AUTHORITIES.**

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

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

“(a) **REPORT REQUIRED.**—

“(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this section, and annually thereafter for 5 years, the President shall submit to the appropriate congressional committees a report—

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

“(i) significantly fail to implement or enforce regulations to inspect ships, aircraft, cargo, or conveyances in transit to or from North Korea, as required by applicable United Nations Security Council resolutions;

“(ii) facilitate the transfer, transshipment, or conveyance of significant types or quantities of cargo, vessels, or aircraft owned or controlled by persons designated under applicable United Nations Security Council resolutions; or

“(iii) facilitate any of the activities described in section 104(a);

“(B) describing the extent to which the requirements of applicable United Nations Security Council resolutions to de-register any vessel owned, controlled, or operated by or on behalf of the Government of North Korea have been implemented by other foreign countries;

“(C) describing the compliance of the Islamic Republic of Iran with the sanctions mandated in applicable United Nations Security Council resolutions;

“(D) identifying vessels, aircraft, and conveyances owned or controlled by the Reconnaissance General Bureau of the Workers’ Party of Korea; and

“(E) describing the diplomatic and enforcement efforts by the President to secure the full implementation of the applicable United Nations Security Council resolutions, as described in subparagraphs (A) through (C).

“(2) **FORM.**—The report required under paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

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

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

“(2) The ports of Abadan, Bandar-e-Abbas, Chabahar, Bandar-e-Khomeini, Bushehr Port, Asaluyeh Port, Kish, Kharg Island, Bandar-e-Lenge, and Khorramshahr, and Tehran Imam Khomeini International Airport, in the Islamic Republic of Iran.

“(3) The ports of Nakhodka, Vanino, and Vladivostok, in the Russian Federation.

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

“(c) **ENHANCED SECURITY TARGETING REQUIREMENTS.**—

“(1) **IN GENERAL.**—Except as provided in paragraph (2), the Secretary of Homeland Security may, using a layered approach, require enhanced screening procedures to determine whether physical inspections are warranted of any cargo bound for or landed in the United States that—

“(A) has been transported through a sea port or airport the operator of which has

been identified by the President in accordance with subsection (a)(1) as having repeatedly failed to comply with applicable United Nations Security Council resolutions;

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

“(C) is registered by a country or jurisdiction whose compliance has been identified by the President as deficient pursuant to subsection (a)(2).

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

“(d) SEIZURE AND FORFEITURE.—A vessel, aircraft, or conveyance used to facilitate any of the activities described in section 104(a) under the jurisdiction of the United States may be seized and forfeited, or subject to forfeiture, under—

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

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

#### **SEC. 105. ENFORCING COMPLIANCE WITH UNITED NATIONS SHIPPING SANCTIONS AGAINST NORTH KOREA.**

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

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

“(a) PROHIBITION.—

“(1) IN GENERAL.—Except as otherwise provided in this section, no vessel described in subsection (b) may enter or operate in the navigable waters of the United States or transfer cargo in any port or place under the jurisdiction of the United States.

“(2) LIMITATIONS ON APPLICATION.—

“(A) IN GENERAL.—The prohibition under paragraph (1) shall not apply with respect to—

“(i) a vessel described in subsection (b)(1), if the Secretary of State determines that—

“(I) the vessel is owned or operated by or on behalf of a country the government of which the Secretary of State determines is closely cooperating with the United States with respect to implementing the applicable United Nations Security Council resolutions (as such term is defined in section 3 of the North Korea Sanctions and Policy Enhancement Act of 2016); or

“(II) it is in the national security interest not to apply the prohibition to such vessel; or

“(ii) a vessel described in subsection (b)(2), if the Secretary of State determines that the vessel is no longer registered as described in that subsection.

“(B) NOTICE.—Not later than 15 days after making a determination under subparagraph (A), the Secretary of State shall submit to the Committee on Foreign Affairs and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Foreign Relations and the Committee on Commerce, Science, and Transportation of the Senate written notice of the determination and the basis upon which the determination was made.

“(C) PUBLICATION.—The Secretary of State shall publish a notice in the Federal Register of each determination made under subparagraph (A).

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

“(1) is on the most recent list of vessels published in Federal Register under subsection (c)(2); or

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

“(c) INFORMATION AND PUBLICATION.—The Secretary of the department in which the Coast Guard is operating, with the concurrence of the Secretary of State, shall—

“(1) maintain timely information on the registrations of all foreign vessels over 300 gross tons that are known to be—

“(A) owned or operated by or on behalf of the Government of North Korea or a North Korean person;

“(B) owned or operated by or on behalf of any country in which a sea port is located, the operator of which the President has identified in the most recent report submitted under section 205(a)(1)(A) of the North Korea Sanctions and Policy Enhancement Act of 2016; or

“(C) owned or operated by or on behalf of any country identified by the President as a country that has not complied with the applicable United Nations Security Council resolutions (as such term is defined in section 3 of such Act); and

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

“(d) NOTIFICATION OF GOVERNMENTS.—

“(1) IN GENERAL.—The Secretary of State shall notify each government, the agents or instrumentalities of which are maintaining a registration of a foreign vessel that is included on a list published under subsection (c)(2), not later than 30 days after such publication, that all vessels registered under such government's authority are subject to subsection (a).

“(2) ADDITIONAL NOTIFICATION.—In the case of a government that continues to maintain a registration for a vessel that is included on such list after receiving an initial notification under paragraph (1), the Secretary shall issue an additional notification to such government not later than 120 days after the publication of a list under subsection (c)(2).

“(e) NOTIFICATION OF VESSELS.—Upon receiving a notice of arrival under section 4(a)(5) from a vessel described in subsection (b), the Secretary of the department in which the Coast Guard is operating shall notify the master of such vessel that the vessel may not enter or operate in the navigable waters of the United States or transfer cargo in any port or place under the jurisdiction of the United States, unless—

“(1) the Secretary of State has made a determination under subsection (a)(2); or

“(2) the Secretary of the department in which the Coast Guard is operating allows provisional entry of the vessel, or transfer of cargo from the vessel, under subsection (f).

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

“(g) RIGHT OF INNOCENT PASSAGE AND RIGHT OF TRANSIT PASSAGE.—This section shall not be construed as authority to re-

strict the right of innocent passage or the right of transit passage as recognized under international law.

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

(b) CONFORMING AMENDMENTS.—

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

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

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

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter for 5 years, the President shall submit to the appropriate congressional committees a report that includes—

(1) an assessment of the extent of cooperation (including through the transfer of goods, services, technology, or intellectual property) between North Korea and Iran relating to their respective nuclear, ballistic missile development, chemical or biological weapons development, or conventional weapons programs;

(2) the names of any Iranian or North Korean persons that have knowingly engaged in or directed—

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

(B) the exchange of information between North Korea and Iran with respect to such programs;

(3) the names of any other foreign persons that have facilitated the activities described in paragraph (1); and

(4) a determination whether any of the activities described in paragraphs (1) and (2) violate United Nations Security Council Resolution 2231 (2015).

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

#### **SEC. 107. REPORT ON IMPLEMENTATION OF UNITED NATIONS SECURITY COUNCIL RESOLUTIONS BY OTHER GOVERNMENTS.**

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter for 5 years, the President shall submit to the appropriate congressional committees a report that evaluates the degree to which the governments of other countries have knowingly failed to—

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

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

(3) prohibit the opening of new branches, subsidiaries, or representative offices of North Korean financial institutions within the jurisdictions of such governments; or

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

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

#### **SEC. 108. BRIEFING ON MEASURES TO DENY SPECIALIZED FINANCIAL MESSAGING SERVICES TO DESIGNATED NORTH KOREAN FINANCIAL INSTITUTIONS.**

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

(1) A list of each person or foreign government the President has identified that directly provides specialized financial messaging services to, or enables or facilitates direct or indirect access to such messaging services for—

(A) any North Korean financial institution (as such term is defined in section 3 of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9202)) designated under an applicable United Nations Security Council resolution; or

(B) any other North Korean person, on behalf of such a North Korean financial institution.

