

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

Ms. JACKSON LEE. Mr. Speaker, I rise in support to S. 142, the "Child Nicotine Poisoning Prevention Act," which requires any nicotine provided in a liquid nicotine container sold, offered for sale, manufactured for sale, distributed in commerce must be in special packaging that is difficult for children under five years of age to open or access harmful contents.

As the founding member and Chair of the Congressional Children's Caucus, I am in support of this bill because it places the safety of children first.

Today, small children are at risk of injury and death from easily accessed liquid nicotine used to refill electronic cigarettes.

Nicotine liquids used in e-cigarettes are sold without child proof packaging.

Further, these nicotine products are attractive to children because they come in a wide range of candy flavors such as gummy bear, cotton candy and chocolate.

Liquid nicotine is highly toxic and sold in a highly concentrated form.

Many liquid nicotine products contain nearly 36 mg of nicotine per milliliter of liquid.

According to the Campaign for Tobacco Free Kids the concentrated form of nicotine in liquid form intended for use in smokeless cigarettes would only take a small 15 milliliter dose to kill four toddlers.

According to the Centers for Disease Control the number of calls to poison centers involving e-cigarette liquids containing nicotine rose from one per month in September 2010 to 215 per month in February 2014.

Data from the American Association of Poison Control Centers (AAPCC) showed nearly 4,000 adverse incidents related to e-cigarette exposures in 2014, a 145 percent increase from 2013 and a 14-fold increase since 2011.

In 2015, there were 1,499 calls to Poison Control Centers through May 31, 2015 that were liquid nicotine related.

This bill would save children's lives by allowing the Consumer Product Safety Commission (CPSC) the authority to require the use of child-resistant packaging on liquid nicotine containers sold to consumers.

The CPSC currently requires such packaging on many common toxic household substances like bleach, as well as FDA-regulated products like prescription drugs.

S. 142 is needed to save children from unnecessary poisonings from liquid nicotine.

The most recent National Youth Tobacco Survey showed e-cigarette use is growing fast, and now this report shows e-cigarette related poisonings are also increasing rapidly," said Tim McAfee, M.D., M.P.H., Director of CDC's Office on Smoking and Health.

We all must do our part to reduce liquid nicotine poisoning of children.

It will take the efforts of members of the House in voting to pass this bill, health care providers, e-cigarette companies and distributors, and the public need to join efforts to keep our children safe from potential health risk from e-cigarettes.

Strategies to monitor and prevent future poisonings are critical given the rapid increase in e-cigarette related poisonings and the first step is voting for S. 142.

I ask my colleagues to join me in support of S. 142, "Child Nicotine Poisoning Prevention Act."

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Indiana (Mrs. Brooks) that the House suspend the rules and pass the bill, S. 142.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1600

NORTH KOREA SANCTIONS ENFORCEMENT ACT OF 2016

Mr. ROYCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 757) to improve the enforcement of sanctions against the Government of 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. 757

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "North Korea Sanctions Enforcement Act of 2016".

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

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

Sec. 3. Definitions.

TITLE I—INVESTIGATIONS, PROHIBITED CONDUCT, AND PENALTIES

Sec. 101. Statement of policy.

Sec. 102. Investigations.

Sec. 103. Briefing to Congress.

Sec. 104. Designation of persons for prohibited conduct and mandatory and discretionary designation and sanctions authorities.

Sec. 105. Forfeiture of property.

TITLE II—SANCTIONS AGAINST NORTH KOREAN PROLIFERATION, HUMAN RIGHTS ABUSES, ILLICIT ACTIVITIES, AND SIGNIFICANT ACTIVITIES UNDERMINING CYBER SECURITY

Sec. 201. Determinations with respect to North Korea as a jurisdiction of primary money laundering concern.

Sec. 202. Ensuring the consistent enforcement of United Nations Security Council resolutions and financial restrictions on North Korea.

Sec. 203. Proliferation prevention sanctions.

Sec. 204. Procurement sanctions.

Sec. 205. Enhanced inspections authorities.

Sec. 206. Travel sanctions.

Sec. 207. Exemptions, waivers, and removals of designation.

Sec. 208. Report on those responsible for knowingly engaging in significant activities undermining cyber security.

Sec. 209. Sense of Congress that trilateral cooperation among the United States, Japan, and the Republic of Korea is crucial to the stability of the Asia-Pacific region.

Sec. 210. Report on nuclear program cooperation between North Korea and Iran.

TITLE III—PROMOTION OF HUMAN RIGHTS

Sec. 301. Information technology.

Sec. 302. Report on North Korean prison camps.

Sec. 303. Report on persons who are responsible for serious human rights abuses or censorship in North Korea.

TITLE IV—GENERAL AUTHORITIES

Sec. 401. Suspension of sanctions and other measures.

Sec. 402. Termination of sanctions and other measures.

Sec. 403. Authority to consolidate reports.

Sec. 404. Regulations.

Sec. 405. No additional funds authorized.

Sec. 406. Effective date.

SEC. 2. FINDINGS.

Congress finds the following:

(1) The Government of North Korea has repeatedly violated its commitments to the complete, verifiable, irreversible dismantlement of its nuclear weapons programs, and has willfully violated multiple United Nations Security Council resolutions calling for it to cease its development, testing, and production of weapons of mass destruction.

(2) North Korea poses a grave risk for the proliferation of nuclear weapons and other weapons of mass destruction.

(3) The Government of North Korea has been implicated repeatedly in money laundering and illicit activities, including prohibited arms sales, narcotics trafficking, the counterfeiting of United States currency, and the counterfeiting of intellectual property of United States persons.

(4) The Government of North Korea has, both historically and recently, repeatedly sponsored acts of international terrorism, including attempts to assassinate defectors and human rights activists, repeated threats of violence against foreign persons, leaders, newspapers, and cities, and the shipment of weapons to terrorists and state sponsors of terrorism.

(5) North Korea has unilaterally withdrawn from the 1953 Armistice Agreement that ended the Korean War, and committed provocations against South Korea in 2010 by sinking the warship Cheonan and killing 46 of her crew, and by shelling Yeonpyeong Island, killing four South Koreans.

(6) North Korea maintains a system of brutal political prison camps that contain as many as 120,000 men, women, and children, who live in atrocious living conditions with insufficient food, clothing, and medical care, and under constant fear of torture or arbitrary execution.

(7) The Congress reaffirms the purposes of the North Korean Human Rights Act of 2004 contained in section 4 of such Act (22 U.S.C. 7802).

(8) North Korea has prioritized weapons programs and the procurement of luxury goods, in defiance of United Nations Security Council resolutions, and in gross disregard of the needs of its people.

(9) The President has determined that the Government of North Korea is responsible for knowingly engaging in significant activities undermining cyber security with respect to United States persons and interests, and for threats of violence against the civilian population of the United States.

(10) Persons, including financial institutions, who engage in transactions with, or provide financial services to, the Government of North Korea and its financial institutions without establishing sufficient financial safeguards against North Korea's use of these transactions to promote proliferation, weapons trafficking, human rights violations, illicit activity, and the purchase of luxury goods, aid and abet North Korea's misuse of the international financial system, and also violate the intent of relevant United Nations Security Council resolutions.

(11) The Government of North Korea's conduct poses an imminent threat to the security of the United States and its allies, to the global economy, to the safety of members of the United States Armed Forces, to the integrity of the global financial system, to the integrity of global nonproliferation programs, and to the people of North Korea.

(12) The Congress seeks, through this legislation, to use nonmilitary means to address this crisis, to provide diplomatic leverage to negotiate necessary changes in North Korea's conduct, and to ease the suffering of the people of North Korea.

SEC. 3. DEFINITIONS.

In this Act:

(1) **APPLICABLE EXECUTIVE ORDER.**—The term “applicable Executive order” means—

(A) Executive Order No. 13382 (2005), 13466 (2008), 13551 (2010), 13570 (2011), or 13687 (2015) to the extent that such Executive order authorizes the imposition of sanctions on persons for conduct, or prohibits transactions or activities, involving the Government of North Korea; or

(B) any Executive order adopted on or after the date of the enactment of this Act, to the extent that such Executive order authorizes the imposition of sanctions on persons for conduct, or prohibits transactions or activities, involving the Government of North Korea.

(2) **APPLICABLE UNITED NATIONS SECURITY COUNCIL RESOLUTION.**—The term “applicable United Nations Security Council resolution” means—

(A) United Nations Security Council Resolution 1695 (2006), 1718 (2006), 1874 (2009), 2087 (2013), or 2094 (2013); or

(B) any United Nations Security Council resolution adopted on or after the date of the enactment of this Act, to the extent that such resolution authorizes the imposition of sanctions on persons for conduct, or prohibits transactions or activities, involving the Government of North Korea.

(3) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate congressional committees” means—

(A) the Committee on Foreign Affairs, the Committee on Ways and Means, 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 of the Senate.

(4) **DESIGNATED PERSON.**—The term “designated person” means a person designated under subsection (a) or (b) of section 104 for purposes of applying one or more of the sanctions described in title I or II of this Act with respect to the person.

(5) **GOVERNMENT OF NORTH KOREA.**—The term “Government of North Korea” means—

(A) the Government of the Democratic People's Republic of Korea or any political subdivision, agency, or instrumentality thereof; and

(B) any person owned or controlled by, or acting for or on behalf of, the Government of the Democratic People's Republic of Korea.

(6) **INTERNATIONAL TERRORISM.**—The term “international terrorism” has the meaning given such term in section 140(d) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f(d)), and includes the conduct described in section 212(a)(3)(B)(iii) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)(B)(iii)), to the extent such conduct involves the citizens of more than one country.

