

116TH CONGRESS  
1ST SESSION

# S. 1838

To amend the Hong Kong Policy Act of 1992, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JUNE 13, 2019

Mr. RUBIO (for himself, Mr. CARDIN, Mr. RISCH, Mr. MENENDEZ, Mr. HAWLEY, Mr. KING, Mr. MARKEY, and Mr. COTTON) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

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## A BILL

To amend the Hong Kong Policy Act of 1992, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

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

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Hong Kong Human Rights and Democracy Act of  
6 2019”.

7 (b) TABLE OF CONTENTS.—The table of contents for  
8 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

Sec. 3. Statement of policy.

Sec. 4. Amendments to the United States-Hong Kong Policy Act of 1992.

Sec. 5. Annual report on enforcement of United States export control and sanctions laws by Hong Kong.

Sec. 6. Protecting United States citizens and others from rendition to mainland China.

Sec. 7. Identification of persons responsible for abductions and for other actions to suppress basic freedoms in Hong Kong.

Sec. 8. Inadmissibility of certain aliens and family members.

Sec. 9. Financial measures.

Sec. 10. Reports to Congress.

## 1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) ADMITTED; ALIEN.—The terms “admitted”  
4 and “alien” have the meanings given those terms in  
5 section 101 of the Immigration and Nationality Act  
6 (8 U.S.C. 1101).

7 (2) APPROPRIATE CONGRESSIONAL COMMIT-  
8 TEES.—The term “appropriate congressional com-  
9 mittees” means—

10 (A) the Committee on Armed Services of  
11 the Senate;

12 (B) the Committee on Banking, Housing,  
13 and Urban Affairs of the Senate;

14 (C) the Committee on Foreign Relations of  
15 the Senate;

16 (D) the Committee on Homeland Security  
17 and Governmental Affairs of the Senate;

18 (E) the Committee on the Judiciary of the  
19 Senate;

20 (F) the Committee on Armed Services of  
21 the House of Representatives;

1 (G) the Committee on Financial Services  
2 of the House of Representatives;

3 (H) the Committee on Foreign Affairs of  
4 the House of Representatives;

5 (I) the Committee on Homeland Security  
6 of the House of Representatives; and

7 (J) the Committee on the Judiciary of the  
8 House of Representatives.

9 (3) CHINA.—The term “China” means the Peo-  
10 ple’s Republic of China.

11 (4) FINANCIAL INSTITUTION.—The term “fi-  
12 nancial institution” has the meaning given that term  
13 in section 5312 of title 31, United States Code.

14 (5) SOCIAL CREDIT SYSTEM.—The term “social  
15 credit system” means a system proposed by the Gov-  
16 ernment of China, scheduled to be implemented by  
17 2020, that would aggregate data on every Chinese  
18 citizen and business from existing financial credit  
19 systems, mass surveillance, public records, online ac-  
20 tivity, and artificial intelligence to expand the notion  
21 of a financial credit score, potentially rewarding or  
22 punishing certain financial, social, religious, or polit-  
23 ical behaviors.

24 (6) UNITED STATES PERSON.—The term  
25 “United States person” means—

1 (A) a United States citizen or an alien law-  
 2 fully admitted for permanent residence to the  
 3 United States; or

4 (B) an entity organized under the laws of  
 5 the United States or of any jurisdiction within  
 6 the United States, including a foreign branch of  
 7 such an entity.