(2) A detailed assessment of the status of efforts by the Secretary of the Treasury to work with the relevant authorities in the home jurisdictions of such specialized financial messaging providers to end such provision or access.

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

## **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.**

(a) SANCTIONS FOR TRAFFICKING IN PERSONS.—

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

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

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

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

“(3) a list of foreign persons that knowingly employ North Korean laborers, as described in section 104(b)(1)(M).”

(2) ADDITIONAL DETERMINATIONS; REPORTS.—With respect to any country identified in section 302(b)(2) of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9241(b)(2)), as amended by paragraph (1), the report required under section 302(a) of such Act shall—

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

(i) section 111 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7108) (relating to the prevention of trafficking in persons); or

(ii) section 104(a) or 104(b)(1) of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9214(a)), as amended by section 101 of this Act;

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

(C) be considered in any determination that the government of such country has made serious and sustained efforts to eliminate severe forms of trafficking in persons, as such term is defined for purposes of the Trafficking Victims Protection Act of 2000.

(b) SANCTIONS ON FOREIGN PERSONS THAT EMPLOY NORTH KOREAN LABOR.—

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

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

“(a) IN GENERAL.—Except as provided in subsection (b), any significant goods, wares,

articles, and merchandise mined, produced, or manufactured wholly or in part by the labor of North Korean nationals or citizens shall be deemed to be prohibited under section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) and shall not be entitled to entry at any of the ports of the United States.

“(b) EXCEPTION.—The prohibition described in subsection (a) shall not apply if the Commissioner of U.S. Customs and Border Protection finds, by clear and convincing evidence, that the goods, wares, articles, or merchandise described in such paragraph were not produced with convict labor, forced labor, or indentured labor under penal sanctions.

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

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

“(b) IMPOSITION OF SANCTIONS.—

“(1) IN GENERAL.—The President shall impose the sanctions described in paragraph (2) with respect to any person designated under subsection (a).

“(2) SANCTIONS DESCRIBED.—The sanctions described in this paragraph are sanctions pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) to block and prohibit all transactions in property and interests in property of a person designated under 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.

“(c) EXCEPTION.—

“(1) IN GENERAL.—A person may not be designated under subsection (a) if the President certifies to the appropriate congressional committees that the President has received reliable assurances from such person that—

“(A) the employment of North Korean laborers does not result in the direct or indirect transfer of convertible currency, luxury goods, or other stores of value to the Government of North Korea;

“(B) all wages and benefits are provided directly to the laborers, and are held, as applicable, in accounts within the jurisdiction in which they reside in locally denominated currency; and

“(C) the laborers are subject to working conditions consistent with international standards.

“(2) RECERTIFICATION.—Not later than 180 days after the date on which the President transmits to the appropriate congressional committees an initial certification under paragraph (1), and every 180 days thereafter, the President shall—

“(A) transmit a recertification stating that the conditions described in such paragraph continue to be met; or

“(B) if such recertification cannot be transmitted, impose the sanctions described in subsection (b) beginning on the date on which the President determines that such recertification cannot be transmitted.”

(2) CLERICAL AMENDMENT.—The table of contents in section 1(b) of the North Korea Sanctions and Policy Enhancement Act of 2016 is amended by inserting after the item relating to section 302 the following new items:

“Sec. 302A. Rebuttable presumption applicable to goods made with North Korean labor.

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

#### **SEC. 202. MODIFICATIONS TO SANCTIONS SUSPENSION AND WAIVER AUTHORITIES.**

(a) EXEMPTIONS.—Section 208(a) of the North Korea Sanctions and Policy Enhance-

ment Act of 2016 (22 U.S.C. 9228(a)) is amended in the matter preceding paragraph (1)—

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

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

(b) HUMANITARIAN WAIVER.—Section 208(b) of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9228(b)(1)) is amended—

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

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

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

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

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

#### **SEC. 203. REWARD FOR INFORMANTS.**

Section 36(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708(b)), is amended—

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

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

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

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

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

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

(a) DETERMINATION.—

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

(2) FORM.—The determination required by paragraph (1) shall be submitted in unclassified form but may include a classified annex, if appropriate.

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

## **TITLE III—GENERAL AUTHORITIES**

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

Any reports required to be submitted to the appropriate congressional committees under this Act or any amendment made by this Act that are subject to deadlines for submission consisting of similar units of time may be consolidated into a single report that is submitted to appropriate congressional committees pursuant to the earlier of such deadlines. The consolidated reports must contain all information required under this Act or any amendment made by this Act, in addition to all other elements mandated by previous law.

#### **SEC. 302. RULE OF CONSTRUCTION.**

Nothing in this Act shall be construed to limit—

(1) the authority or obligation of the President to apply the sanctions described in section 104 of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9214), as amended by section 101 of this Act, with regard to persons who meet the criteria for designation under such section, or in any other provision of law; or

(2) the authorities of the President pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

#### SEC. 303. REGULATORY AUTHORITY.

(a) IN GENERAL.—The President shall, not later than 180 days after the date of the enactment of this Act, promulgate regulations as necessary for the implementation of this Act and the amendments made by this Act.

(b) NOTIFICATION TO CONGRESS.—Not fewer than 10 days before the promulgation of a regulation under subsection (a), the President shall notify and provide to the appropriate congressional committees the proposed regulation, specifying the provisions of this Act or the amendments made by this Act that the regulation is implementing.

#### SEC. 304. LIMITATION ON FUNDS.

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

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ROYCE) and the gentleman from New York (Mr. ENGEL) each will control 20 minutes.

The Chair recognizes the gentleman from California.

#### GENERAL LEAVE

Mr. ROYCE of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and to include extraneous material on this measure in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROYCE of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act.

I want to begin by thanking the co-author of this bill, Ranking Member ELIOT ENGEL, for his work on this legislation and for his steadfast leadership that he has shown on addressing this threat to national security. He has been in North Korea twice—I have been there once—and he has been focused on this for a long time.

Mr. Speaker, North Korea does, in fact, pose an immediate threat to the national security of the United States and to our allies. Experts believe that, in less than 4 years, North Korea will have the ability probably to target the United States with a reliable intercontinental ballistic missile, one topped by a nuclear warhead.

The quick speed with which North Korea's program is advancing is a game changer for our national security. It is no wonder that former President Obama warned President Trump that North Korea would be the top threat to the United States—and this is after the program of strategic patience which

President Obama deployed. That policy of strategic patience, unfortunately, has not worked out. We must move forward with something based on a plan that has worked in the past.

North Korea, now that they have conducted two nuclear weapons tests this last year and launched a total of 26 ballistic missiles, including one from a submarine, has reached the point where it is a threat to the United States. In the last 2 years alone, we have seen 49 of these tests of one kind or another as they have built out this program.

Alarming, with every test, North Korea gains valuable technical knowledge that has enabled it to make significant improvements to its developing arsenal. So as they march towards the day that it will have the capability of striking all 50 States with an ICBM, we have been reminded by our Chairman of the Joint Chiefs that the "I" in that acronym stands for "intercontinental," and he says: as from that continent to this continent.

More immediately, these missiles gravely threaten our allies in South Korea and Japan, and it is a threat to the tens of thousands of U.S. servicemen serving in those countries.

North Korea has been a major proliferator, cooperating on its nuclear and missile programs with the likes of Iran, of Syria, and of Pakistan. I will remind the Members that they built a carbon copy of their nuclear program in Syria on the banks of the Euphrates River. Had it not been—had it not been—for the Israeli Defense Forces taking that facility out some years ago, we would be wrestling right now with the question of whether that facility was in the hands of al-Nusra or in the hands of ISIS or in the hands of Hezbollah. They are undermining U.S. security along with the entire global counterproliferation system, so we can only guess the extent of the damage that is being done through illicit, undetected networks.