(7) **LUXURY GOODS.**—The term “luxury goods” has the meaning given such term in subpart 746.4 of title 15, Code of Federal Regulations, and includes the items listed in Supplement No. 1 to such regulation, and any similar items.

(8) **MONETARY INSTRUMENT.**—The term “monetary instrument” has the meaning given such term under section 5312 of title 31, United States Code.

(9) **NORTH KOREAN FINANCIAL INSTITUTION.**—The term “North Korean financial institution” means—

(A) a financial institution organized under the laws of North Korea or any jurisdiction within North Korea (including a foreign branch of such institution);

(B) any financial institution located in North Korea, except as may be excluded from such definition by the President in accordance with section 207(d);

(C) any financial institution, wherever located, owned or controlled by the Government of North Korea; and

(D) any financial institution, wherever located, owned or controlled by a financial institution described in subparagraph (A), (B), or (C).

(10) **OTHER STORES OF VALUE.**—The term “other stores of value” means—

(A) prepaid access devices, tangible or intangible prepaid access devices, or other instruments or devices for the storage or transmission of value, as defined in part 1010 of title 31, Code of Federal Regulations; and

(B) any covered goods, as defined in section 1027.100 of title 31, Code of Federal Regulations, and any instrument or tangible or intangible access device used for the storage and transmission of a representation of covered goods, or other device, as defined in section 1027.100 of title 31, Code of Federal Regulations.

(11) **PERSON.**—The term “person” has the meaning given such term in section 510.306 of title 31, Code of Federal Regulations.

(12) **SIGNIFICANT ACTIVITIES UNDERMINING CYBER SECURITY.**—The term “significant activities undermining cyber security” means—

(A) significant efforts to—

(i) deny access to or degrade, disrupt, or destroy an information and communications technology system or network; or

(ii) exfiltrate information from such a system or network without authorization;

(B) significant destructive malware attacks;

(C) significant denial of service activities; or

(D) such other significant activities as may be described in regulations promulgated to implement section 104.

(13) **UNITED STATES PERSON.**—The term “United States person” has the meaning given such term in section 510.311 of title 31, Code of Federal Regulations.

TITLE I—INVESTIGATIONS, PROHIBITED CONDUCT, AND PENALTIES

SEC. 101. STATEMENT OF POLICY.

In order to achieve the peaceful disarmament of North Korea, Congress finds that it is necessary—

(1) to encourage all states to fully and promptly implement United Nations Security Council Resolution 2094 (2013);

(2) to sanction—

(A) persons that facilitate proliferation of weapons of mass destruction, illicit activities, arms trafficking, imports of luxury goods, cash smuggling, censorship, and knowingly engage in significant activities undermining cyber security by the Government of North Korea; and

(B) persons that fail to exercise due diligence to ensure that financial institutions do not facilitate any of the activities described in subparagraph (A) by the Government of North Korea;

(3) to deny the Government of North Korea access to the funds it uses to obtain nuclear weapons, ballistic missiles, offensive cyber capabilities, and luxury goods instead of providing for the needs of its people; and

(4) to enforce sanctions in a manner that avoids any adverse humanitarian impact on the people of North Korea to the extent possible and in a manner that does not unduly constrain the enforcement of such sanctions.

SEC. 102. INVESTIGATIONS.

The President shall initiate an investigation into the possible designation of a person under section 104(a) upon receipt by the President of credible information indicating that such person has engaged in conduct described in section 104(a).

SEC. 103. BRIEFING TO CONGRESS.

Not later than 180 days after the date of the enactment of this Act, and periodically thereafter, the President shall provide to the appropriate congressional committees a briefing on efforts to implement this Act, to include the following, to the extent the information is available:

(1) The principal foreign assets and sources of foreign income of the Government of North Korea.

(2) A list of the persons designated under subsections (a) and (b) of section 104.

(3) A list of the persons with respect to which sanctions were waived or removed under section 207.

(4) A summary of any diplomatic efforts made in accordance with section 202(b) and of the progress realized from such efforts, including efforts to encourage the European Union and other states and jurisdictions to sanction and block the assets of the Foreign Trade Bank of North Korea and Daedong Credit Bank.

SEC. 104. DESIGNATION OF PERSONS FOR PROHIBITED CONDUCT AND MANDATORY AND DISCRETIONARY DESIGNATION AND SANCTIONS AUTHORITIES.

(a) **PROHIBITED CONDUCT AND MANDATORY DESIGNATION AND SANCTIONS AUTHORITY.**—

(1) **CONDUCT DESCRIBED.**—Except as provided in section 207, the President shall designate under this subsection any person the President determines to—

(A) have knowingly engaged in significant activities or transactions with the Government of North Korea that have materially contributed to the proliferation of weapons of mass destruction or their means of delivery (including missiles capable of delivering such weapons), including any efforts to manufacture, acquire, possess, develop, transport, transfer, or use such items;

(B) have knowingly imported, exported, or reexported to, into, or from North Korea any significant arms or related materiel, whether directly or indirectly;

(C) have knowingly provided significant training, advice, or other services or assistance, or engaged in significant transactions, related to the manufacture, maintenance, or use of any arms or related materiel to be imported, exported, or reexported to, into, or from North Korea, or following their importation, exportation, or reexportation to, into, or from North Korea, whether directly or indirectly;

(D) have knowingly, directly or indirectly, imported, exported, or reexported significant luxury goods to or into North Korea;

(E) have knowingly engaged in or been responsible for censorship by the Government of North Korea, including prohibiting, limiting, or penalizing the exercise of freedom of expression or assembly, limiting access to print, radio or other broadcast media, Internet or other electronic communications, or the facilitation or support of intentional frequency manipulation that would jam or restrict an international signal;

(F) have knowingly engaged in or been responsible for serious human rights abuses by the Government of North Korea, including torture or cruel, inhuman, or degrading

treatment or punishment, prolonged detention without charges and trial, forced labor or trafficking in persons, causing the disappearance of persons by the abduction and clandestine detention of those persons, and other denial of the right to life, liberty, or the security of a person;

(G) have knowingly, directly or indirectly, engaged in acts of money laundering, the counterfeiting of goods or currency, bulk cash smuggling, narcotics trafficking, or other illicit activity that involves or supports the Government of North Korea or any senior official thereof, whether directly or indirectly; or

(H) have knowingly attempted to engage in any of the conduct described in subparagraphs (A) through (G) of this paragraph.

(2) **EFFECT OF DESIGNATION.**—With respect to any person designated under this subsection, the President—

(A) shall exercise the authorities of the International Emergency Economic Powers Act (50 U.S.C. 1705 et seq.) to block all property and interests in property of any person designated under this subsection that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of any United States person, including any foreign branch; and

(B) may apply any of the sanctions described in sections 204, 205(c), and 206.

(3) **PENALTIES.**—The penalties provided for in section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) shall apply to a person who violates, attempts to violate, conspires to violate, or causes a violation of any prohibition provided for in this subsection, or of an order or regulation prescribed under this Act, to the same extent that such penalties apply to a person that commits an unlawful act described in section 206(a) of that Act (50 U.S.C. 1705(a)).

(4) **DEFINITION.**—In paragraph (1)(F), the term “trafficking in persons” has the meaning given the term in section 103(9) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102(9)).

(b) **DISCRETIONARY DESIGNATION AND SANCTIONS AUTHORITY.**—

(1) **CONDUCT DESCRIBED.**—Except as provided in section 207 and paragraph (3) of this subsection, the President may designate under this subsection any person that the President determines to—

(A) have knowingly engaged in, contributed to, assisted, sponsored, or provided financial, material or technological support for, or goods and services in support of, any violation of, or evasion of, an applicable United Nations Security Council resolution;

(B) have knowingly facilitated the transfer of any funds, financial assets, or economic resources of, or property or interests in property of a person designated under an applicable Executive order, or by the United Nations Security Council pursuant to an applicable United Nations Security Council resolution;

(C) have knowingly facilitated the transfer of any funds, financial assets, or economic resources, or any property or interests in property derived from, involved in, or that has materially contributed to conduct prohibited by subsection (a) or an applicable United Nations Security Council resolution;

(D) have knowingly facilitated any transaction, including any transaction in bulk cash or other stores of value, without applying enhanced monitoring to ensure that such transaction does not contribute materially to conduct described in subsection (a) an applicable Executive order, or an applicable United Nations Security Council resolution;

(E) have knowingly facilitated any transactions in cash or monetary instruments or

other stores of value, including through cash couriers transiting to or from North Korea, used to facilitate any conduct prohibited by an applicable United Nations Security Council resolution;

(F) have knowingly, directly or indirectly, engaged in significant activities undermining cyber security for, in support of on behalf of, the Government of North Korea or any senior official thereof, or have knowingly contributed to the bribery of an official of the Government of North Korea, the misappropriation, theft, or embezzlement of public funds by, or for the benefit of, an official of the Government of North Korea, or the use of any proceeds of any such conduct; or

(G) have knowingly and materially assisted, sponsored, or provided significant financial, material, or technological support for, or goods or services to or in support of, the conduct described in subparagraphs (A) through (F) of this paragraph or the conduct described in subparagraphs (A) through (G) of subsection (a)(1).

(2) **EFFECT OF DESIGNATION.**—With respect to any person designated under this subsection, the President—

(A) may apply the sanctions described in section 204;

(B) may apply any of the special measures described in section 5318A of title 31, United States Code;

(C) may prohibit any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which such person has any interest;

(D) may prohibit any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of the person; and

(E) may exercise the authorities of the International Emergency Economic Powers Act (50 U.S.C. 1705 et seq.) without regard to section 202 of such Act to block any property and interests in property of any person designated under this subsection that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of any United States person, including any foreign branch.