8 **SEC. 3. STATEMENT OF POLICY.**

9 It is the policy of the United States—

10 (1) to reaffirm the principles and objectives set  
 11 forth in the United States-Hong Kong Policy Act of  
 12 1992 (Public Law 102–383), namely that—

13 (A) the United States has “a strong inter-  
 14 est in the continued vitality, prosperity, and  
 15 stability of Hong Kong”;

16 (B) “[s]upport for democratization is a  
 17 fundamental principle of United States foreign  
 18 policy”;

19 (C) “the human rights of the people of  
 20 Hong Kong are of great importance to the  
 21 United States and are directly relevant to  
 22 United States interests in Hong Kong [and]  
 23 serve as a basis for Hong Kong’s continued eco-  
 24 nomic prosperity”; and

1 (D) Hong Kong must remain sufficiently  
2 autonomous from the People's Republic of  
3 China to justify a different treatment under a  
4 particular law of the United States, or any pro-  
5 vision thereof, from that accorded the People's  
6 Republic of China;

7 (2) to support the democratic aspirations of the  
8 people of Hong Kong, as guaranteed to them by the  
9 Joint Declaration of the Government of the United  
10 Kingdom of Great Britain and Northern Ireland and  
11 the Government of the People's Republic of China  
12 on the Question of Hong Kong, done at Beijing De-  
13 cember 19, 1984 (referred to in this Act as the  
14 "Joint Declaration"), the International Covenant on  
15 Civil and Political Rights, done at New York Decem-  
16 ber 19, 1966, the Universal Declaration of Human  
17 Rights, done at Paris December 10, 1948, and the  
18 Basic Law of the Hong Kong Special Administrative  
19 Region of the People's Republic of China (referred  
20 to in this Act as the "Basic Law");

21 (3) to urge the Government of the People's Re-  
22 public of China to uphold its commitments to Hong  
23 Kong, including allowing the people of Hong Kong  
24 to rule Hong Kong with a high degree of autonomy  
25 and without undue interference, and ensuring that

1 Hong Kong voters freely enjoy the right to elect the  
2 Chief Executive and all members of the Hong Kong  
3 Legislative Council by universal suffrage;

4 (4) to support the establishment of a genuine  
5 democratic option to freely and fairly nominate and  
6 elect the Chief Executive of Hong Kong, and the es-  
7 tablishment by 2020 of open and direct democratic  
8 elections for all members of the Hong Kong Legisla-  
9 tive Council;

10 (5) to support the robust exercise by residents  
11 of Hong Kong of the rights to free speech and the  
12 press as guaranteed to them by the Basic Law and  
13 the Joint Declaration;

14 (6) to ensure that all residents of Hong Kong  
15 are afforded freedom from arbitrary or unlawful ar-  
16 rest, detention, or imprisonment as guaranteed to  
17 them by the Basic Law and the Joint Declaration;

18 (7) to draw international attention to any viola-  
19 tions by the Government of the People's Republic of  
20 China of the fundamental rights of residents of  
21 Hong Kong and any encroachment upon the auton-  
22 omy guaranteed to Hong Kong by the Basic Law  
23 and the Joint Declaration;

24 (8) to protect United States citizens and long-  
25 term permanent residents living in Hong Kong and

1 those visiting and transiting through Hong Kong;  
 2 and

3 (9) to maintain the economic and cultural ties  
 4 that provide significant benefits to the United States  
 5 and Hong Kong.

6 **SEC. 4. AMENDMENTS TO THE UNITED STATES-HONG KONG**  
 7 **POLICY ACT OF 1992.**

8 (a) REPORT.—Title II of the United States-Hong  
 9 Kong Policy Act of 1992 (22 U.S.C. 5721 et seq.) is  
 10 amended—

11 (1) in section 201(b), by inserting “or after”  
 12 after “entered into before”; and

13 (2) adding at the end the following:

14 **“SEC. 205. SECRETARY OF STATE REPORT REGARDING THE**  
 15 **AUTONOMY OF HONG KONG.**

16 “(a) REPORT.—

17 “(1) IN GENERAL.—The Secretary of State  
 18 shall annually certify to Congress, in conjunction  
 19 with the report required under section 301, whether  
 20 Hong Kong is sufficiently autonomous to justify spe-  
 21 cial treatment by the United States for bilateral  
 22 agreements and programs, in accordance with this  
 23 Act, including the degree to which Hong Kong’s au-  
 24 tonomy has been eroded due to actions taken by the  
 25 Government of China that are inconsistent with its

1 commitments in the Basic Law and the Joint Dec-  
2 laration and the impact of such erosion on specific  
3 areas of cooperation with the United States, includ-  
4 ing on political rights, civil liberties, rule of law,  
5 freedom of information, religious freedom, and  
6 democratic governance in Hong Kong.