Mr. Speaker, Congress has a chance to put North Korea policy on firmer ground, and this bill, this Korean Interdiction and Modernization of Sanctions Act, is a response to this immediate threat. It builds upon the North Korea Sanctions and Policy Enhancement Act, which was a bill authored by Mr. ENGEL and myself that was signed into law last Congress. With this law, the United States designated North Korea as a primary money laundering concern, cutting off their access to cash, and found Kim Jong-un and his top lieutenants responsible for grave human rights abuses. Indeed, the magazine *The Economist* accurately described North Korea as a gulag now masquerading as a country.

But at the same time, North Korea has worked over the past year to evade international sanctions with the help of a vast network of front companies, which we have now identified, and those front companies work with governments spanning the globe. Those

who do business with North Korea provide it with money to fund the regime's nuclear program and fund its grotesque human rights abuses, and they must be stopped.

This bill does that by expanding sanctions to deter North Korea's nuclear programs and to enforce United Nations Security Council resolutions. Let's be clear: these are international commitments that all nations are obliged to honor, including China.

It targets those who employ North Korean slave labor overseas. Companies from Senegal to Qatar to Angola import these North Korean workers who promptly send their salary back to the regime in North Korea, earning the regime billions of dollars in hard currency each year.

This is money that Kim Jong-un uses to advance his nuclear and missile program and also pay his generals, buying their loyalty to his brutal regime. That is what the high-level defectors that I have met with say. So let's squeeze his purse.

It cracks down on North Korean shipping and the use of international ports, restricting the regime's ability to ship weapons and other banned goods.

When we discover that foreign banks have helped Kim Jong-un skirt these sanctions, as some in China have repeatedly done, then we must give those banks and businesses a stark choice: to do business with that regime in North Korea or the United States. As we have heard from the new administration, this is a key focus of theirs.

So, Mr. Speaker, this legislation gives the administration powerful new tools to protect the U.S. and our allies from the threat of North Korean nuclear missiles by going after those who enable the regime's aggression. This shows the world that Congress stands ready to help the administration work with our allies and others to counter North Korea's belligerent behavior and maintain peace and stability in Northeast Asia.

Mr. Speaker, I urge my colleagues to vote "yes" on H.R. 1644, and I reserve the balance of my time.

HOUSE OF REPRESENTATIVES, COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,

Washington, DC, April 24, 2017.

Hon. EDWARD R. ROYCE,  
Chairman, Committee on Foreign Affairs, Washington, DC.

DEAR MR. CHAIRMAN: I write concerning H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act. As you know, the Committee on Foreign Affairs received an original referral and the Committee on Oversight and Government Reform a secondary referral when the bill was introduced on March 21, 2017. I recognize and appreciate your desire to bring this legislation before the House of Representatives in an expeditious manner, and accordingly, the Committee on Oversight and Government Reform will forego action on the bill.

The Committee takes this action with our mutual understanding that by foregoing consideration of H.R. 1644 at this time, we do not waive any jurisdiction over the subject matter contained in this or similar legislation. Further, I request your support for the



appointment of conferees from the Committee on Oversight and Government Reform during any House-Senate conference convened on this or related legislation.

Finally, I would ask that a copy of our exchange of letters on this matter be included in the bill report filed by the Committee on Foreign Affairs, as well as in the Congressional Record during floor consideration, to memorialize our understanding.

Sincerely,

JASON CHAFFETZ,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, DC, April 24, 2017.*

Hon. JASON CHAFFETZ,  
*Chairman, Committee on Oversight and Government Reform, Washington, DC.*

DEAR MR. CHAIRMAN: Thank you for consulting with the Foreign Affairs Committee and agreeing to be discharged from further consideration of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act, so that the bill may proceed expeditiously to the House floor.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of your committee, or prejudice its jurisdictional prerogatives on this resolution or similar legislation in the future. I would support your effort to seek appointment of an appropriate number of conferees from your committee to any House-Senate conference on this legislation.

I will seek to place our letters on H.R. 1644 into the Congressional Record during floor consideration of the resolution. I appreciate your cooperation regarding this legislation and look forward to continuing to work together as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON WAYS AND MEANS,  
*Washington, DC, April 25, 2017.*

Hon. EDWARD R. ROYCE,  
*Chairman, Committee on Foreign Affairs, Washington, DC.*

DEAR CHAIRMAN ROYCE: I am writing with respect to H.R. 1644, the "Korean Interdiction and Modernization of Sanctions Act," on with the Committee on Ways and Means was granted an additional referral.

In order to allow H.R. 1644 to move expeditiously to the House floor, I agree to waive formal consideration of this bill. The Committee on Ways and Means takes this action with the mutual understanding that we do not waive any jurisdiction over the subject matter contained in this or similar legislation, and the Committee will be appropriately consulted and involved as the bill or similar legislation moves forward so that we may address any remaining issues that fall within our jurisdiction. The Committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation, and requests your support for such request.

Finally, I would appreciate your response to this letter confirming this understanding, and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration of H.R. 1644.

Sincerely,

KEVIN BRADY,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, DC, April 24, 2017.*

Hon. KEVIN BRADY,  
*Chairman, Committee on Ways and Means, Washington, DC.*

DEAR CHAIRMAN BRADY: Thank you for consulting with the Foreign Affairs Committee and agreeing to be discharged from further consideration of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act, so that the bill may proceed expeditiously to the House floor.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of your committee, or prejudice its jurisdictional prerogatives on this resolution or similar legislation in the future. I would support your effort to seek appointment of an appropriate number of conferees from your committee to any House-Senate conference on this legislation.

I will seek to place our letters on H.R. 1644 into the Congressional Record during floor consideration of the resolution. I appreciate your cooperation regarding this legislation and look forward to continuing to work together as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FINANCIAL SERVICES,  
*Washington, DC, April 26, 2017.*

Hon. ED ROYCE,  
*Chairman, Committee on Foreign Affairs, Washington, DC.*

DEAR CHAIRMAN ROYCE: I am writing concerning H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act.

As a result of your having consulted with the Committee on Financial Services concerning provisions in the bill that fall within our Rule X jurisdiction, I agree to forgo action on the bill so that it may proceed expeditiously to the House Floor. The Committee on Financial Services takes this action with our mutual understanding that, by foregoing consideration of H.R. 1644 at this time, we do not waive any jurisdiction over the subject matter contained in this or similar legislation, and that our Committee will be appropriately consulted and involved as this or similar legislation moves forward so that we may address any remaining issues that fall within our Rule X jurisdiction. Our Committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation, and requests your support for any such request.

Finally, I would appreciate your response to this letter confirming this understanding with respect to H.R. 1644 and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration of the bill.

Sincerely,

JEB HENSARLING,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, DC, April 26, 2017.*

Hon. JEB HENSARLING,  
*Chairman, Committee on Financial Services, Washington, DC.*

DEAR CHAIRMAN HENSARLING: Thank you for consulting with the Foreign Affairs Committee and agreeing to be discharged from further consideration of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act, so that the bill may proceed expeditiously to the House floor.

I agree that your forgoing further action on this measure does not in any way dimin-

ish or alter the jurisdiction of your committee, or prejudice its jurisdictional prerogatives on this bill or similar legislation in the future. I would support your effort to seek appointment of an appropriate number of conferees from your committee to any House-Senate conference on this legislation.

I will seek to place our letters on H.R. 1644 into the Congressional Record during floor consideration of the bill. I appreciate your cooperation regarding this legislation and look forward to continuing to work together as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON THE JUDICIARY,  
*Washington, DC, April 27, 2017.*

Hon. EDWARD R. ROYCE,  
*Chairman, Committee on Foreign Affairs, Washington, DC.*

DEAR CHAIRMAN ROYCE: I write with respect to H.R. 1644, the "Korean Interdiction and Modernization of Sanctions Act." As a result of your having consulted with us on provisions within H.R. 1644 that fall within the Rule X jurisdiction of the Committee on the Judiciary, I forego any further consideration of this bill so that it may proceed expeditiously to the House floor for consideration.

The Judiciary Committee takes this action with our mutual understanding that by foregoing consideration of H.R. 1644 at this time, we do not waive any jurisdiction over subject matter contained in this or similar legislation and that our committee will be appropriately consulted and involved as this bill or similar legislation moves forward so that we may address any remaining issues in our jurisdiction. Our committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation and asks that you support any such request.