(3) **LIMITATION.**—If the President determines that a person has engaged in any conduct described in subparagraphs (A) through (F) of paragraph (1) that may also be construed to constitute conduct described in subparagraphs (A) through (H) of subsection (a)(1), the President may not designate the person under this subsection but rather shall designate the person under subsection (a).

(c) **BLOCKING OF ALL PROPERTY AND INTERESTS IN PROPERTY OF THE GOVERNMENT OF NORTH KOREA AND THE WORKER'S PARTY OF KOREA.**—Except as provided in section 207, the President shall exercise the authorities of the International Emergency Economic Powers Act (50 U.S.C. 1705 et seq.) to block all property and interests in property of the Government of North Korea or the Worker's Party of Korea that on or after the date of the enactment of this Act come within the United States, or that come within the possession or control of any United States person, including any foreign branch.

(d) **APPLICATION.**—The designation of a person under subsection (a) or (b) and the blocking of property and interests in property under subsection (c) shall also apply with respect to a person who is determined to be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to this section.

(e) **LICENSING.**—

(1) **LICENSE REQUIRED.**—Not later than 180 days after the date of enactment of this Act, the President shall promulgate regulations prohibiting United States persons from engaging in any transaction involving any property or services—

(A) in which the Government of North Korea has an interest;

(B) located in North Korea;

(C) of North Korean origin; or

(D) knowingly transferred, directly or indirectly, to the Government of North Korea.

(2) **TRANSACTION LICENSING.**—The President shall deny or revoke any license for any transaction that, in the determination of the President, lacks sufficient financial controls to ensure that such transaction will not facilitate any of the conduct described in subsection (a) or subsection (b).

(3) **LICENSING AUTHORIZATION.**—The President may issue regulations to authorize—

(A) transactions for the purposes described in section 207; and

(B) transactions and activities authorized under North Korean Human Rights Act of 2004 (22 U.S.C. 7801 et seq.).

SEC. 105. FORFEITURE OF PROPERTY.

(a) **AMENDMENT TO PROPERTY SUBJECT TO FORFEITURE.**—Section 981(a)(1) of title 18, United States Code, is amended by adding at the end the following new subparagraph:

“(I) Any property, real or personal, that is involved in a violation or attempted violation, or which constitutes or is derived from proceeds traceable to a violation, of section 104(a) of the North Korea Sanctions Enforcement Act of 2016.”.

(b) **AMENDMENT TO DEFINITION OF CIVIL FORFEITURE STATUTE.**—Section 983(i)(2)(D) of title 18, United States Code, is amended—

(1) by striking “or the International Emergency Economic Powers Act” and inserting “, the International Emergency Economic Powers Act”; and

(2) by adding at the end before the semicolon the following: “, or the North Korea Sanctions Enforcement Act of 2016”.

(c) **AMENDMENT TO DEFINITION OF SPECIFIED UNLAWFUL ACTIVITY.**—Section 1956(c)(7)(D) of title 18, United States Code, is amended—

(1) by striking “or section 92 of the Atomic Energy Act of 1954” and inserting “section 92 of the Atomic Energy Act of 1954”; and

(2) by adding at the end the following: “, or section 104(a) of the North Korea Sanctions Enforcement Act of 2016”.

TITLE II—SANCTIONS AGAINST NORTH KOREAN PROLIFERATION, HUMAN RIGHTS ABUSES, ILLICIT ACTIVITIES, AND SIGNIFICANT ACTIVITIES UNDERMINING CYBER SECURITY

SEC. 201. DETERMINATIONS WITH RESPECT TO NORTH KOREA AS A JURISDICTION OF PRIMARY MONEY LAUNDERING CONCERN.

(a) **FINDINGS.**—Congress makes the following findings:

(1) The Undersecretary of the Treasury for Terrorism and Financial Intelligence, who is responsible for safeguarding the financial system against illicit use, money laundering, terrorist financing, and the proliferation of weapons of mass destruction, has repeatedly expressed concern about North Korea's misuse of the international financial system as follows:

(A) In 2006, the Undersecretary stated that, given North Korea's “counterfeiting of U.S. currency, narcotics trafficking and use of accounts worldwide to conduct proliferation-related transactions, the line between illicit and licit North Korean money is nearly invisible” and urged financial institutions worldwide to “think carefully about the risks of doing any North Korea-related business.”.

(B) In 2011, the Undersecretary stated that “North Korea remains intent on engaging in proliferation, selling arms as well as bringing in material,” and was “aggressively pursuing the effort to establish front companies.”

(C) In 2013, the Undersecretary stated, in reference to North Korea’s distribution of high-quality counterfeit United States currency, that “North Korea is continuing to try to pass a supernote into the international financial system,” and that the Department of the Treasury would soon introduce new currency with improved security features to protect against counterfeiting by the Government of North Korea.

(2) The Financial Action Task Force, an intergovernmental body whose purpose is to develop and promote national and international policies to combat money laundering and terrorist financing, has repeatedly—

(A) expressed concern at deficiencies in North Korea’s regimes to combat money laundering and terrorist financing;

(B) urged North Korea to adopt a plan of action to address significant deficiencies in these regimes and the serious threat they pose to the integrity of the international financial system;

(C) urged all jurisdictions to apply countermeasures to protect the international financial system from ongoing and substantial money laundering and terrorist financing risks emanating from North Korea;

(D) urged all jurisdictions to advise their financial institutions to give special attention to business relationships and transactions with North Korea, including North Korean companies and financial institutions; and

(E) called on all jurisdictions to protect against correspondent relationships being used to bypass or evade countermeasures and risk mitigation practices, and take into account money laundering and terrorist financing risks when considering requests by North Korean financial institutions to open branches and subsidiaries in their jurisdiction.

(3) On March 7, 2013, the United Nations Security Council unanimously adopted Resolution 2094, which—

(A) welcomed the Financial Action Task Force’s recommendation on financial sanctions related to proliferation, and its guidance on the implementation of sanctions;

(B) decided that Member States should apply enhanced monitoring and other legal measures to prevent the provision of financial services or the transfer of property that could contribute to activities prohibited by applicable United Nations Security Council resolutions; and

(C) called on Member States to prohibit North Korean banks from establishing or maintaining correspondent relationships with banks in their jurisdictions, to prevent the provision of financial services, if they have information that provides reasonable grounds to believe that these activities could contribute to activities prohibited by an applicable United Nations Security Council resolution, or to the evasion of such prohibitions.

(b) **SENSE OF CONGRESS REGARDING THE DESIGNATION OF NORTH KOREA AS A JURISDICTION OF PRIMARY MONEY LAUNDERING CONCERN.**—Congress—

(1) acknowledges the efforts of the United Nations Security Council to impose limitations on, and require enhanced monitoring of, transactions involving North Korean financial institutions that could contribute to sanctioned activities;

(2) urges the President, in the strongest terms, to immediately designate North Korea as a jurisdiction of primary money

laundering concern, and to adopt stringent special measures to safeguard the financial system against the risks posed by North Korea’s willful evasion of sanctions and its illicit activities; and

(3) urges the President to seek the prompt implementation by other states of enhanced monitoring and due diligence to prevent North Korea’s misuse of the international financial system, including by sharing information about activities, transactions, and property that could contribute to activities sanctioned by applicable United Nations Security Council resolutions, or to the evasion of sanctions.

(c) **DETERMINATIONS REGARDING NORTH KOREA.**—

(1) **IN GENERAL.**—The Secretary of the Treasury shall, not later than 180 days after the date of the enactment of this Act, determine, in consultation with the Secretary of State and Attorney General, and in accordance with section 5318A of title 31, United States Code, whether reasonable grounds exist for concluding that North Korea is a jurisdiction of primary money laundering concern.

(2) **SPECIAL MEASURES.**—If the Secretary of the Treasury determines under this subsection that reasonable grounds exist for finding that North Korea is a jurisdiction of primary money laundering concern, the Secretary of the Treasury, in consultation with the Federal functional regulators, shall impose one or more of the special measures described in paragraphs (1) through (5) of section 5318A(b) of title 31, United States Code, with respect to the jurisdiction of North Korea.

(3) **REPORT REQUIRED.**—

(A) **IN GENERAL.**—If the Secretary of the Treasury determines that North Korea is a jurisdiction of primary money laundering concern, the Secretary of the Treasury shall, not later than 90 days after the date on which the Secretary makes such determination, submit to the appropriate congressional committees a report on the determination made under paragraph (1) together with the reasons for that determination.

(B) **FORM.**—A report or copy of any report submitted under this paragraph shall be submitted in unclassified form but may contain a classified annex.

SEC. 202. ENSURING THE CONSISTENT ENFORCEMENT OF UNITED NATIONS SECURITY COUNCIL RESOLUTIONS AND FINANCIAL RESTRICTIONS ON NORTH KOREA.