7 “(2) FACTOR FOR CONSIDERATION.—In making  
8 a certification under paragraph (1), the Secretary of  
9 State should consider the terms, obligations, and ex-  
10 pectations expressed in the Joint Declaration with  
11 respect to Hong Kong.

12 “(b) WAIVER AUTHORITY.—The Secretary of State  
13 may waive the application of subsection (a) if the Sec-  
14 retary—

15 “(1) determines that such a waiver is in the na-  
16 tional security interests of the United States; and

17 “(2) on or before the date on which the waiver  
18 takes effect, notifies the Committee on Foreign Re-  
19 lations of the Senate and the Committee on Foreign  
20 Affairs of the House of Representatives of the intent  
21 to waive such subsection.”.

22 (b) VISA APPLICANTS.—Title II of the United States-  
23 Hong Kong Policy Act of 1992 (22 U.S.C. 5721 et seq.),  
24 as amended by subsection (a), is further amended by add-  
25 ing at the end the following:

1 **“SEC. 206. TREATMENT OF HONG KONG APPLICANTS FOR**  
2 **VISAS TO STUDY OR WORK IN THE UNITED**  
3 **STATES.**

4 “(a) STATEMENT OF POLICY.—Notwithstanding any  
5 other provision of law, applications for visas to enter,  
6 study, or work in the United States, which are submitted  
7 by otherwise qualified applicants who resided in Hong  
8 Kong in 2014, shall not be denied on the basis of the ap-  
9 plicant’s arrest, detention, or other adverse government  
10 action taken as a result of the applicant’s participation  
11 in nonviolent protest activities related to the electoral  
12 process, internationally recognized human rights, pro-  
13 tecting an independent judiciary, or the rule of law.

14 “(b) IMPLEMENTATION.—The Secretary of State  
15 shall take such steps as may be necessary to ensure that  
16 consular officers are aware of the policy described in sub-  
17 section (a) and receive appropriate training and support  
18 to ensure that the policy is carried out so that affected  
19 individuals do not face discrimination or unnecessary  
20 delay in the processing of their visa applications, includ-  
21 ing—

22 “(1) providing specialized training for consular  
23 officers posted to Hong Kong, Beijing, Guangzhou,  
24 or Macau;

25 “(2) instructing the United States Consulate in  
26 Hong Kong to maintain an active list of individuals

1       whom are known to have been detained, arrested, or  
2       otherwise targeted by the Government of Hong  
3       Kong or of China, or intermediaries of such govern-  
4       ments, as a result of their participation in the 2014  
5       protests, to facilitate the cross-checking of visa ap-  
6       plications for Hong Kong residents;

7               “(3) amending the physical and online versions  
8       of the visa application, as necessary, to notify rel-  
9       evant applicants of such policy; and

10              “(4) instructing personnel at the United States  
11      Consulate in Hong Kong to engage with relevant in-  
12      dividuals in the Hong Kong community to  
13      proactively inform them that they will not face dis-  
14      crimination when applying for a visa to the United  
15      States due to any adverse action taken against them  
16      by the authorities as a result of their participation  
17      in the 2014 protests or other peaceful pro-democracy  
18      or human rights demonstrations.

19              “(c) COOPERATION WITH LIKE-MINDED COUN-  
20      TRIES.—The Secretary of State, or his or her designee,  
21      shall contact appropriate representatives of other demo-  
22      cratic countries, particularly those who receive a large  
23      number of applicants for student and employment visas  
24      from Hong Kong—

1 “(1) to inform them of the United States policy  
2 regarding arrests for participation in nonviolent pro-  
3 tests in Hong Kong;

4 “(2) to encourage them to take similar steps to  
5 ensure the rights of nonviolent protesters are pro-  
6 tected from discrimination due to the actions of the  
7 Government of Hong Kong and of China; and

8 “(3) to offer to share information, as appro-  
9 priate, regarding the execution of such policy, in-  
10 cluding information regarding persons eligible for re-  
11 lief under such policy.”.