I would appreciate a response to this letter confirming this understanding with respect to H.R. 1644 and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration of H.R. 1644.

Sincerely,

BOB GOODLATTE,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, DC, April 26, 2017.*

Hon. BOB GOODLATTE,  
*Chairman, Committee on the Judiciary, Washington, DC.*

DEAR CHAIRMAN GOODLATTE: Thank you for consulting with the Foreign Affairs Committee and agreeing to be discharged from further consideration of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act, so that the bill may proceed expeditiously to the House floor.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of your committee, or prejudice its jurisdictional prerogatives on this bill or similar legislation in the future. I would support your effort to seek appointment of an appropriate number of conferees from your committee to any House-Senate conference on this legislation.

I will seek to place our letters on H.R. 1644 into the Congressional Record during floor consideration of the measure. I appreciate your cooperation regarding this legislation

and look forward to continuing to work together as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE,  
*Chairman.*

HOUSE OF REPRESENTATIVES, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,  
*Washington, DC, April 26, 2017.*

Hon. ED ROYCE,  
*Chairman, Committee on Foreign Affairs, Washington, DC.*

DEAR CHAIRMAN ROYCE: I write concerning H.R. 1644, the "Korean Interdiction and Modernization of Sanctions Act." This legislation includes matters that fall within the Rule X jurisdiction of the Committee on Transportation and Infrastructure.

In order to expedite Floor consideration of H.R. 1644, the Committee on Transportation and Infrastructure will forgo action on this bill. However, this is conditional on our mutual understanding that forgoing consideration of the bill does not prejudice the Committee with respect to the appointment of conferees or to any future jurisdictional claim over the subject matters contained in the bill or similar legislation that fall within the Committee's Rule X jurisdiction. I request you urge the Speaker to name members of the Committee to any conference committee named to consider such provisions.

Please place a copy of this letter and your response acknowledging our jurisdictional interest into the committee report on H.R. 1644 and in the Congressional Record during House Floor consideration of the bill. Thank you for working with us on this bill, and I look forward to working with the Committee on Foreign Affairs as the bill moves through the legislative process.

Sincerely,

BILL SHUSTER,  
*Chairman.*

HOUSE OF REPRESENTATIVES, COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, DC, April 26, 2017.*

Hon. BILL SHUSTER,  
*Chairman, Committee on Transportation and Infrastructure, Washington, DC.*

DEAR MR. CHAIRMAN: Thank you for consulting with the Foreign Affairs Committee and agreeing to be discharged from further consideration of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act, so that the bill may proceed expeditiously to the House floor.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of your committee, or prejudice its jurisdictional prerogatives on this bill or similar legislation in the future. I would support your effort to seek appointment of an appropriate number of conferees from your committee to any House-Senate conference on this legislation.

I will seek to place our letters on H.R. 1644 into the Congressional Record during floor consideration of the bill. I appreciate your cooperation regarding this legislation and look forward to continuing to work together as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE,  
*Chairman.*

□ 1500

Mr. ENGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this legislation, and let me start by thanking our chairman on the Foreign

Affairs Committee, ED ROYCE from California. His personal commitment to this important issue is reflected by his long track record and leadership in crafting the legislation before us today. We have had innumerable talks about North Korea and the threat through the years. ED ROYCE has always been there at the forefront in this very important issue.

I am proud to be the lead Democratic cosponsor of the bill. We stand on the floor today speaking in a unified, bipartisan voice about the threat that North Korea and the Kim regime pose to the United States, to our friend and allies, and to peace and stability across the globe.

Already, Mr. Speaker, North Korea poses a potentially catastrophic danger to our closest allies in Northeast Asia: Japan and South Korea. With each passing day, the reclusive regime in Pyongyang continues to make progress on nuclear and ballistic missile technology that could reach American soil.

This isn't a laughing matter. This isn't a matter about something that might happen. This is a matter about something that will happen, unless we take steps to prevent it from happening.

American administrations of both parties have tried and failed to curb the dangerous behavior of the Kim regime. Before Kim, you had his father and his grandfather before him. There is plenty of blame to go around for how we got here, but rehashing past mistakes won't get us anywhere. Instead, the United States and other global powers need to focus on this challenge before it is too late.

However, I fear that the administration's inconsistency in recent weeks has thrown fuel to the fire. We have seen the White House blow hot and cold on the potential for talks with Pyongyang. We have seen careless rhetoric alienate South Korea, a critical ally whose partnership is essential in trying to contain North Korea.

One week we see saber rattling toward North Korea, including the false claim that an aircraft carrier battle group was headed toward the Korean Peninsula, and the next week, the President saying he would be "honored" to meet with "smart cookie" Kim Jong-un, the latest in a long list of totalitarian strongmen who seem to have won the President's admiration.

We are sending mixed signals, Mr. Speaker, and the world is taking notice. Inconsistency on national security matters is not a foreign policy strategy that will succeed. When America appears confused or unmoored, it emboldens our adversaries and gives our friends and allies pause. When we are talking about nuclear weapons, there is simply no margin for error.

Fortunately, in this Congress, our priorities are clear: work with China and our close partners in the region and dial up pressure on the Kim regime to return to the negotiating table.

Last year, under Chairman ROYCE's leadership, we passed a sanctions bill that President Obama signed into law.

Kim Jong-un is exceedingly crafty: his regime is becoming increasingly effective at invading international sanctions.

When we make sanctions tougher, they come up with new ways to get around them: phony bank accounts, fake companies overseas, shipments under foreign flags.

We need to go back to the well to close the loopholes that the regime exploits. That is what this measure does. It dials up sanctions on those who do business with the Kim regime, hopefully, making them think twice before providing cover to one of the most brutal human rights abusers in the world and the nuclear ambitions of the leader of that country.

If you buy certain materials like metals or minerals from North Korea, if you sell fuel that the North Korean military can use, if you have a role in maintaining overseas bank accounts or insuring the ships Pyongyang uses to evade the law, then you are going to get caught up in these new sanctions.

If you ignore the U.N.'s limits on important North Korean coal or iron, or try to buy cheap textiles or fishing rights from the government, or help the Kim regime conduct business online, you will be subject to additional scrutiny with this legislation.

With this bill, we will target those who use North Korean forced labor, a gross human rights abuse and a cash cow for the regime. We will consider limiting certain types of assistance to countries buying or selling American equipment to Pyongyang.

In light of the recent public assassination of Kim's half brother, and other nefarious activities, we require the State Department to take a hard look at whether North Korea should be put back on the State Sponsors of Terrorism list.

The Kim regime must be made to understand that we will not back down in our effort to cut off support for its dangerous activities. Every time they cut another corner, we will put up another roadblock. We will come after them again and again until they realize there is no option but to sit down and negotiate.

As we have seen, it won't be an easy process. Making real progress on complex global issues rarely is. Reckless threats and bombastic talk usually make matters worse, especially when you are dealing with an unpredictable and impulsive leader.

The stakes are very high. No one wants to see war on the Korean Peninsula, least of all the 25 million people in Seoul and the nearly 30,000 United States troops who are in Pyongyang's sights every single day.

We need to remain focused, with clarity of purpose, in order to get the results we all want. This bipartisan bill builds on our record in the House of grappling with this challenge. I am



glad to join with Chairman ROYCE in this effort. I fully support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. ROYCE of California. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. CHABOT), a senior member of the Committee on Foreign Affairs.

Mr. CHABOT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise today in support of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act.

Kim Jong-un murdered his uncle. He murdered his brother. He and his father and grandfather were responsible for the deaths of hundreds of thousands, probably millions, of their own people. Now this ruthless tyrant is trying to develop long-range nuclear weapons that very soon could reach the United States.

Let me be clear: North Korea is a threat to the security of the United States of America. It is a threat to our allies. It is a threat to the world. As long as North Korea has nuclear weapons, the world is not safe.

For far too long, we have done very little to deter the Kim regime's persistent march in the development of its nuclear weapons program. That changes today.