(a) **FINDINGS.**—Congress finds that—

(1) all states and jurisdictions are obligated to implement and enforce applicable United Nations Security Council resolutions fully and promptly, including by—

(A) blocking the property of, and ensuring that any property is prevented from being made available to, persons designated by the Security Council under applicable United Nations Security Council resolutions;

(B) blocking any property associated with an activity prohibited by applicable United Nations Security Council resolutions; and

(C) preventing any transfer of property and any provision of financial services that could contribute to an activity prohibited by applicable United Nations Security Council resolutions, or to the evasion of sanctions under such resolutions;

(2) all states and jurisdictions share a common interest in protecting the international financial system from the risks of money laundering and illicit transactions emanating from North Korea;

(3) the United States Dollar and the Euro are the world’s principal reserve currencies, and the United States and the European Union are primarily responsible for the pro-

tection of the international financial system from these risks;

(4) the cooperation of the People’s Republic of China, as North Korea’s principal trading partner, is essential to the enforcement of applicable United Nations Security Council resolutions and to the protection of the international financial system;

(5) the report of the Panel of Experts established pursuant to United Nations Security Council Resolution 1874, dated June 11, 2013, expressed concern about the ability of banks in states with less effective regulators and those unable to afford effective compliance to detect and prevent illicit transfers involving North Korea;

(6) North Korea has historically exploited inconsistencies between jurisdictions in the interpretation and enforcement of financial regulations and applicable United Nations Security Council resolutions to circumvent sanctions and launder the proceeds of illicit activities;

(7) Amrogang Development Bank, Bank of East Land, and Tanchon Commercial Bank have been designated by the Secretary of the Treasury, the United Nations Security Council, and the European Union;

(8) Korea Daesong Bank and Korea Kwangson Banking Corporation have been designated by the Secretary of the Treasury and the European Union;

(9) the Foreign Trade Bank of North Korea has been designated by the Secretary of the Treasury for facilitating transactions on behalf of persons linked to its proliferation network, and for serving as “a key financial node”; and

(10) Daedong Credit Bank has been designated by the Secretary of the Treasury for activities prohibited by applicable United Nations Security Council resolutions, including the use of deceptive financial practices to facilitate transactions on behalf of persons linked to North Korea’s proliferation network.

(b) **SENSE OF CONGRESS.**—It is the sense of Congress that the President should intensify diplomatic efforts, both in appropriate international fora such as the United Nations and bilaterally, to develop and implement a coordinated, consistent, multilateral strategy for protecting the global financial system against risks emanating from North Korea, including—

(1) the cessation of any financial services whose continuation is inconsistent with applicable United Nations Security Council resolutions;

(2) the cessation of any financial services to persons, including financial institutions, that present unacceptable risks of facilitating money laundering and illicit activity by the Government of North Korea;

(3) the blocking by all states and jurisdictions, in accordance with the legal process of the state or jurisdiction in which the property is held, of any property required to be blocked under applicable United Nations Security Council resolutions;

(4) the blocking of any property derived from illicit activity, from significant activities undermining cyber security, from the misappropriation, theft, or embezzlement of public funds by, or for the benefit of, officials of the Government of North Korea;

(5) the blocking of any property involved in significant activities undermining cyber security by the Government of North Korea, directly or indirectly, against United States persons, or the theft of intellectual property by the Government of North Korea, directly or indirectly from United States persons; and

(6) the blocking of any property of persons directly or indirectly involved in censorship or human rights abuses by the Government of North Korea.

SEC. 203. PROLIFERATION PREVENTION SANCTIONS.

(a) EXPORT OF CERTAIN GOODS OR TECHNOLOGY.—

(1) IN GENERAL.—Subject to section 207(a)(2)(C) of this Act, a license shall be required for the export to North Korea of any goods or technology subject to the Export Administration Regulations (part 730 of title 15, Code of Federal Regulations) without regard to whether the Secretary of State has designated North Korea as a country the government of which has provided support for acts of international terrorism, as determined by the Secretary of State under section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2045), as continued in effect under the International Emergency Economic Powers Act.

(2) PRESUMPTION OF DENIAL.—A license for the export to North Korea of any goods or technology as described in paragraph (1) shall be subject to a presumption of denial.

(b) TRANSACTIONS WITH COUNTRIES SUPPORTING ACTS OF INTERNATIONAL TERRORISM.—

(1) ARMS EXPORT CONTROL ACT PROHIBITIONS.—The prohibitions and restrictions described in section 40 of the Arms Export Control Act (22 U.S.C. 2780), and other provisions provided for in that Act, shall also apply to exporting or otherwise providing (by sale, lease or loan, grant, or other means), directly or indirectly, any munitions item to the Government of North Korea without regard to whether or not North Korea is a country with respect to which subsection (d) of such section (relating to designation of state sponsors of terrorism) applies.

(2) FINANCIAL TRANSACTIONS.—Except as provided in section 207 of this Act and the North Korean Human Rights Act of 2004 (22 U.S.C. 7801 et seq.), the penalties provided for in section 2332d of title 18, United States Code, shall apply to a United States person that engages in a financial transaction with the Government of North Korea on or after the date of the enactment of this Act to the same extent that such penalties apply to a United States citizen that commits an unlawful act described in section 2332d of title 18, United States Code.

(c) TRANSACTIONS IN LETHAL MILITARY EQUIPMENT.—

(1) IN GENERAL.—The President shall withhold assistance under the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) to any country that provides lethal military equipment to, or receives lethal military equipment from, the Government of North Korea.

(2) APPLICABILITY.—The prohibition under this subsection with respect to a country shall terminate on the date that is 1 year after the date on which such country ceases to provide lethal military equipment to the Government of North Korea.

(3) WAIVER.—The President may, on a case-by-case basis, waive the prohibition under this subsection with respect to a country for a period of not more than 180 days, and may renew the waiver for additional periods of not more than 180 days, if the President determines and so reports to the appropriate congressional committees that it is vital to the national security interests of the United States to exercise such waiver authority.

SEC. 204. PROCUREMENT SANCTIONS.

(a) IN GENERAL.—Except as provided in this section, the United States Government may not procure, or enter into any contract for the procurement of, any goods or services from any designated person.

(b) FAR.—The Federal Acquisition Regulation issued pursuant to section 1303 of title 41, United States Code, shall be revised to require a certification from each person that is a prospective contractor that such person does not engage in any of the conduct de-

scribed in subsection (a) or (b) of section 104. Such revision shall apply with respect to contracts in an amount greater than the simplified acquisition threshold (as defined in section 134 of title 41, United States Code) for which solicitations are issued on or after the date that is 90 days after the date of the enactment of this Act.

(c) TERMINATION OF CONTRACTS AND INITIATION OF SUSPENSION AND DEBARMENT PROCEEDING.—

(1) TERMINATION OF CONTRACTS.—Except as provided in paragraph (2), the head of an executive agency shall terminate a contract with a person who has provided a false certification under subsection (b).

(2) WAIVER.—The head of an executive agency may waive the requirement under paragraph (1) with respect to a person based upon a written finding of urgent and compelling circumstances significantly affecting the interests of the United States. If the head of an executive agency waives the requirement under paragraph (1) for a person, the head of the agency shall submit to the appropriate congressional committees, within 30 days after the waiver is made, a report containing the rationale for the waiver and relevant information supporting the waiver decision.

(3) INITIATION OF SUSPENSION AND DEBARMENT PROCEEDING.—The head of an executive agency shall initiate a suspension and debarment proceeding against a person who has provided a false certification under subsection (b). Upon determination of suspension, debarment, or proposed debarment, the agency shall ensure that such person is entered into the Governmentwide database containing the list of all excluded parties ineligible for Federal programs pursuant to Executive Order No. 12549 (31 U.S.C. 6101 note; relating to debarment and suspension) and Executive Order No. 12689 (31 U.S.C. 6101 note; relating to debarment and suspension).

(d) CLARIFICATION REGARDING CERTAIN PRODUCTS.—The remedies specified in subsections (a) through (c) shall not apply with respect to the procurement of eligible products, as defined in section 308(4) of the Trade Agreements Act of 1979 (19 U.S.C. 2518(4)), of any foreign country or instrumentality designated under section 301(b) of such Act (19 U.S.C. 2511(b)).

(e) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to limit the use of other remedies available to the head of an executive agency or any other official of the Federal Government on the basis of a determination of a false certification under subsection (b).

(f) EXECUTIVE AGENCY DEFINED.—In this section, the term “executive agency” has the meaning given such term in section 133 of title 41, United States Code.

SEC. 205. ENHANCED INSPECTIONS AUTHORITIES.

(a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter, the President, acting through the Secretary of Homeland Security, shall submit to the appropriate congressional committees, the Committee on Homeland Security of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate, a report identifying foreign sea ports and airports whose inspections of ships, aircraft, and conveyances originating in North Korea, carrying North Korean property, or operated by the Government of North Korea are deficient to effectively prevent the facilitation of any of the activities described in section 104(a).

(b) ENHANCED SECURITY TARGETING REQUIREMENTS.—Not later than 180 days after the identification of any sea port or airport pursuant to subsection (a), the Secretary of

Homeland Security shall, utilizing the Automated Targeting System operated by the National Targeting Center in U.S. Customs and Border Protection, require enhanced screening procedures to determine if physical inspections are warranted of any cargo bound for or landed in the United States that has been transported through such sea port or airport if there are reasonable grounds to believe that such cargo contains goods prohibited under this Act.

(c) SEIZURE AND FORFEITURE.—A vessel, aircraft, or conveyance used to facilitate any of the activities described in section 104(a) that comes within the jurisdiction of the United States may be seized and forfeited under chapter 46 of title 18, United States Code, or under the Tariff Act of 1930.

SEC. 206. TRAVEL SANCTIONS.

(a) ALIENS INELIGIBLE FOR VISAS, ADMISSION, OR PAROLE.—

(1) VISAS, ADMISSION, OR PAROLE.—An alien (or an alien who is a corporate officer of a person) who the Secretary of State or the Secretary of Homeland Security (or a designee of one of such Secretaries) knows, or has reasonable grounds to believe, is described in subsection (a)(1) or (b)(1) of section 104 is—

(A) inadmissible to the United States;

(B) ineligible to receive a visa or other documentation to enter the United States; and

(C) otherwise ineligible to be admitted or paroled into the United States or to receive any other benefit under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

(2) CURRENT VISAS REVOKED.—

(A) IN GENERAL.—The issuing consular officer, the Secretary of State, or the Secretary of Homeland Security (or a designee of one of such Secretaries) shall revoke any visa or other entry documentation issued to an alien who is described in subsection (a)(1) or (b)(1) of section 104 regardless of when issued.