12 **SEC. 5. ANNUAL REPORT ON ENFORCEMENT OF UNITED**  
13 **STATES EXPORT CONTROL AND SANCTIONS**  
14 **LAWS BY HONG KONG.**

15 (a) IN GENERAL.—Not later than 180 days after the  
16 date of the enactment of this Act, and annually thereafter,  
17 the Secretary of Commerce, in consultation with the Sec-  
18 retary of the Treasury and the Secretary of State, shall  
19 submit a report to the committees specified in subsection  
20 (b) that includes—

21 (1) an assessment of whether the Government  
22 of Hong Kong has adequately enforced the export  
23 control laws of the United States with respect to  
24 sensitive dual-use items;

25 (2) to the extent possible, an identification of—

1 (A) any items that were reexported from  
 2 Hong Kong in violation of such laws;

3 (B) the countries and persons to which  
 4 such items were reexported; and

5 (C) how such items were used;

6 (3) an assessment of whether sensitive dual-use  
 7 items subject to the export control laws of the  
 8 United States are being—

9 (A) transshipped through Hong Kong; and

10 (B) used to develop—

11 (i) the Sharp Eyes, Skynet, Inte-  
 12 grated Joint Operations Platform, or other  
 13 systems of mass surveillance and predictive  
 14 policing; or

15 (ii) the “social credit” system of  
 16 China;

17 (4) an assessment of the efforts by the Govern-  
 18 ment of China to use the status of Hong Kong as  
 19 a separate customs territory to import items into  
 20 China in violation of the export control laws of the  
 21 United States, whether as part of the Greater Bay  
 22 Area plan, the assignment of Hong Kong by Beijing  
 23 as a national technology and innovation center, or  
 24 through other programs that may exploit Hong

1 Kong as a conduit for controlled sensitive tech-  
 2 nology;

3 (5) an assessment of whether the Government  
 4 of Hong Kong has adequately enforced sanctions im-  
 5 posed by the United States and the United Nations;  
 6 and

7 (6) a description of the types of goods and serv-  
 8 ices transshipped or reexported through Hong Kong  
 9 in violation of such sanctions to—

10 (A) North Korea or Iran; or

11 (B) other countries, regimes, or persons  
 12 subject to such sanctions for engaging in activi-  
 13 ties—

14 (i) relating to international terrorism,  
 15 international narcotics trafficking, or the  
 16 proliferation of weapons of mass destruc-  
 17 tion; or

18 (ii) that otherwise present a threat to  
 19 the national security, foreign policy, or  
 20 economy of the United States.

21 (b) COMMITTEES SPECIFIED.—The committees spec-  
 22 ified in this subsection are—

23 (1) the Committee on Foreign Relations of the  
 24 Senate;

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

3           (3) the Committee on Commerce, Science, and  
4           Transportation of the Senate;

5           (4) the Committee on Foreign Affairs of the  
6           House of Representatives; and

7           (5) the Committee on Energy and Commerce of  
8           the House of Representatives.

9           (c) FORM OF REPORT.—The report required under  
10          subsection (a) shall be submitted in unclassified form, but  
11          may include a classified annex.