The Kim regime's nuclear program lives and dies by its access to hard currency. North Korea acquires that hard currency from various sources. We know that China is the worst offender. But China is not the only bad actor. Terrorist networks around the world purchase weapons, technology, and training from North Korea. North Korea, in exchange, gets that money, the hard currency that it needs.

Autocrats like the Congo's Joseph Kabila have long reasoned that no one would actually enforce the arms embargo currently against North Korea. They continue to support the Kim regime and its nuclear program with no consequence.

This bill would put a stop to that. It requires that the President cut off bad actors from our financial system. No more transactions in dollars. No more using banks that serve U.S. customers. The Kim regime will know that we are finally serious.

I want to thank Chairman ROYCE for his leadership on this, Ranking Member ENGEL, and also Subcommittee Chairman Mr. YOHO and Ranking Member SHERMAN for their leadership.

This is critical legislation. North Korea has been getting away with murder, literally, for far too long in their own country. We need to make sure that hundreds of thousands—perhaps millions—of Americans' lives are not wiped out by North Korea sometime in the very near future if we do not push back and actually stop their nuclear weapons program, particularly the ballistic missile system that they are trying to develop.

Mr. ENGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Cali-

fornia (Mr. SHERMAN), the ranking member of the Asia and the Pacific Subcommittee of the Foreign Affairs Committee.

Mr. SHERMAN. Mr. Speaker, I rise in strong support of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act.

This bill was introduced by the chair and ranking member of the full committee, Mr. ROYCE and Mr. ENGEL; by the chair and ranking member of the Asia and the Pacific Subcommittee, Mr. YOHO; and myself. It is a clear example of the way bipartisanship should be here in the House of Representatives.

North Korea continues to act as a state sponsor of terrorism, test ballistic missiles, conduct cyber warfare, build nuclear weapons, and threaten the United States and our allies.

We need a strategy to confront North Korea. An essential part of that strategy is to confront North Korea with economic and political pressure. A key to that would be to get China fully on board and to be willing to threaten China with tariffs if China continued to serve as the lifeline for the North Korean criminal regime. In addition to working with China, we need to start modernizing our own sanctions regime to impose a greater cost on Kim Jong-un.

This bill expands the North Korea Sanctions and Policy Enhancement Act passed by this Congress in 2016 to provide expanded and mandatory and discretionary sanctions on the North Korean Government, particularly involving gold and other precious minerals, jet fuel, coal, iron ore, and textiles.

The bill requires U.S. financial institutions to ensure that no correspondent accounts are being used by foreign financial institutions to provide financial services to North Korea. It does a host of other necessary things, including requiring the State Department to submit to Congress a report detailing their decision on whether to put North Korea back on the State Sponsors of Terrorism list, and that we get that report within 90 days.

It seems clear to me that North Korea should be listed as a state sponsor of terror. We took them off the list not because they stopped engaging in international terror, but as a quid pro quo for suspending their own nuclear program, which they didn't suspend.

So why are they still off the list?

There is no doubt that North Korea has engaged in multiple acts of international terrorism, including the murder of the half brother of Kim Jong-un; the cyber attack against Sony Pictures; and although the initial action was taken decades ago, they seized Japanese civilians in order to learn Japanese manners in order to instruct their spies. They continue to hold those Japanese civilians today in a continuing act of terrorism.

Finally, the bill, requires a report from the President of cooperation be-

tween North Korea and Iran. We would suspect that North Korea, after it builds a certain cache of nuclear weapons, would be willing to sell to Iran not for millions but for billions of dollars fully assembled nuclear weapons or the fissile material to create those. This is an important thing Congress needs to address.

Mr. ROYCE of California. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. WILSON), a senior member of the Committee on Foreign Affairs, who also chairs the Armed Services Subcommittee on Emerging Threats and Capabilities.

Mr. WILSON of South Carolina. Mr. Speaker, I appreciate Mr. ROYCE's determined leadership on this important issue of national security protecting American families.

I am in strong support of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act. In 2003, I traveled to Pyongyang, North Korea, with the ranking member, Congressman ELIOT ENGEL, in a bipartisan delegation, along with Congressman Curt Weldon, Chairman Jeff Miller, Silvestre Reyes, and Solomon Ortiz, where we saw firsthand the tyranny and oppression of the Communist regime.

Last month, the House of Representatives overwhelmingly passed H. Res. 92, a bipartisan resolution I introduced condemning the regime in North Korea for their recent ballistic missiles, and called for the consideration of all available sanctions. It passed 398-3.

Since then, North Korea has continued testing missiles and released yet another propaganda video—this one simulating the destruction of American troops, aircraft, warships, and even the U.S. Capitol Building.

After 8 years of "strategic patience," I appreciate the strong leadership of President Trump and his administration, along with the Ambassador to the U.N., Nikki Haley, and also Secretary of State Rex Tillerson.

It is clear the regime in North Korea will only respond to strength, and these sanctions that are proposed in this package would effectively target the regime and any other individuals who would do business with North Korea, especially in the shipping and financial industries.

I appreciate the extraordinary leadership of Chairman ED ROYCE and Ranking Member ELIOT ENGEL on the legislation, and I urge my colleagues to vote in support.

□ 1515

Mr. ENGEL. Mr. Speaker, before I call on the next speaker, I want to talk to the gentleman from South Carolina (Mr. WILSON). When we went on that trip to North Korea, I am sure that he will remember that he took a clandestine picture of a big billboard that was in Pyongyang showing a North Korean soldier with a bayonet sticking through an American soldier's head. So the propaganda and the anti-American

rhetoric is ingrained, it is taught, and it was very disconcerting. I remember the gentleman sitting in the front of the bus very clandestinely taking that picture so no one would know. It was really a good thing to do. I want to thank the gentleman.

Mr. WILSON of South Carolina. Will the gentleman yield?

Mr. ENGEL. I yield to the gentleman from South Carolina.

Mr. WILSON of South Carolina. Mr. Speaker, it was my honor to be with Ranking Member ELIOT ENGEL.

Mr. ENGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. KEATING), the ranking member of the Subcommittee on Terrorism, Nonproliferation, and Trade of the Committee on Foreign Affairs.

Mr. KEATING. Mr. Speaker, I rise in strong support of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act. I thank the chairman of the committee, the gentleman from California (Mr. ROYCE); and the ranking member, the gentleman from New York (Mr. ENGEL), for their leadership in this important legislation.

This legislation furthers North Korea's severe financial isolation by further targeting banks and money lenders to gain cooperation throughout the region. This bipartisan bill builds on the pressure and sanctions imposed under both the Bush and Obama administrations to strengthen our response to North Korea's continued belligerence by, number one, expanding sanctions on North Korea's government transactions involving precious metals, minerals, jet fuel, and coal; providing restrictions on U.S. foreign assistance to any country that buys or sells military equipment from North Korea; and provides increasing scrutiny of North Korean shipping vessels to target against trafficking, counterfeiting, and aspects of North Korea's illicit economy, among other things, in order to tighten sanctions in accordance with the United Nations Security Council. This vote comes at a critical juncture. Despite rounds of sanctions aimed at squeezing the faltering economy of North Korea, recent reports from the peninsula suggest that the country continues to gain sufficient traction to move forward.

North Korea poses a real and immediate threat to the stability in the region, to our allies, and to ourselves. By broadening eligibility activities to be sanctioned and extending the duration of sanctions to prevent arms trade, this bill will further leverage the North Korean economy to enhance our ability to reduce its nuclear threat. What is more, this bill will strengthen our ability to hinder trade between North Korea's strongest partners, including businesses and banks within Russia and China that are exposed to the international financial market. In the face of growing uncertainty and seeming lack of clarity surrounding the current administration's plan toward North Korea, this act demonstrates the

strong, bipartisan, and resolute stance of this Congress in the face of increased provocative and aggressive actions by North Korea.

As an original sponsor of the unprecedented legislation signed into law last year that sanctioned North Korea for its egregious human rights violations, I am proud to now support this critical legislation and urge my colleagues to do the same.

