H. R. 2820

To direct the Secretary of State to establish within the Department of State the Office of Anti-Corruption relating to Illicit Russian Financial Activities in Europe, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 7, 2017

Mr. SUOZZI (for himself, Mr. ROSKAM, Mr. MEEKS, and Mr. HILL) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Permanent Select Committee on Intelligence, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To direct the Secretary of State to establish within the Department of State the Office of Anti-Corruption relating to Illicit Russian Financial Activities in Europe, and for other purposes.

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

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Fight Russian Corruption Act”. 
SEC. 2. FINDINGS.

Congress finds the following:

(1) The Russian Federation uses corruption as a strategic tool to erode democratic governance from within and disre...
While countries along Russia’s border, especially the Baltic countries, Ukraine, and Georgia, are under threat from Moscow’s malign influence and military aggression, corruption is also part of Russia’s hybrid warfare strategy to use direct and indirect action to coerce, destabilize and exercise malign influence over other countries.

Much like a virus, malign Russian-fueled corruption inconspicuously penetrates a country through what appears to be a host of legitimate financial transactions.

According to CSIS, the corruption, often through opaque financial transactions, infects various strategic sectors of host economies, particularly energy, media, and financial sectors. Over time, the host countries’ institutions become compromised and can no longer self-police or resist Russian influence, thereby allowing Russian control over the government.

In France, Austria, Germany, and the United Kingdom, Russia directly supports entities that feed directly off lack of confidence and trust in democratic systems, which enhances the popularity of extreme parties.
(9) The United States intelligence community concluded that Russia deployed similar tactics in the 2016 United States elections in order to erode public confidence and trust in the United States political system.

(10) This strategy exploits the inherent openness and vulnerabilities within Western capitalist systems. To combat it, the United States must support efforts of foreign partner countries to investigate corruption and strengthen fiscal transparency.

(11) Only through strengthening Western governance and institutions will the United States and its partners thwart Russian tactics of corruption and exploitation and prevent Russia’s virus-like corruption from eroding democracy in the United States.

SEC. 3. OFFICE OF ANTI-CORRUPTION RELATING TO ILICIT RUSSIAN FINANCIAL ACTIVITIES IN EUROPE.

Title I of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a et seq.) is amended by adding at the end the following new section:
SEC. 64. OFFICE OF ANTI-CORRUPTION RELATING TO ILICIT RUSSIAN FINANCIAL ACTIVITIES IN EUROPE.

```
(a) ESTABLISHMENT.—The Secretary of State shall establish within the Department of State the Office of Anti-Corruption relating to Illicit Russian Financial Activities in Europe (in this section referred to as the ‘Office’).

(b) HEAD OF OFFICE.—The head of the Office shall be the Director of Anti-Corruption relating to Illicit Russian Financial Activities in Europe (in this section referred to as the ‘Director’). The Director shall be appointed by Secretary, in consultation with the Assistant Secretary of State for European Affairs.

(c) FUNCTIONS.—The Office shall carry out the following functions:

(1) In coordination with the intelligence community, analyze financial networks of the Russian Federation that operate in European countries relating to investments in the real estate, energy, media, infrastructure, philanthropy, civil society, sports, nongovernmental organization, and other sectors.

(2) In coordination with the Secretary of the Treasury, train United States liaison officers to serve in key United States diplomatic and consular posts in European countries to cooperate with for-
```
eign partners in the uncovering and prosecution of illicit Russian financial activity.

“(d) **Report.**—

“(1) **In General.**—The Office shall develop and submit to the appropriate congressional committees on an annual basis a report on the conduct and results of activities of the Office carried out under subsection (c) during the prior year.

“(2) **Form.**—The report required under this subsection shall be submitted in unclassified form but may contain a classified annex.

“(e) **Personnel.**—The Secretary of State is authorized to accept details or assignments of any personnel on a reimbursable or nonreimbursable basis for the purpose of carrying out this section, and the head of any Federal agency is authorized to detail or assign personnel of such agency on a reimbursable or nonreimbursable basis to the Secretary for purposes of carrying out this section.

“(f) **Appropriate Congressional Committees Defined.**—The term ‘appropriate congressional committees’ means—

“(1) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and
“(2) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs, and the Committee on Finance of the Senate.”.

SEC. 4. FOREIGN ASSISTANCE AND RELATED MATTERS.

(a) Authority To Provide Foreign Assistance.—

(1) In general.—The Secretary of State is authorized to provide assistance to European countries to combat corruption.

(2) Types of assistance.—Assistance authorized to be provided under paragraph (1) may include the following:

(A) Support for activities described in paragraphs (1) and (2) of section 64(c) of the State Department Basic Authorities Act of 1956 (as added by section 3 of this Act).

(B) Support for and strengthening of foreign programs focused on investigative journalism and independence of the media environment to expose Russian corruption.

(C) Support for activities in Europe relating to anti-corruption, anti-propaganda, and anti-Russian malign influence.
(b) MATTERS RELATING TO NATO.—The Secretary of State shall seek to work with the North Atlantic Treaty Organization (NATO) to carry out the following actions:

(1) Elevate anti-corruption as an element of NATO’s Readiness Action Plan.

(2) Task the NATO Assistant Secretary General for Intelligence and Warning with monitoring Russian influence in NATO member states.

(3) Prioritizing the combating of Russian influence under the NATO-European Union framework.

(c) EU-US SUMMIT.—The Secretary of State, in coordination with the Secretary of the Treasury, is authorized to host a summit between the United States and the European Union on preventing undeclared, cross-border money flows invested in strategic areas or economic sectors of European countries.

SEC. 5. NATIONAL INTELLIGENCE ESTIMATE.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall develop and submit to the appropriate congressional committees a National Intelligence Estimate on the matters described in subsection (b).

(b) MATTERS DESCRIBED.—The matters described in this subsection are the following:
(1) Any purchases made in the 5-year period ending on the date of the enactment of this Act by individuals and entities of key sectors in European countries, particularly purchases that provide monopolistic control of a sector.

(2) A detailed analysis of the individuals and entities making such purchases, including sources of revenue for each individual and entity and any links to the Russian Federation.

SEC. 6. REPORT.

Not later than 180 days after the date of the enactment of this Act, the Secretary of State and the Secretary of Treasury shall jointly submit to the appropriate congressional committees a report on the implementation of this Act.

SEC. 7. DEFINITIONS.

In this Act:

(1) Appropriate congressional committees.—The term “appropriate congressional committees” means—

(A) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and

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

(2) INTELLIGENCE COMMUNITY.—The term “intelligence community” has the meaning given the term in section 3 of the National Security Act of 1947 (50 U.S.C. 3003).