12       **SEC. 6. PROTECTING UNITED STATES CITIZENS AND OTH-**  
13                               **ERS FROM RENDITION TO MAINLAND CHINA.**

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

16               (1) The proposed amendments to Hong Kong's  
17          Fugitive Ordinance, if enacted—

18                       (A) would allow rendition from Hong Kong  
19          of residents or foreign nationals to countries—

20                               (i) with criminal procedure systems  
21                               that lack strong protections for the rights  
22                               of defendants; or

23                               (ii) in which the law is used as to re-  
24                               press internationally recognized human  
25                               rights, including to mainland China;

1 (B) would remove independent legislative  
2 oversight and appropriate judicial review of ex-  
3 tradition requests;

4 (C) may increase the influence of the Gov-  
5 ernment of China in Hong Kong and further  
6 erode the autonomy guaranteed Hong Kong by  
7 the Joint Declaration; and

8 (D) would erode Hong Kong's reputation  
9 as a center of commerce and freedom governed  
10 by the rule of law.

11 (2) The Government of China has subjected  
12 Chinese and foreign nationals, including citizens of  
13 the United States, Canada, Australia, Sweden, and  
14 Taiwan, to arbitrary detention, televised confessions,  
15 denial of legal representation and medical treatment,  
16 and other type of mistreatment.

17 (b) POLICY STATEMENTS.—It is the policy of the  
18 United States—

19 (1) to ensure that United States citizens are  
20 protected from rendition to mainland China;

21 (2) pursuant to section 103(7) of the United  
22 States-Hong Kong Policy Act of 1992 (22 U.S.C.  
23 5713(7)), to encourage United States businesses “to  
24 continue to operate in Hong Kong in accordance

1 with applicable United States and Hong Kong law”;  
2 and

3 (3) pursuant to section 201(b) of such Act (22  
4 U.S.C. 5721(b)), to decide whether the Government  
5 of Hong Kong is “legally competent to carry out its  
6 obligations” under treaties and international agree-  
7 ments established between the United States and  
8 Hong Kong.

9 (c) RESPONSE TO THREAT OF RENDITION.—If the  
10 proposed amendments to Hong Kong’s Fugitive Offenders  
11 Ordinance are enacted, and the amended law allows ren-  
12 ditions to countries that lack protection for the rights of  
13 defendants—

14 (1) not later than 30 days after the date of the  
15 enactment of such amendments, the President shall  
16 submit a report to the appropriate congressional  
17 committees that—

18 (A) assesses whether the Government of  
19 Hong Kong is “legally competent” to admin-  
20 ister the United States-Hong Kong Agreement  
21 for the Surrender of Fugitive Offenders;

22 (B) determines whether any additional au-  
23 thorities are needed to revise or withdraw from  
24 that treaty to protect United States citizens

1 and national security and to support the guar-  
2 anteed protections of the Joint Declaration; and

3 (C) includes a strategy for protecting  
4 United States citizens from rendition to main-  
5 land China from Hong Kong, including an as-  
6 sessment of—

7 (i) whether additional resources are  
8 needed for American Citizen Services at  
9 the United States Consulate in Hong  
10 Kong; and

11 (ii) whether the Department of State  
12 will revise the travel advisory for Hong  
13 Kong to reflect the potential impact of the  
14 revised Fugitive Offenders Ordinance on  
15 United States residents and individuals  
16 traveling to, or transiting through, Hong  
17 Kong; and

18 (2) if the Government of Hong Kong enacts a  
19 new law regarding national security, pursuant to Ar-  
20 ticle 23 of the Basic Law, the President and the  
21 Secretary of State shall take the actions required  
22 under paragraph (1) and any additional actions re-  
23 quired under section 202 of the United States-Hong  
24 Kong Policy Act of 1992 (U.S.C. 5722) unless Sec-  
25 retary of State certifies that—

1 (A) the new law does not violate the guar-  
 2 antees of the Joint Declaration; and

3 (B) the internationally recognized human  
 4 rights of Hong Kong citizens and foreign resi-  
 5 dents will not be restricted as a result of the  
 6 new law's implementation.