(B) EFFECT OF REVOCATION.—A revocation under subparagraph (A)—

(i) shall take effect immediately; and

(ii) shall automatically cancel any other valid visa or entry documentation that is in the alien's possession.

(b) EXCEPTION TO COMPLY WITH UNITED NATIONS HEADQUARTERS AGREEMENT.—Sanctions under subsection (a)(1)(B) shall not apply to an alien if admitting the alien into the United States is necessary to permit the United States to comply with the Agreement regarding the Headquarters of the United Nations, signed at Lake Success June 26, 1947, and entered into force November 21, 1947, between the United Nations and the United States, or other applicable international obligations.

SEC. 207. EXEMPTIONS, WAIVERS, AND REMOVALS OF DESIGNATION.

(a) EXEMPTIONS.—

(1) MANDATORY EXEMPTIONS.—The following activities shall be exempt from sanctions under section 104:

(A) Activities subject to the reporting requirements of title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.), or to any authorized intelligence activities of the United States.

(B) Any transaction necessary to comply with United States obligations under the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations, signed June 26, 1947, and entered into force on November 21, 1947, or under the Vienna Convention on Consular Relations, signed April 24, 1963, and entered into force on March 19, 1967, or under other international agreements.

(2) DISCRETIONARY EXEMPTIONS.—The following activities may be exempt from sanctions under section 104 as determined by the President:

(A) Any financial transaction the exclusive purpose for which is to provide humanitarian assistance to the people of North Korea.

(B) Any financial transaction the exclusive purpose for which is to import food products into North Korea, if such food items are not defined as luxury goods.

(C) Any transaction the exclusive purpose for which is to import agricultural products, medicine, or medical devices into North Korea, provided that such supplies or equipment are classified as designated “EAR 99” under the Export Administration Regulations (part 730 of title 15, Code of Federal Regulations) and not controlled under—

(i) the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.), as continued in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.);

(ii) the Arms Export Control Act (22 U.S.C. 2751 et seq.);

(iii) part B of title VIII of the Nuclear Proliferation Prevention Act of 1994 (22 U.S.C. 6301 et seq.); or

(iv) the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (22 U.S.C. 5601 et seq.).

(b) **WAIVER.**—The President may waive, on a case-by-case basis, the imposition of sanctions for a period of not more than one year, and may renew that waiver for additional periods of not more than one year, any sanction or other measure under section 104, 204, 205, 206, or 303 if the President submits to the appropriate congressional committees a written determination that the waiver meets one or more of the following requirements:

(1) The waiver is important to the economic or national security interests of the United States.

(2) The waiver will further the enforcement of this Act or is for an important law enforcement purpose.

(3) The waiver is for an important humanitarian purpose, including any of the purposes described in section 4 of the North Korean Human Rights Act of 2004 (22 U.S.C. 7802).

(c) **REMOVALS OF SANCTIONS.**—The President may prescribe rules and regulations for the removal of sanctions on a person that is designated under subsection (a) or (b) of section 104 and the removal of designations of a person with respect to such sanctions if the President determines that the designated person has verifiably ceased its participation in any of the conduct described in subsection (a) or (b) of section 104, as the case may be, and has given assurances that it will abide by the requirements of this Act.

(d) **FINANCIAL SERVICES FOR CERTAIN ACTIVITIES.**—The President may promulgate regulations, rules, and policies as may be necessary to facilitate the provision of financial services by a foreign financial institution that is not controlled by the Government of North Korea in support of the activities subject to exemption under this section.

SEC. 208. REPORT ON THOSE RESPONSIBLE FOR KNOWINGLY ENGAGING IN SIGNIFICANT ACTIVITIES UNDERMINING CYBER SECURITY.

(a) **IN GENERAL.**—The President shall submit to the appropriate congressional committees a report on significant activities undermining cyber security conducted, or otherwise ordered or controlled, directly or indirectly, by the Government of North Korea, including—

(1) the identity and nationality of persons that have knowingly engaged in, directed, or provided material support to significant activities undermining cyber security by the Government of North Korea;

(2) the conduct engaged in by each person identified;

(3) the extent to which a foreign government has provided material support to significant activities undermining cyber secu-

rity conducted, or otherwise ordered or controlled, by the Government of North Korea; and

(4) the efforts made by the United States to engage foreign governments to halt the capability of North Korea to conduct significant activities undermining cyber security.

(b) **SUBMISSION AND FORM.**—

(1) **SUBMISSION.**—The report required under subsection (a) shall be submitted not later than 90 days after the date of enactment of this Act, and every 180 days thereafter for a period not to exceed 3 years.

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

SEC. 209. SENSE OF CONGRESS THAT TRI-LATERAL COOPERATION AMONG THE UNITED STATES, JAPAN, AND THE REPUBLIC OF KOREA IS CRUCIAL TO THE STABILITY OF THE ASIA-PACIFIC REGION.

(a) **FINDINGS.**—Congress finds the following:

(1) The United States, Japan, and the Republic of Korea (South Korea) share the values of democracy, free and open markets, the rule of law, and respect for human rights.

(2) The alliance relationship between the United States, Japan, and South Korea are critical to peace and security in the Asia-Pacific region.

(3) The United States, Japan, and South Korea are committed to continuing diplomatic efforts to ensure continued peace and stability in the Asia-Pacific region.

(4) On December 28, 2014, the United States, Japan, and South Korea finalized a trilateral military intelligence-sharing arrangement concerning the nuclear and missile threats posed by North Korea.

(5) The trilateral military intelligence-sharing arrangement reinforces and strengthens the commitment between the United States, Japan, and South Korea toward a Korean Peninsula free of nuclear weapons.

(b) **SENSE OF CONGRESS.**—It is the sense of Congress that North Korea’s nuclear and ballistic missile programs are of mutual concern to the United States, Japan, and South Korea and a trilateral military intelligence-sharing arrangement is essential to the security of each nation and the Asia-Pacific region.

SEC. 210. REPORT ON NUCLEAR PROGRAM CO-OPERATION BETWEEN NORTH KOREA AND IRAN.

(a) **IN GENERAL.**—The President shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report on cooperation between North Korea and Iran on their nuclear programs, including the identity of Iranian and North Korean persons that have knowingly engaged in or directed the provision of material support or the exchange of information between North Korea and Iran on their respective nuclear programs.

(b) **SUBMISSION AND FORM.**—

(1) **SUBMISSION.**—The report required under subsection (a) shall be submitted not later than 90 days after the date of enactment of this Act.

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

TITLE III—PROMOTION OF HUMAN RIGHTS

SEC. 301. INFORMATION TECHNOLOGY.

Section 104 of the North Korean Human Rights Act of 2004 (22 U.S.C. 7814) is amended—

(1) in subsection (a), by striking “radios capable of receiving broadcasting” and in-

serting “radio, Internet, and electronic mass communications capable of receiving content”; and

(2) by adding after subsection (c) the following new subsection:

“(d) **INFORMATION TECHNOLOGY STUDY.**—

“(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this subsection, the President shall submit to the appropriate congressional committees a report setting forth a detailed plan for making unrestricted, unmonitored, and inexpensive, radio, Internet, and electronic mass communications available to the people of North Korea.

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

SEC. 302. REPORT ON NORTH KOREAN PRISON CAMPS.

(a) **IN GENERAL.**—The Secretary of State shall submit to the appropriate congressional committees a report describing, with respect to each political prison camp in North Korea to the extent information is available—

(1) the camp’s estimated prisoner population;

(2) the camp’s geographical coordinates;

(3) the reasons for confinement of the prisoners;

(4) the camp’s primary industries and products, and the end users of any goods produced in such camp;

(5) the natural persons and agencies responsible for conditions in the camp;

(6) the conditions under which prisoners are confined, with respect to the adequacy of food, shelter, medical care, working conditions, and reports of ill-treatment of prisoners; and

(7) imagery, to include satellite imagery of each such camp, in a format that, if published, would not compromise the sources and methods used by the intelligence agencies of the United States to capture geospatial imagery.

(b) **FORM.**—The report required under subsection (a) may be included in the first report required to be submitted to Congress after the date of the enactment of this Act under sections 116(d) and 502(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d) and 2304(b)) (relating to the annual human rights report).

SEC. 303. REPORT ON PERSONS WHO ARE RESPONSIBLE FOR SERIOUS HUMAN RIGHTS ABUSES OR CENSORSHIP IN NORTH KOREA.

(a) **IN GENERAL.**—The Secretary of State shall submit to the appropriate congressional committees a report that contains an identification of each person the Secretary determines to be responsible for serious human rights abuses or censorship in North Korea and a description of such abuses or censorship engaged in by such person. The report shall include a description of actions taken by the Department of State to implement or support the recommendations of the Commission of Inquiry’s Report on Human Rights in the Democratic People’s Republic of North Korea, including efforts to press China and other countries to implement Commission recommendations.

(b) **CONSIDERATION.**—In preparing the report required under subsection (a), the Secretary of State shall give due consideration to the findings of the United Nations Commission of Inquiry on Human Rights in North Korea, and shall make specific findings with respect to the responsibility of Kim Jong Un, and of each natural person who is a member of the National Defense Commission of North Korea, or the Organization and Guidance Department of the Workers’ Party of Korea, for serious human rights abuses and censorship.

(c) **DESIGNATION OF PERSONS.**—The President shall designate under section 104(a) any person listed in the report required under subsection (a) as responsible for serious human rights abuses or censorship in North Korea.

(d) **SUBMISSION AND FORM.**—

(1) **SUBMISSION.**—The report required under subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act, and every 180 days thereafter for a period not to exceed 3 years, shall be included in each report required under sections 116(d) and 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d) and 2304(b)) (relating to the annual human rights report).