Mr. ROYCE of California. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas (Mr. POE), the chairman of the Subcommittee on Terrorism, Nonproliferation, and Trade of the Committee on Foreign Affairs.

Mr. POE of Texas. Mr. Speaker, I thank the chairman and ranking member for sponsoring this legislation.

Mr. Speaker, a few years ago, North Korea ordered its missile units on standby to strike the United States. Little Kim, as I call him, and his generals convened a press conference and displayed a chart of what they called U.S. mainland strike plan.

The attack plan targeted several major United States population centers, including Austin, Texas. Mr. Speaker, I am personally offended by that. At the time of this plan, it was ridiculed by international media. After all, the administration was pursuing a passive strategic patience plan.

But now experts say that, in less than 4 years, North Korea will have intercontinental ballistic missiles capable of raining down nuclear weapons on the entire United States. North Korea is making steady progress on its nuclear program. It conducted two nuclear tests in 2016 alone.

So the time has come to tighten the noose on little Kim. We need to choke off the sources of his ill-gotten gain, and these sanctions will help do that. This bill expands sanctions to target some of the regime's most lucrative sources of revenue. It also requires the State Department to reassess whether North Korea should be placed back on the State Sponsors of Terrorism list. I think that is long overdue.

Little Kim has earned the distinction of being a worldwide terrorist. So little Kim means it when he says he wants to destroy the United States. He even wants to put ICBMs in submarines and send them off the coast of California. He cannot be allowed to do this mischief. He needs to know the United States means it when we say that we will protect the American people.

And that is just the way it is.

Mr. ENGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. CONNOLLY), my friend, co-chair of the Korea Caucus, and a respected member of the Committee on Foreign Affairs.

Mr. CONNOLLY. Mr. Speaker, I thank my good friend from New York, our very distinguished ranking member.

I rise today in support of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act. I am

pleased to cosponsor this bill, an act that updates and expands the North Korea sanctions policy that was enacted just last year. It is undeniable that North Korea's nuclear and ballistic missile programs have accelerated in recent years. In 2016 alone, the regime conducted two nuclear tests and more than 20 missile tests.

In response to this threat, the U.S. helped negotiate the passage of the U.N. Security Council Resolutions 2270 and 2231 to strengthen U.N. sanctions against the regime. H.R. 1644 builds on those Security Council resolutions by expanding mandatory and discretionary sanctions and authorizing new sanctions provisions related to evasion and the use of North Korean exported labor, correspondent banking, and trade in oil, textiles, food, and agricultural products.

For example, if someone knowingly transfers significant amounts of jet fuel to North Korea, then the President could freeze that person's assets that come within the jurisdiction of the United States. Vessels that use North Korean ports will be banned from entering U.S. waters or using U.S. ports. The bill also establishes restrictions on the use of foreign assistance to any country that violates these provisions.

I want to thank the chairman and the ranking member for their leadership and for including my amendment, which will ensure that U.S. sanctions against North Korea do not impede the provision of vital U.S. assistance to developing countries for maternal and child health, disease prevention, and response.

U.S. sanctions are necessary, but they are not a complete tool to address the threat of North Korea's impending nuclear development program. The U.S. must undertake a rigorous diplomatic effort to urge the global community, and China in particular, to use their goodwill, their leverage to enforce international sanctions and to get North Korea back to the negotiating table.

The Korean Peninsula remains one of the most dangerous flash points in the world. President Trump, sadly, I think has escalated regional tensions by sending mixed signals about the location of U.S. military assets, about his views, as the ranking member said, about Kim Jong-un, and about how best the United States ought to respond that we are going to disabuse ourselves of the previous policy which seems to mean the only policy left is kinetic, a military option. I don't think that makes anything better on the Korean Peninsula.

I thank the leaders for this effort. I think it is the right way to go. I support it fully.

Mr. ROYCE of California. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. YOH), chairman of the Subcommittee on Asia and the Pacific of the Committee on Foreign Affairs and a coauthor of this bill.

Mr. YOHO. Mr. Speaker, I rise today in strong support of the Korea Interdiction and Modernization of Sanctions Act, H.R. 1644, the KIMS Act.

I thank Chairman ROYCE for his leadership in guiding this bill through the Committee on Foreign Affairs and the original cosponsors of this bill, Ranking Member ENGEL and Congressman SHERMAN, who serves alongside me as the ranking member of the Subcommittee on Asia and the Pacific. I also thank the chairman and ranking member for accepting my amendment to this bill that targets the ability of leaders like those of the Democratic Republic of the Congo that have been buying North Korean arms for years with impunity, supplying a means of income for the North Korean regime to fund their nuclear program and the regime of terror and provocations.

Mr. Speaker, North Korea's nuclear program has never been a bigger threat, and we need to respond with all the tools at our disposal. After all, the world community is against nuclear proliferation from any country, so the world community should support the United States preventing North Korea's nuclear program. If anything, Pyongyang has dramatically accelerated its belligerent behavior, conducting two nuclear tests and two dozen missile launches last year.

Speaking before the U.N. Security Council, Secretary Tillerson was right when he said that the threat of a North Korea nuclear attack on Seoul or Tokyo is very real. That is why it is so important that Congress, as we are doing here today, continue to apply pressure on Pyongyang, providing the administration with the tools it needs to deprive the Kim regime of the hard currency it depends on to feed its illicit weapons program.

Importantly, this measure will advance the national security interests of not just the United States and the Korean Peninsula but of the whole Asia-Pacific region and will contribute to regional security by targeting North Korea's abhorrent overseas slave labor, which is estimated at bringing in as much as \$230 million each year. There are precious few nonmilitary tools left for managing the security situation on the Korean Peninsula. Financial sanctions are the most important and effective of these tools.

By advancing this legislation, the House will continue its critical work to ensure our country has the necessary authorities and mandates in place to ensure our financial measures are effective. A peaceful outcome on the peninsula depends on inflicting enough pressure on Kim to force him to make the hard but smart choices. This bill will affect him where it hurts—in his bank accounts.

Again, I commend Chairman ROYCE and Ranking Member ENGEL for their contributions and leadership on this important legislation. I urge my colleagues to support this bill.

Mr. ENGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas

(Mr. CASTRO), co-chair of the Japan Caucus, a very respected member of our Committee on Foreign Affairs, and a member of the Permanent Select Committee on Intelligence.

Mr. CASTRO of Texas. Mr. Speaker, I thank Ranking Member ENGEL for yielding me this time. I rise in support of H.R. 1644, the Korean Interdiction and Modernization of Sanctions Act, legislation that would more effectively cut off the Kim regime's access to hard currency and equipment for its ballistic missile and nuclear programs.

This legislation updates and expands the range of sanctions available for the United States to use against persons or entities that violate existing U.S. sanction laws and United Nations Security Council resolutions regarding North Korea. The bill also requires the President to report to Congress on foreign countries' compliance with those Security Council resolutions.

The United States is determined to preserve the stability in the Asia-Pacific region. Our Nation will uphold its treaty commitments to Japan and South Korea and will defend their security in the face of the North Korean threat.

I urge my colleagues to join me and vote in favor of this legislation, which makes clear that the United States will target individuals, companies, and banks that continue to do business with North Korea.

Mr. ROYCE of California. Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. DOGGETT).

□ 1530

Mr. DOGGETT. Mr. Speaker, I commend the leaders of the Foreign Affairs Committee for their leadership on this important matter. We need stronger international action like this to send a message to the North Korean regime.

Our sanctions approach should be at least as strong against North Korea as it has been against Iran; and to be effective, sanctions must include all countries. Chinese trade during the last year with North Korea has actually increased. It is clear that it is shirking its responsibility. If it were to limit energy and access to hard currency reserves to North Korea, the regime would likely collapse.

Intensified sanctions of the type contemplated by this measure are particularly important because, despite all of the recent saber rattling from Donald Trump, we have no acceptable military solution. Any military attack on North Korea would result in the death of hundreds of thousands, if not millions, of the 25 million Koreans in the greater Seoul area and the over 100,000 Americans that are in that region.