7 **SEC. 7. IDENTIFICATION OF PERSONS RESPONSIBLE FOR**  
 8 **ABDUCTIONS AND FOR OTHER ACTIONS TO**  
 9 **SUPPRESS BASIC FREEDOMS IN HONG KONG.**

10 (a) IN GENERAL.—Not later than 180 days after the  
 11 date of the enactment of this Act, and annually thereafter  
 12 in conjunction with the publication of the report required  
 13 under section 301 of the Hong Kong Policy Act of 1992  
 14 (22 U.S.C. 5731) the President shall submit, to the appro-  
 15 priate congressional committees, a list containing the  
 16 name of each person who the President determines, based  
 17 on credible information, is responsible for—

18 (1) the surveillance, abduction, detention,  
 19 abuse, or forced confession of Gui Minhai, Lee Bo,  
 20 Lam Wing-kee, Lui Bo, or Cheung Chi-ping, all of  
 21 whom are involved in the operation of the Mighty  
 22 Current Publishing House based in Hong Kong;

23 (2) the surveillance, abduction, detention,  
 24 abuse, or forced confession of Guo Zhongxiao or  
 25 Wang Jianmin, both of whom are involved in the op-

1       eration of magazine publications based in Hong  
2       Kong; or

3           (3) the rendition to the mainland of the Peo-  
4       ple's Republic of China of any individual, or the ar-  
5       bitrary detention, torture, or forced confession of  
6       any individual after rendition, in connection with the  
7       exercise by that individual of internationally recog-  
8       nized human rights in Hong Kong, including such  
9       individuals extradited to the mainland of the Peo-  
10      ple's Republic of China under any amended fugitive  
11      offenders ordinance in Hong Kong.

12      (b) CONSIDERATION OF CERTAIN INFORMATION.—In  
13      preparing the list required under subsection (a), the Presi-  
14      dent shall consider—

15           (1) information provided by the chairperson and  
16      ranking member of each of the appropriate congres-  
17      sional committees; and

18           (2) credible information obtained by other coun-  
19      tries or nongovernmental organizations, including or-  
20      ganizations inside China or Hong Kong, that mon-  
21      itor the human rights abuses of the Government of  
22      the China or its agents.

23      (c) REQUESTS BY CHAIRPERSON AND RANKING  
24      MEMBER OF APPROPRIATE CONGRESSIONAL COMMIT-  
25      TEES.—

1           (1) IN GENERAL.—Not later than 120 days  
2     after receiving a written request from the chair-  
3     person and ranking member of 1 of the appropriate  
4     congressional committees with respect to whether a  
5     person meets the criteria for being added to the list  
6     required under subsection (a), the President shall  
7     submit a response to the chairperson and ranking  
8     member of the committee that made the request  
9     with respect to the status of the person.

10          (2) INFORMATION ABOUT REMOVAL DECI-  
11     SIONS.—If the President removes from the list re-  
12     quired under subsection (a) a person that was placed  
13     on the list at the request of the chairperson and  
14     ranking member of 1 of the appropriate congress-  
15     sional committees, the President shall provide the  
16     chairperson and ranking member with any informa-  
17     tion that contributed to the decision to remove the  
18     person.

19          (3) FORM.—The President may submit a re-  
20     sponse required under paragraph (1) in classified  
21     form if the President determines that such classi-  
22     fication is vital to the national security interests of  
23     the United States.

1 **SEC. 8. INADMISSIBILITY OF CERTAIN ALIENS AND FAMILY**  
2 **MEMBERS.**

3 (a) IN GENERAL.—Section 212(a)(2) of the Immi-  
4 gration and Nationality Act (8 U.S.C. 1182(a)(2)) is  
5 amended by adding at the end the following:

6 “(J) CERTAIN ALIENS RESPONSIBLE FOR  
7 ABDUCTIONS OR EXTRADITIONS FROM HONG  
8 KONG.—Any alien included in the list submitted  
9 by the President under section 7(a) of the  
10 Hong Kong Human Rights and Democracy Act  
11 of 2019 is inadmissible.”.