(2) **FORM.**—The report required under subsection (a) shall be submitted in unclassified form, but may include a classified annex. The Secretary of State shall also publish the unclassified part of the report on the Department of State's Web site.

TITLE IV—GENERAL AUTHORITIES

SEC. 401. SUSPENSION OF SANCTIONS AND OTHER MEASURES.

(a) **IN GENERAL.**—Any sanction or other measure provided for in title I (or any amendment made by title I) or title II may be suspended for up to 365 days upon certification by the President to the appropriate congressional committees that the Government of North Korea has—

(1) verifiably ceased its counterfeiting of United States currency, including the surrender or destruction of specialized materials and equipment used for or particularly suitable for counterfeiting;

(2) taken significant steps toward financial transparency to comply with generally accepted protocols to cease and prevent the laundering of monetary instruments;

(3) taken significant steps toward verification of its compliance with United Nations Security Council Resolutions 1695, 1718, 1874, 2087, and 2094;

(4) taken significant steps toward accounting for and repatriating the citizens of other countries abducted or unlawfully held captive by the Government of North Korea or detained in violation of the 1953 Armistice Agreement;

(5) accepted and begun to abide by internationally recognized standards for the distribution and monitoring of humanitarian aid;

(6) provided credible assurances that it will not support further acts of international terrorism;

(7) taken significant and verified steps to improve living conditions in its political prison camps; and

(8) made significant progress in planning for unrestricted family reunification meetings, including for those individuals among the two million strong Korean-American community who maintain family ties with relatives in North Korea.

(b) **RENEWAL OF SUSPENSION.**—The suspension described in subsection (a) may be renewed for additional consecutive periods of 180 days upon certification by the President to the appropriate congressional committees that the Government of North Korea has continued to comply with the conditions described in subsection (a) during the previous year.

SEC. 402. TERMINATION OF SANCTIONS AND OTHER MEASURES.

Any sanction or other measure provided for in title I (or any amendment made by title I) or title II shall terminate on the date on which the President determines and certifies to the appropriate congressional committees that the Government of North Korea has met the requirements of section 401, and has also—

(1) completely, verifiably, and irreversibly dismantled all of its nuclear, chemical, bio-

logical, and radiological weapons programs, including all programs for the development of systems designed in whole or in part for the delivery of such weapons;

(2) released all political prisoners, including the citizens of North Korea detained in North Korea's political prison camps;

(3) ceased its censorship of peaceful political activity;

(4) taken significant steps toward the establishment of an open, transparent, and representative society;

(5) fully accounted for and repatriated all citizens of all nations abducted or unlawfully held captive by the Government of North Korea or detained in violation of the 1953 Armistice Agreement; and

(6) agreed with the Financial Action Task Force on a plan of action to address deficiencies in its anti-money laundering regime and begun to implement this plan of action.

SEC. 403. AUTHORITY TO CONSOLIDATE REPORTS.

Any or all reports required to be submitted to appropriate congressional committees under this Act or any amendment made by this Act that are subject to a deadline for submission consisting of the same unit of time may be consolidated into a single report that is submitted to appropriate congressional committees pursuant to such deadline.

SEC. 404. REGULATIONS.

(a) **IN GENERAL.**—The President is authorized to promulgate such rules and regulations as may be necessary to carry out the provisions of this Act (which may include regulatory exceptions), including under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C. 1702 and 1704).

(b) **RULE OF CONSTRUCTION.**—Nothing in this Act or any amendment made by this Act shall be construed to limit the authority of the President pursuant to an applicable Executive order or otherwise pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

SEC. 405. NO ADDITIONAL FUNDS AUTHORIZED.

No additional funds are authorized to carry out the requirements of this Act and the amendments made by this Act.

SEC. 406. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

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. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and to include extraneous materials on this resolution.

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

There was no objection.

Mr. ROYCE. I yield myself such time as I may consume.

Mr. Speaker, I appreciate Leader MCCARTHY working with myself, working with Ranking Member ELIOT ENGEL of New York to schedule this legislation for floor consideration.

Last week, North Korea conducted its fourth known nuclear test. The Kim

regime has developed increasingly destructive weapons.

What we are concerned about here is the miniaturization of nuclear warheads that fit onto its most reliable missiles. We are also concerned about the submarine tests for firing from a sub these missiles that would be capable of launching those devices. We are concerned about the ongoing efforts to make certain that they have got the range now on a three-stage rocket, ICBM, to hit the United States. This threat is unacceptable, and it has to be aggressively challenged.

The legislation that we are considering here is the most comprehensive North Korea sanctions legislation to come before this body. Importantly, what this bill does is use targeted financial and economic pressure to isolate Kim Jong-un and his top officials from the assets that they maintain in foreign banks and from the hard currency that sustains their rule.

These assets are derived primarily from illicit activities, such as counterfeiting U.S. currency, something that North Korea has been caught doing with hundred-dollar bank notes, such as selling their missile systems around the world, contraband in cigarettes, drugs, and other illicit activities. And all of that is used to advance North Korea's nuclear program.

They also pay for the luxurious lifestyle of the ruling elites, as we have seen in some of the exposés that come out of North Korea, and it is used to repress the people. In other words, the money from that hard currency pays for the generals, pays for the secret police, pays for the missile program and the nuclear weapons program.

A strategy of financial pressure is the approach we took a decade ago when the previous administration targeted Banco Delta Asia. That was a Macao-based bank. This was in 2005. They were targeted for their role in laundering money for North Korea, and this cut it off from the financial system, really. This led other banks in the region to shun North Korean business, because when the option is out there between whether or not you are going to bank with North Korea or bank with the U.S. and the rest of the world, it is a fairly easy choice for these banks to make. At that point, they freeze the accounts, and that, obviously, isolates the regime.

At that time, according to one former top U.S. official who was speaking to the issue of what the North Koreans would say when they would come into the meetings with the State Department, at every conversation we had with the North Koreans, he said, every one of them began and ended with the same question: "When do we get our money back?"

Now, the part that got my interest at the time was not only the report that, because he couldn't pay his generals, there were problems for the regime—it is not a good position for a dictator to be in—but also that missile production

lines had come to a halt because they couldn't buy on the black market; they didn't have the hard currency anymore to do it, the parts that they needed for their programs.

Unfortunately, the pressure at the time was lifted. I think it was lifted prematurely for certain because the representation was made that Kim Jong Il was going to make concessions on his nuclear program, concessions that ultimately were never made. From my standpoint, what a mistake. From the standpoint of the people I talk to over at Treasury, what a mistake. They had a different vision on how those sanctions should be maintained.

Today, the Obama administration has let its North Korea policy drift. A year ago, it promised a proportional response to the massive cyber terrorist attack against the United States. But to date, the administration's response has been dangerously weak. A mere 18 low-level arms dealers have been sanctioned. That has been it. Failing to respond to North Korea's belligerence, I think, only emboldens their leader.

Disrupting North Korea's illicit activities will place tremendous strain on that country's ruling elite who have so brutalized the people of North Korea. I spoke to the defector who used to run their propaganda machinery about this. He defected through China. And he discussed this issue. He said: Look, that hard currency goes, not to the people; it goes for the military apparatus and the political apparatus of the regime. So we have got to go after those illicit activities like we went after organized crime in the United States: identify the network, interdict shipments, disrupt the flow of money.

North Korea, after all, has been called a "gangster regime." You have seen that term in the press. Well, it is pretty apt. This regime is a critical threat, frankly, to our national security. Under this bill's framework, anyone laundering money, counterfeiting goods, smuggling, or trafficking narcotics will be subject to significant sanctions.

It is also important to remember the deplorable state of human rights in North Korea. Two years ago, a U.N. Commission of Inquiry released the most comprehensive report on North Korea to date, finding that the Kim regime "has for decades," in their words, "pursued policies involving crimes that shock the conscience of humanity." So this bill requires the State Department to use this report's findings to identify the individuals responsible for these abuses and to press for more ways in which to get information into North Korea so as to move the attitudes of the population inside the country.

Mr. Speaker, a return to the strategy of effective financial pressure on North Korea is our best bet to end North Korea's threat to its own people, to our South Korean allies, and ultimately to us.

I reserve the balance of my time.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
Washington, DC, February 26, 2015.

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

DEAR MR. CHAIRMAN: I write concerning H.R. 757, the North Korea Sanctions Enforcement Act of 2015. 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 February 5, 2015. 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. 757 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, January 8, 2016.

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

DEAR MR. CHAIRMAN: Thank you for consulting with the Committee on Foreign Affairs on H.R. 757, the North Korea Sanctions Enforcement Act, and for agreeing to be discharged from further consideration of that bill.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of the Committee on Oversight and Government Reform, 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 to any House-Senate conference involving this legislation.

I will seek to place our letters on H.R. 757 into the Congressional Record during floor consideration of the bill. I appreciate your cooperation regarding this legislation and look forward to continuing to work with your Committee as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, May 29, 2015.

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

DEAR CHAIRMAN ROYCE: I am writing with respect to H.R. 757, the "North Korea Sanctions Enforcement Act of 2015." As a result of your having consulted with us on provisions in H.R. 757 that fall within the Rule X jurisdiction of the Committee on Ways and Means, I agree to waive consideration of this bill so that it may proceed expeditiously to the House floor.

The Committee on Ways and Means takes this action with the mutual understanding

that by forgoing consideration of H.R. 757 at this time, 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 Rule X 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 thereof.

Sincerely,

PAUL RYAN,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, June 4, 2015.

Hon. PAUL RYAN,
Chairman, Committee on Ways and Means,
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for consulting with the Committee on Foreign Affairs on H.R. 757, the North Korea Sanctions Enforcement Act of 2015, and for agreeing to be discharged from further consideration of that bill.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of the Committee on Ways and Means, 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 to any House-Senate conference involving this legislation.