Only this week, General McMaster, President Trump's national security adviser, conceded that a preventive military strike would result in a human catastrophe. We cannot eliminate the risk of North Korea, but we

can better manage it, and this measure is a step in the right direction.

The arsenal of our democracy is more than just our military might. Let's apply every bit of international pressure possible and hope that the great self-described dealmaker Donald J. Trump can begin direct negotiations to secure an agreement with North Korea that achieves at least as much as President Obama did with Iran.

Mr. ROYCE of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, may I ask how much time is remaining on both sides?

The SPEAKER pro tempore. The gentleman from New York has 3½ minutes remaining. The gentleman from California has 4½ minutes remaining.

Mr. ENGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Ms. FRANKEL), a very respected and hardworking member of the Foreign Affairs Committee.

Ms. FRANKEL of Florida. Mr. Speaker, I thank my colleague from New York.

I just returned from a trip to South Korea and Japan, a bipartisan trip, where we focused on the dangers of North Korea. First, I want to just say what became very clear to us is how important our relationship is with South Korea and Japan, both economically and for our national security.

We sat in roundtable discussions with scholars, ambassadors, and military leaders from the United States, Japan, South Korea, and China; and I will tell you one thing was unanimous in the thinking: a preemptive military strike right now on our part would be catastrophic—catastrophic not only to our friends in South Korea, the millions who live there, our friends in Japan, but the hundreds of thousands of American citizens and our military personnel.

I thank our chairman and our ranking member for their good work, and I urge my colleagues to support this good bill.

Mr. ENGEL. Mr. Speaker, I yield myself the balance of my time, and I want to close the way I opened. I want to again thank Chairman ROYCE for authoring this measure and for his hard work.

One of the things I have been most proud about as the ranking member of the Foreign Affairs Committee is the collaborative work that the chairman and I have done together in passing so many bills with both our names. It is what the American people want us to do, and I think the Foreign Affairs Committee is a great example of how the American people want Congress to work together. This bill is exactly a product of that, of working together.

If we want to pressure the Kim regime and if we want to prevent a potentially devastating conflict in Northeast Asia, we cannot be impulsive. The risks are too high. We need a strong, focused, and consistent policy. We need

strong measures that cut off support for the Kim regime and careful diplomacy to bring the relevant players together. This bill represents an important part of such a policy.

So, again, as I said, I am glad we are advancing this measure with strong bipartisan support, and I hope the other body will take up this legislation soon.

Mr. Speaker, I yield back the balance of my time.

Mr. ROYCE of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my colleague, Mr. ENGEL, for his comments.

I will return to this theme about the urgent threat that the United States and our allies face here. We have listened to experts who have looked at this problem. In less than 4 years, Pyongyang may have the ability to make a reliable intercontinental ballistic missile topped by a nuclear warhead capable of targeting the continental United States. When we watch these tests and we see, from a North Korean submarine, how they are launching missiles and we watch the atomic weapons tests that they are doing, you can see how North Korea has advanced in their capabilities as they try to shrink these warheads and figure out how to put them onto an ICBM.

The problem is that, in the next few years, at the current rate of production of their nuclear material, they are going to be able to build out 100 atomic weapons for these intercontinental ballistic missiles. So the threat from North Korea is real, and real threats demand real responses.

We have tried various approaches in the past. We tried strategic patience during the last administration. I will tell you that I think Secretary Tillerson has helped devise a strategy of maximum pressure that makes a tremendous amount of sense to me, and I will share with you why I think it is very credible.

We have seen in the past, in 2005, back during Banco Delta Asia, back when North Korea was caught counterfeiting \$100 U.S. bank notes, a strategy deployed that froze the capability of that regime to move forward with its nuclear weapons program. We know from talking to defectors about the impact that that had internally on North Korea because, frankly, these weapons programs are very expensive to run. It requires billions and billions of dollars every year.

North Korea doesn't really manufacture much, other than some of the clandestine missile parts and so forth that they transfer overseas and some meth and counterfeit cigarettes. All of that can be halted so that hard currency doesn't come into the hands of the regime, and, therefore, the regime will no longer have this capability.

Because it happened in 2005 and because we know of the consequences at the time, but also because of what we have seen with other nations, we

should move with bipartisan legislation here.

I am going to speak for a moment about what this House of Representatives and our counterparts in the Senate did in the 1990s when it came to the issue of a regime in South Africa that had obtained a nuclear weapon and also was doubling down on their practices of apartheid in terms of the way that that regime treated its own people.

If you will recall, despite the assurances and warnings about sanctions that this was the wrong road, this House stood up, and over 80 percent of the Members here and over 80 percent of the Members in the Senate—or 75—huge bipartisan majorities of Republicans and Democrats came together with a policy that said enough—enough of the conduct of that apartheid state, enough of them developing a nuclear weapon.

It was time for the United States to lead on this, work with the international community and enforce sanctions in a way that did what? That, within a short period of time, brought the apartheid regime to offer up to the international community that atomic weapon and to say: We are done with it. And for the South African apartheid regime to say, in terms of elections: Next year we are going to hold free and fair elections in South Africa—in terms of the release of Nelson Mandela and in terms of his election to President of South Africa.

Now, when people argue with us that sanctions may not be a way forward, I would remind them that, when we unite the international community and when we speak with one voice, yes, we could see a change of conduct in this regime in North Korea. So I say this gives a powerful tool to cut off the funding by going after those who do business with the regime in violation of U.N. Security Council resolutions.

Mr. Speaker, I thank Mr. ENGEL for his assistance in this, and I thank all of my colleagues who helped on this measure.

Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, the era of strategic patience is over. In its place there is a need for more concerted action to counter North Korea's nuclear proliferation, its horrific human rights abuses, and its sponsorship of terrorism globally. This bill strengthens the tools the Administration can use to counter the threat posed by a nuclear armed North Korea. It targets the shipping and financial sectors and also targets those, in China and Russia and elsewhere, who profit from using North Korean slave labor. I strongly support this legislation and commend my colleagues on the House Foreign Affairs Committee—Chairman Ed ROYCE and Ranking Member ELIOT ENGEL for their leadership.

The Administration must continue to uncover and sanction both Pyongyang's enablers and those it enables. We should further target with sanctions those individuals responsible for gross human rights violations inside the so-called "hermit kingdom" and stop money and materials from reaching terrorists and nuclear proliferators globally.

Not taking the North Korea threat seriously enough have been a bipartisan problem of the last three Administrations. I commend the Trump Administration for taking more strategic actions. The U.S. cannot sit on the sidelines while Kim Jong Un proliferates nuclear and missile technology that will threaten the United States. We cannot stand idly by while Kim Jong Un sponsors terrorism and traffics his own people for profit. We cannot be silent while an estimated 120,000 people are being held in political-prison labor camps, suffering and dying in barbaric conditions. Torture, rape, and the public executions of religious believers are part of the daily life in these camps.

North Korea's political-prisoner camps are inhumane, they are horrific, they are a crime against humanity and they must be dismantled.

We know that the threat posed by North Korea was high on the agenda of President Trump and President Xi meeting in Florida several weeks ago. As we all know, the Chinese government's actions have not always been helpful. China usually describes the China-North Korea relationship as being one of "like lips to teeth." It was good to see this formula changed after the Trump-Xi meeting. Foreign Minister Wang Yi now says China's relationship with "the Peninsula" both North and South Korea is like lips to teeth. That is big change in rhetoric and hopefully China will no longer prop up Kim Jong Un's deliberate attempts to destabilize the Korean peninsula.

In addition to a more robust sanctions regime, the Administration should pay more attention to undermining the faith of the North Korean people in Kim Jong Un's leadership. The cult of personality that surrounds the Kim family remains a strong deterrent to protest and uprisings within North Korea. The Kim family is accorded god-like status—the cult of personality is sometimes called Juche—and it offers Kim Jong Un a 'divine mandate' to pursue nuclear weapons, national security, and human rights abuses with impunity.