12 (b) CURRENT VISAS REVOKED.—

13 (1) IN GENERAL.—The issuing consular officer,  
14 the Secretary of State, or the Secretary of Home-  
15 land Security (or a designee of either Secretary)  
16 shall revoke any visa or other entry documentation  
17 issued to any alien who is included on the list re-  
18 quired under section 7(a), regardless of when such  
19 visa or entry documentation was issued.

20 (2) EFFECTIVE DATE.—Revocations under  
21 paragraph (1) shall take effect on the date such ac-  
22 tion is taken and shall automatically cancel any  
23 other valid visa or entry documentation that is in  
24 the alien’s possession.

25 (c) WAIVER FOR NATIONAL SECURITY INTERESTS.—

1           (1) IN GENERAL.—The Secretary of State may  
2       waive, with respect to an alien, the application of  
3       section 212(a)(2) of the Immigration and Nation-  
4       ality Act, as amended by subsection (a), or the ap-  
5       plication of subsection (b) if the Secretary—

6           (A) determines that such waiver—

7               (i) is necessary to permit the United  
8       States to comply with the Agreement be-  
9       tween the United Nations and the United  
10      States of America regarding the Head-  
11      quarters of the United Nations, signed  
12      June 26, 1947, and entered into force No-  
13      vember 21, 1947, or other applicable inter-  
14      national obligations of the United States;  
15      or

16           (ii) is vital to the national security in-  
17      terests of the United States; and

18           (B) before granting such waiver, provides  
19      to the appropriate congressional committees no-  
20      tice of, and a justification for, the waiver.

21           (2) TIMING FOR CERTAIN WAIVERS.—Notifica-  
22      tion under subparagraph (B) of paragraph (1) shall  
23      be made not later than 15 days before granting a  
24      waiver under such paragraph if the Secretary grants

1       such waiver under subparagraph (A)(ii) of such  
2       paragraph.

3       (d) REGULATORY AUTHORITY.—The Secretary of  
4       State shall prescribe such regulations as may be necessary  
5       to carry out this section.

6       **SEC. 9. FINANCIAL MEASURES.**

7       (a) BLOCKING OF PROPERTY.—The President shall  
8       exercise all powers granted by the International Emer-  
9       gency Economic Powers Act (50 U.S.C. 1701 et seq.) (ex-  
10      cept that the requirements of section 202 of such Act (50  
11      U.S.C. 1701) shall not apply) to the extent necessary to  
12      block and prohibit all transactions in all property and in-  
13      terests in property of a person on the list required under  
14      section 7(a) if such property and interests in property—

- 15               (1) are in the United States;
- 16               (2) come within the United States; or
- 17               (3) are or come within the possession or control
- 18      of a United States person.

19      (b) EXCEPTION FOR IMPORTATION OF GOODS.—

20               (1) IN GENERAL.—The requirement to impose  
21      sanctions under subsection (a) shall not include the  
22      authority to impose sanctions with respect to the im-  
23      portation of goods.

24               (2) GOOD DEFINED.—In this subsection, the  
25      term “good” means any article, natural or manmade

1 substance, material, supply or manufactured prod-  
2 uct, including inspection and test equipment, and ex-  
3 cluding technical data.

4 (c) WAIVER FOR NATIONAL SECURITY INTERESTS.—  
5 The President may waive the application of subsection (a)  
6 if the President—

7 (1) determines that such waiver is vital for the  
8 national security interests of the United States; and

9 (2) not later than 15 days before granting the  
10 waiver, submits to the appropriate congressional  
11 committees notice of, and a justification for, the  
12 waiver.

13 (d) ENFORCEMENT.—

14 (1) PENALTIES.—Any person that violates, at-  
15 tempts to violate, conspires to violate, or causes a  
16 violation of subsection (a) or any regulation, license,  
17 or order issued to carry out that subsection shall be  
18 subject to the penalties set forth in subsections (b)  
19 and (c) of section 206 of the International Emer-  
20 gency Economic Powers Act (50 U.S.C. 1705) to the  
21 same extent as a person that commits an unlawful  
22 act described in subsection (a) of such section.