I will seek to place our letters on H.R. 757 into the Congressional Record during floor consideration of the bill. I appreciate your cooperation regarding this legislation and look forward to continuing to work with your Committee as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, January 7, 2016.

Hon. ED ROYCE,
Chairman, Committee on Foreign Affairs,
Washington, D.C.

DEAR CHAIRMAN ROYCE: I am writing with respect to H.R. 757, the "North Korea Sanctions Enforcement Act of 2015," which was referred to the Committee on Foreign Affairs and in addition to the Committee on the Judiciary. As a result of your having consulted with us on provisions in H.R. 757 that fall within the rule X jurisdiction of the Committee on the Judiciary, I agree to discharge our Committee from 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. 757 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. 757, 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. 757.

Sincerely,

BOB GOODLATTE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, June 4, 2015.

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

DEAR MR. CHAIRMAN: Thank you for consulting with the Committee on Foreign Affairs on H.R. 757, the North Korea Sanctions Enforcement Act of 2015, and for agreeing to be discharged from further consideration of that bill.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of the Committee on the Judiciary, 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 to any House-Senate conference involving this legislation.

I will seek to place our letters on H.R. 757 into the Congressional Record during floor consideration of the bill. I appreciate your cooperation regarding this legislation and look forward to continuing to work with your Committee as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, January 8, 2016.

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

DEAR CHAIRMAN ROYCE: I am writing concerning H.R. 757, the North Korea Sanctions Enforcement Act of 2015, and H.R. 3662, the Iran Terror Finance Transparency Act, both of which were referred to the Committee on Financial Services in addition to your Committee.

As a result of your having consulted with the Committee on Financial Services concerning provisions of the bills that fall within our Rule X jurisdiction, I agree to discharge our Committee from further consideration of the bills so that they 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. 757 and H.R. 3662 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. 757 and H.R. 3662 and would ask that a copy of our exchange of letters on this matter be included in your Committee's report to accompany the legislation and in the Congressional Record during floor consideration thereof.

Sincerely,

JEB HENSARLING,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, January 8, 2016.

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

DEAR MR. CHAIRMAN: Thank you for consulting with the Committee on Foreign Affairs on H.R. 757, the North Korea Sanctions Enforcement Act, and for agreeing to be discharged from further consideration of that bill.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of the Committee on Financial Services, 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 to any House-Senate conference involving this legislation.

I will seek to place our letters on H.R. 757 into the Congressional Record during floor consideration of the bill. I appreciate your cooperation regarding this legislation and look forward to continuing to work with your Committee as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE,
Chairman.

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

I rise in support of this measure.

I want to first thank our chairman of the Foreign Affairs Committee, ED ROYCE, for authoring this very good, bipartisan bill. I am very pleased to be the lead Democratic cosponsor. I think this is an important bill, and it ties in with what we have tried to do for these past years on the Foreign Affairs Committee, being bipartisan and letting politics stop at the water's edge when we are talking about international affairs.

Mr. Speaker, last week's nuclear test in North Korea was a stark reminder of just how dangerous the Kim regime is. A nuclear weapon in the hands of a rogue power is a threat to peace and stability around the world. North Korea continues to have a destabilizing influence on the peninsula and across the region, and the potential for nuclear fuel from North Korea to end up on the black market in the hands of violent extremists only compounds the threat.

Yet, despite the burden of some of the toughest sanctions imaginable, despite constant pressure from the global community, despite the increasing isolation of North Korea from the rest of the world, leaders in Pyongyang persist on this dangerous and destabilizing course.

The latest test demands a response. We need to work with our allies, particularly South Korea and Japan. We need to make sure this issue is at the top of the agenda in our engagement with China. China can have a lot of influence and does have a lot of influence over North Korea. We need to act unilaterally to make clear to the North Koreans that their actions have consequences.

This bill would broaden our sanctions and strengthen enforcement. Let me

say I am very proud, again, in a bipartisan way, this bill passed unanimously out of the Foreign Affairs Committee.

North Korea has become more and more savvy at evading sanctions, and that is why this bill broadens our sanctions. The country's elites do business with shell companies and cover up the money trail. This allows hard currency to flow into North Korea. This bill would crack down on this practice and go after anyone helping prop up the Kim regime through these illegal activities.

I must say that I have been to North Korea twice, to Pyongyang twice. We watched in the morning when people were going to work. The elites do very well there. It is just the rest of the country that is starving.

This bill would include the important exceptions for the humanitarian aid that benefits the North Korean people. We help them with food aid. We are the most generous country with feeding North Korea. It is important to point this out because our quarrel is not with the North Korean people. It is with the despot and his aides that run North Korea.

We know that the people of North Korea endure deplorable treatment at the hands of a corrupt regime. I can tell you the country's citizens deserve much, much better. That is why we will keep up the pressure on North Korea's leaders and that is why we need to pass this legislation.

I urge a "yes" vote.

I reserve the balance of my time.

Mr. ROYCE. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. SMITH), chairman of the Foreign Affairs Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations.

Mr. SMITH of New Jersey. Mr. Speaker, I thank the distinguished chairman for yielding.

I rise in strong support of H.R. 757, the North Korea Sanctions Enforcement Act of 2016.

Mr. Speaker, there is a compelling need to pass tough and effective legislation to freeze the assets of the Kim Jong-un regime.

I want to commend Chairman ROYCE for his long and hard work on North Korea and his determination to bring this bill to the floor. I again thank Ranking Member ELIOT ENGEL for his good, strong sense of bipartisanship. This is a one-two punch against a cruel dictatorship, and this legislation has to get to the President as soon as possible.

Mr. Speaker, whether it be North Korea or Iran, when will we learn the hard lesson that totalitarian states do not negotiate in good faith, cannot be trusted to hold up their end of the bargain, and use our goodwill and our foreign capital to keep on proliferating? They will not allow intrusive inspections because they cheat and because it weakens their status at home. They use nuclear weapons negotiations to

enhance their own diplomatic status and to gain concessions.

In the end, nuclear negotiations earn rogue nations like Iran and North Korea foreign capital and other investments from the West. They use that to fund additional missile technology, to fund criminal and terrorist activities, and to continue with clandestine nuclear programs.

During the Bush administration, the most effective tools in bringing the North Korea dictatorship to heel were the freezing of its assets in the Banco Delta Asia in Macao and the building of an international coalition to interdict suspect North Korea shipping. These should be our priorities now, especially in the shadow of North Korea's nuclear tests, by imposing mandatory sanctions on the perpetrators of human rights abuses, censorship, arms and human trafficking, money laundering, as well proliferation.

Nearly 2 years ago, the U.N. Commission of Inquiry reported that the ongoing crimes against humanity in North Korea have no "parallel in the contemporary world." These crimes include "extermination, murder, enslavement, torture, imprisonment, rape, forced abortions and other sexual violence, persecution on political, religious, and racial, and grounds, the forcible transfer of populations, the enforced disappearance of persons, and the inhumane act of knowingly causing prolonged starvation."

□ 1615

Kim Jong-un cares not at all about the welfare of his own people. We should expect that he cares even less about the welfare of the people of Japan, South Korea, or even U.S. citizens who face the threat of North Korean nuclear weapons.

The U.N. Commission recommended that the U.N. impose targeted sanctions on the North Korean leaders responsible for its human rights crimes. However, China blocks U.N. action.

Without U.N. action, the U.S. must act, using our position as the steward of the global financial system. The U.N. Special Rapporteur on North Korea welcomes such action, supporting targeted sanctions of those most responsible for these heinous crimes against humanity.

Mr. ENGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. CONNOLLY), my friend and colleague and a valued member of the Committee on Foreign Affairs.

Mr. CONNOLLY. Mr. Speaker, I thank my dear friend from New York, the distinguished ranking member of the House Committee on Foreign Affairs.

I rise today in support of the North Korea Sanctions Enforcement Act of 2016. I want to thank the chairman and ranking member for their leadership in bringing this legislation before us.

I especially appreciate the inclusion of two of my amendments, one to provide for the reunification of Korean

families separated by the 38th parallel, and another to ensure that U.S. policy toward North Korea is informed by the recommendations made in the landmark Commission of Inquiry on Human Rights in North Korea conducted by the United Nations.

Amidst the tense geopolitical standoffs and irresponsible actions of the North Korean regime, we must always remember the human cost of this enduring conflict. I believe this bill, through these amendments and important exceptions to sanctions for humanitarian relief organizations, does just that. This is timely, if not overdue, legislation.

North Korea is a reckless, paranoid state devoid of virtually all aspects of human autonomy, now armed with a nuclear umbrella. That makes the Korean peninsula one of the most dangerous flash points on the globe.

There have been recent developments in North Korea that are profoundly troubling and deserve an immediate response from this Congress. Reports that North Korea has conducted its fourth nuclear weapons test confirm that the regime in Pyongyang is committed to defying international norms and risks destabilizing the entire Asia-Pacific region.

As co-chairman of the Congressional Caucus on Korea, I remain deeply concerned with the volatility and the ever-present potential of conflict on the Korean Peninsula.

It is a specter that looms over 75 million Koreans and, for their sake and that of the region, the U.S., the Republic of Korea, China, and other regional stakeholders must demonstrate commitment to addressing this threat.

By targeting the individuals and entities that support the Kim regime through illicit activities, this bill will hopefully weaken the resolve and capability of Pyongyang to endanger regional stability.

Mr. Speaker, I urge passage of the bill.

Mr. ROYCE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. POE), chairman of the Subcommittee on Terrorism, Nonproliferation, and Trade of the Committee on Foreign Affairs. He is also an original cosponsor with me on this legislation.