More needs to be done to tarnish Kim Jong Un's image and that of the Kim family. The U.S. should be actively seeking to undermine the cult of personality and drive a wedge between North Korea elites and the Kim family. Sanctions are one way to drive such a wedge, but also needed are more radio broadcasts and USB drives with South Korean pop culture and news and information targeting North Korean military and elites. The more information the North Korean people have, the less isolated they are, the more likely they will see the Kim family as false gods.

Some of this work is being done by North Korean defectors living in South Korea. But their efforts are tiny and were not supported by the previous Administration.

The current sanctions regime is having some effect. High-level diplomats, military leaders, and the families of high-ranking officials are defecting—they are recognizing that they will be held accountable if they continue to support Kim Jong Un's barbaric regime.

Nevertheless, recent evidence shows that North Korea has become very good at evading sanctions. Last month a U.N. report made clear that North Korea is using 'increasingly sophisticated' tactics to evade existing sanctions. Money, arms, and people are moved across borders by networks of middlemen and banks to avoid detection. The U.N. report concluded that sanctions enforcement 'remains insufficient.' This legislation will expand U.S.

sanctions to target those help Kim Jong Un avoid sanctions and fund his nuclear program and human rights abuses.

I urge support for the legislation offered today and commend my colleagues for bringing this important legislation before the House.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and pass the bill, H.R. 1644, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. ROYCE of California. Mr. Speaker, on that I demand the yeas and nays. The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

### WORKING FAMILIES FLEXIBILITY ACT OF 2017

Ms. FOXX. Mr. Speaker, pursuant to House Resolution 299, I call up the bill (H.R. 1180) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for employees in the private sector, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 299, in lieu of the amendment in the nature of a substitute recommended by the Committee on Education and the Workforce, printed in the bill, an amendment in the nature of a substitute consisting of the text of Rules Committee Print 115-15 is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 1180

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Working Families Flexibility Act of 2017”.

#### SEC. 2. COMPENSATORY TIME.

Section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding at the end the following:

“(s) COMPENSATORY TIME OFF FOR PRIVATE EMPLOYEES.—

“(1) GENERAL RULE.—An employee may receive, in accordance with this subsection and in lieu of monetary overtime compensation, compensatory time off at a rate not less than one and one-half hours for each hour of employment for which overtime compensation is required by this section.

“(2) CONDITIONS.—An employer may provide compensatory time to employees under paragraph (1) only if such time is provided in accordance with—

“(A) applicable provisions of a collective bargaining agreement between the employer and the labor organization that has been certified or recognized as the representative of the employees under applicable law; or

“(B) in the case of an employee who is not represented by a labor organization that has been certified or recognized as the representative of such employee under applicable law, an agreement arrived at between the em-

ployer and employee before the performance of the work and affirmed by a written or otherwise verifiable record maintained in accordance with section 11(c)—

“(i) in which the employer has offered and the employee has chosen to receive compensatory time in lieu of monetary overtime compensation; and

“(ii) entered into knowingly and voluntarily by such employee and not as a condition of employment.

No employee may receive or agree to receive compensatory time off under this subsection unless the employee has worked at least 1,000 hours for the employee’s employer during a period of continuous employment with the employer in the 12-month period before the date of agreement or receipt of compensatory time off.

“(3) HOUR LIMIT.—

“(A) MAXIMUM HOURS.—An employee may accrue not more than 160 hours of compensatory time.

“(B) COMPENSATION DATE.—Not later than January 31 of each calendar year, the employer’s employer shall provide monetary compensation for any unused compensatory time off accrued during the preceding calendar year that was not used prior to December 31 of the preceding year at the rate prescribed by paragraph (6). An employer may designate and communicate to the employer’s employees a 12-month period other than the calendar year, in which case such compensation shall be provided not later than 31 days after the end of such 12-month period.

“(C) EXCESS OF 80 HOURS.—The employer may provide monetary compensation for an employee’s unused compensatory time in excess of 80 hours at any time after giving the employee at least 30 days notice. Such compensation shall be provided at the rate prescribed by paragraph (6).

“(D) POLICY.—Except where a collective bargaining agreement provides otherwise, an employer that has adopted a policy offering compensatory time to employees may discontinue such policy upon giving employees 30 days notice.

“(E) WRITTEN REQUEST.—An employee may withdraw an agreement described in paragraph (2)(B) at any time. An employee may also request in writing that monetary compensation be provided, at any time, for all compensatory time accrued that has not yet been used. Within 30 days of receiving the written request, the employer shall provide the employee the monetary compensation due in accordance with paragraph (6).

“(4) PRIVATE EMPLOYER ACTIONS.—An employer that provides compensatory time under paragraph (1) to an employee shall not directly or indirectly intimidate, threaten, or coerce or attempt to intimidate, threaten, or coerce any employee for the purpose of—

“(A) interfering with such employee’s rights under this subsection to request or not request compensatory time off in lieu of payment of monetary overtime compensation for overtime hours; or

“(B) requiring any employee to use such compensatory time.

“(5) TERMINATION OF EMPLOYMENT.—An employee who has accrued compensatory time off authorized to be provided under paragraph (1) shall, upon the voluntary or involuntary termination of employment, be paid for the unused compensatory time in accordance with paragraph (6).

“(6) RATE OF COMPENSATION.—

“(A) GENERAL RULE.—If compensation is to be paid to an employee for accrued compensatory time off, such compensation shall be paid at a rate of compensation not less than—

“(i) the regular rate earned by such employee when the compensatory time was accrued; or

“(ii) the regular rate earned by such employee at the time such employee received payment of such compensation, whichever is higher.

“(B) CONSIDERATION OF PAYMENT.—Any payment owed to an employee under this subsection for unused compensatory time shall be considered unpaid overtime compensation.

“(7) USE OF TIME.—An employee—

“(A) who has accrued compensatory time off authorized to be provided under paragraph (1); and

“(B) who has requested the use of such compensatory time,

shall be permitted by the employee’s employer to use such time within a reasonable period after making the request if the use of the compensatory time does not unduly disrupt the operations of the employer.

“(8) DEFINITIONS.—For purposes of this subsection—

“(A) the term ‘employee’ does not include an employee of a public agency; and

“(B) the terms ‘overtime compensation’ and ‘compensatory time’ shall have the meanings given such terms by subsection (o)(7).”.

#### SEC. 3. REMEDIES.

Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended—

(1) in subsection (b), by striking “(b) Any employer” and inserting “(b) Except as provided in subsection (f), any employer”; and

(2) by adding at the end the following:

“(f) An employer that violates section 7(s)(4) shall be liable to the employee affected in the amount of the rate of compensation (determined in accordance with section 7(s)(6)(A)) for each hour of compensatory time accrued by the employee and in an additional equal amount as liquidated damages reduced by the amount of such rate of compensation for each hour of compensatory time used by such employee.”.

#### SEC. 4. NOTICE TO EMPLOYEES.

Not later than 30 days after the date of enactment of this Act, the Secretary of Labor shall revise the materials the Secretary provides, under regulations published in section 516.4 of title 29, Code of Federal Regulations, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 to employees so that such notice reflects the amendments made to such Act by this Act.

#### SEC. 5. GAO REPORT.

Beginning 2 years after the date of enactment of this Act and each of the 3 years thereafter, the Comptroller General of the United States shall submit a report to Congress providing, with respect to the reporting period immediately prior to each such report—

(1) data concerning the extent to which employers provide compensatory time pursuant to section 7(s) of the Fair Labor Standards Act of 1938, as added by this Act, and the extent to which employees opt to receive compensatory time;

(2) the number of complaints alleging a violation of such section filed by any employee with the Secretary of Labor;

(3) the number of enforcement actions commenced by the Secretary or commenced by the Secretary on behalf of any employee for alleged violations of such section;

(4) the disposition or status of such complaints and actions described in paragraphs (2) and (3); and

(5) an account of any unpaid wages, damages, penalties, injunctive relief, or other remedies obtained or sought by the Secretary in connection with such actions described in paragraph (3).

#### SEC. 6. SUNSET.

This Act and the amendments made by this Act shall cease to be in effect on the