23 (2) REQUIREMENTS FOR FINANCIAL INSTITU-  
24 TIONS.—Not later than 120 days after the date of  
25 the enactment of this Act, the Secretary of the

1 Treasury shall prescribe or amend regulations to the  
2 extent necessary to require each financial institution  
3 that is a United States person and has within its  
4 possession or control assets that are property or in-  
5 terests in property of a person on the list required  
6 under section 7(a) to certify to the Secretary that,  
7 to the best of the knowledge of the financial institu-  
8 tion, the financial institution has blocked all assets  
9 within the possession or control of the financial in-  
10 stitution in accordance with subsection (a).

11 (3) NOTIFICATION TO CONGRESS.—Not later  
12 than 10 days before prescribing or revising regula-  
13 tions under paragraph (2), the President shall notify  
14 the appropriate congressional committees of the pro-  
15 posed regulations and the provisions of this Act or  
16 amendments made by this Act that the regulations  
17 are implementing.

18 (e) RULEMAKING.—The Secretary of the Treasury  
19 shall issue such regulations, licenses, and orders as may  
20 be necessary to carry out this section.

21 **SEC. 10. REPORTS TO CONGRESS.**

22 (a) IN GENERAL.—The President shall submit a re-  
23 port to the appropriate congressional committees that in-  
24 cludes—

1           (1) a list of each foreign person with respect to  
 2           which the President imposed sanctions pursuant to  
 3           section 8 or 9 during the 1-year period preceding the  
 4           submission of the report;

5           (2) a description of the type of sanctions im-  
 6           posed with respect to each such person;

7           (3) the number of foreign persons with respect  
 8           to which the President—

9                   (A) imposed sanctions under section 8 or  
 10           9 during that year; and

11                   (B) terminated sanctions under section 8  
 12           or 9 during that year;

13           (4) the dates on which such sanctions were im-  
 14           posed or terminated; and

15           (5) the reasons for imposing or terminating  
 16           such sanctions.

17           (b) DATES FOR SUBMISSION.—

18                   (1) INITIAL REPORT.—The President shall sub-  
 19           mit the initial report under subsection (a) not later  
 20           than 1 year after the date of the enactment of this  
 21           Act.

22                   (2) SUBSEQUENT REPORTS.—

23                           (A) IN GENERAL.—The President shall  
 24           submit a report under subsection (a) on Decem-

ber 10, or the first day thereafter on which  
both Houses of Congress are in session, of—

(i) the calendar year in which the initial report is submitted if the initial report is submitted before December 10 of that calendar year; and

(ii) each calendar year thereafter.

(c) FORM OF REPORT.—

(1) IN GENERAL.—Each report required under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

(2) EXCEPTION.—The name of a foreign person to be included in the list required under subsection (a)(1) may not be included in the classified annex authorized under paragraph (1) unless the President—

(A) determines that such inclusion is vital to the national security interests of the United States;

(B) uses the annex in a manner consistent with congressional intent and the purposes of this Act; and

(C) not later than 15 days before including such name in the classified annex, provides to the appropriate congressional committees notice

1 of, and a justification for, including the name  
2 in the classified annex despite any publicly  
3 available credible information indicating that  
4 the person engaged in an activity described in  
5 section 8 or 9.

6 (d) PUBLIC AVAILABILITY.—

7 (1) IN GENERAL.—The unclassified portion of  
8 the report required under subsection (a) shall be  
9 made available to the public, including through pub-  
10 lication in the Federal Register.

11 (2) NONAPPLICABILITY OF CONFIDENTIALITY  
12 REQUIREMENT WITH RESPECT TO VISA RECORDS.—

13 The President shall publish the list required under  
14 subsection (a)(1) without regard to the requirements  
15 under section 222(f) of the Immigration and Nation-  
16 ality Act (8 U.S.C. 1202(f)) with respect to con-  
17 fidentiality of records pertaining to the issuance or  
18 refusal of visas or permits to enter the United  
19 States.

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