Mr. POE of Texas. Mr. Speaker, I thank the chairman and the ranking member for bringing this piece of legislation up to the House floor.

Mr. Speaker, North Korea is a world threat, a nuclear world threat. Its leaders are outlaws with no redeeming social character in their souls, and we need to operate with them knowing this.

Last week, North Korea tested another nuclear weapon. As chairman of the Subcommittee on Terrorism, Nonproliferation, and Trade, I held a hearing in October and predicted that this test would happen again.

With Iran about to receive hundreds of billions of dollars for its illegal nuclear program, we shouldn't be sur-

prised that North Korea wants a piece of the pie, too. Illegal nuclear programs and material can bring a lot of money to a regime.

In the hearing that we had in October, we learned of deep connections between Iran and North Korea. Both nations, among other things, sponsor worldwide terror. They have a history of working together on missile development. There is mounting evidence that they have worked together on their nuclear weapons programs as well. We should expect Iran to keep working with North Korea to advance its own nuclear weapons program.

We have sanctions on North Korea, but all those sanctions have not been fully implemented. The administration's policy of strategic patience is not working because this barbaric regime continues to develop nuclear weapons and ICBMs. I say our patience has run out in dealing with them.

This bill is Congress showing North Korea that there are consequences for their testing of nuclear weapons. We cannot let North Korea develop its nuclear program even more.

North Korea already has submarines with missiles on them that can reach the United States, over 10 nuclear bombs, and for some reason has Austin on its hit list. I take that personally, Mr. Speaker, that Austin is their number one target in the United States.

North Korea is a state that imprisons Christians for their faith, starves its citizens, controls the Internet and the media, tortures anyone in its domain who dares to disagree with the regime, and is engaged in cyberterrorism.

Dangerous actions by a ruthless dictator must be met by forceful responses. I am glad to be an original cosponsor of this bill. I urge its passage. It is time for them to pay the price for going rogue.

And that is just the way it is.

Mr. ENGEL. Mr. Speaker, I yield 4 minutes to the gentlewoman from Hawaii (Ms. GABBARD), our colleague on the Committee on Foreign Affairs, a rising star in our committee.

Ms. GABBARD. Mr. Speaker, I am rising today in strong support of H.R. 757, the North Korea Sanctions Enforcement Act, which I am proud to be a cosponsor of.

North Korea continues to pose a serious and dangerous threat to my constituents in Hawaii, the Pacific, and the West Coast of the United States. Our communities and our families lie within range of North Korea's intercontinental ballistic missiles.

North Korea's nuclear tests just a week ago and their continued pursuit of developing more nuclear weapons and miniaturizing those weapons serve as a reminder of the threat that North Korea poses to our country, which my constituents in Hawaii know all too well.

There are some necessary steps that the United States must take to deal with this threat: We need to increase the strength and capabilities of our Pacific fleet and forces. We need to stop

the downward trend in investment of ballistic missile defense development and capabilities, and strengthen our ballistic missile defense capabilities, specifically in Hawaii and the Pacific, to counter this threat. We need to completely reexamine our strategy of so-called strategic patience with North Korea, recognizing that North Korea has continued to grow in their nuclear and missile capabilities, telling us that the status quo is not working.

This bill, however, deals with another important area where we need to act, and that is sanctions. It gives us the tools to respond to North Korea's provocations. One provision would apply sanctions that prohibit the export of munitions to North Korea and severely restrict export licenses for controlled goods and technologies. It would prohibit financial transactions between U.S. persons and the Government of North Korea and sanction those who send or receive lethal military equipment to or from North Korea.

The bill will also give us the tools to reapply some of the most effective sanctions that we have ever had against hard currency for those who do business with North Korea. We saw how these sanctions were effective before.

Following U.S. action against the Banco Delta Asia based in Macao in 2005, the assets of North Korean banks and leaders were frozen and completely blocked from the international financial system. This directly affected the money being used to develop these nuclear and ballistic missile capabilities, and the money also supported the regime's leadership and its elites and their lifestyle.

This severely increased the pressure in North Korea, causing them to engage with the international community, coming to an agreement to lift the sanctions in 2007—prematurely, in my view—made in exchange for shutting down and sealing the Yongbyon nuclear facilities and discussing a list of its nuclear-related activities with the U.S. and other parties in the region.

The agreement was violated by North Korea in 2009 when they tested a missile, and the sanctions on Banco Delta showed us earlier a way to impact North Korean leadership and business directly. Those sanctions should have been immediately reinstated upon North Korea breaking that agreement, but that is why we are here today—to act.

While sanctions alone are not enough, this bill could provide some very important tools to countering North Korea's aggression and ultimately achieving our objective of a denuclearized North Korea.

Lastly, this bill recognizes the terrible human rights abuses inflicted on the people of North Korea. For many years, State Department human rights reports, as well as private organizations' reports, have depicted a pattern of extreme human rights abuses by the

tyrannical North Korean regime, including the denial of basic human freedoms: withheld access to food and deplorable prison camps where extrajudicial killings, enslavement, torture, and sexual abuse are widespread.

I would like to thank our Chairman ROYCE and our Ranking Member ENGEL for their steadfast, bipartisan dedication and leadership to taking action on this global and domestic security issue. This bill provides a critical step forward.

Mr. ROYCE. Mr. Speaker, I yield 3 minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN), chairman emeritus of the Committee on Foreign Affairs and author of multiple North Korea human rights and sanctions laws. She is also a cosponsor of this bill.

Ms. ROS-LEHTINEN. Mr. Speaker, I am so proud and pleased to be here speaking on behalf of this bill, H.R. 757, the North Korea Sanctions Enforcement Act. I thank Chairman ROYCE and Ranking Member ENGEL for introducing this important bill which, once again, is presented in their usual bipartisan manner.

While initial reports, Mr. Speaker, cast doubt on North Korea's claims that it carried out a hydrogen bomb test, any enhancement of the regime's nuclear capability should be—must be—a cause for concern. Both U.S. and South Korean intelligence assessments indicate that North Korea already possesses the capability to install a nuclear warhead on a missile that can reach United States territory or that of our allies.

Despite some doubt about that capability's effectiveness, it is just a matter of time before North Korea finishes developing this dangerous technology that it is seeking or, worse, shares this technology with Iran, as these two rogue regimes are bosom buddies and have long been known to collaborate on their ballistic missile programs.

What is clear is that our current policy toward North Korea is not working. Administrations from both parties, Mr. Speaker, have made mistakes with North Korea over the years. They have failed to respond to North Korea's violation of its nuclear deal and have failed to hold the regime accountable for its illicit activity. Administration after administration have removed North Korea off the State Sponsors of Terrorism list and continue to keep the regime off that list despite mounting evidence that would support its inclusion back on the terrorism list. Various administrations have utterly failed to enforce the North Korea sanctions that we already have on the books.

The Obama administration's so-called strategic patience policy with North Korea has proven to be a disaster, and it is time that we fully and vigorously enforce the existing sanctions and expand upon those to imple-

ment new sanctions on Pyongyang until its nuclear program is dismantled.

By some estimates, North Korea might already have 10 to 15 nuclear weapons, and Kim Jong-un has shown that he will stop at nothing to get the weapons and the technology that he desires. This bill would help ensure that our sanctions on North Korea are finally being enforced the way they always should have been, but we can't forget that North Korea cannot make progress on its nuclear program alone.

North Korea has a long history of collaborating with other rogue regimes, and we must ensure that we are enforcing sanctions on all of its collaborators. Any government entity or individual that has sold or transferred weapons or technology to North Korea in violation of U.S. law or U.N. Security Council resolution should also be targeted for sanctions.

Mr. Speaker, I will end with this note: North Korea has been writing the playbook for rogue regimes to follow, and unless this administration gets serious about confronting Pyongyang's aggressions, I worry that it will continue to allow Iran to take advantage of us, that we won't enforce sanctions on Tehran, just like we are not enforcing them on North Korea.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. ROYCE. Mr. Speaker, I yield an additional 1 minute to the gentlewoman.

Ms. ROS-LEHTINEN. In a few years' time, we will be back here debating what to do after another nuclear device test by North Korea, by Iran, or by other rogue actors.

North Korea poses an imminent threat now to our security as well as that of our allies. We cannot afford to ignore it nor look the other way.

I urge all of my colleagues to vote for this important bill and urge its passage.

I thank the chairman and the ranking member for this bill.

□ 1630

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

Colleagues, a nuclear weapon in the hands of North Korea, a rogue, destabilizing country on the peninsula and across the region, is simply a non-starter. It is unthinkable. Despite our tough sanctions and increasing isolation from the global community, Pyongyang continues down a dangerous and destabilizing course.

Last week's nuclear test in North Korea is a jarring reminder of just how dangerous the Kim regime is and demands a response from the United States and our allies as well. We must work with South Korea and Japan to make sure this issue is at the top of our agenda in our engagement with China. We must act unilaterally to make sure to North Koreans that their leadership's actions have consequences.

H.R. 757 would broaden our sanctions and strengthen enforcement. The bill

would crack down on North Korean elite who do business through shell companies to evade detection and go after anyone helping to prop up the Kim regime through illegal activities. This bill would include important exceptions for the humanitarian aid that benefits the North Korean people.

North Koreans deserve much more than what its leaders are providing, which is why we need to pass this legislation. We cannot allow North Korea to continue to be dangerous and frivolous. We have to stand up and say no. They have to understand that we mean business. They have to understand that what they have done is unacceptable and will not stand.

I urge my colleagues to support this measure.

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

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

We have the opportunity today to show Americans and the world that Congress is willing to lead on this vital national security issue. This is an issue that Congress has been focused on, obviously, for some time.

I have spent much of my time on the Foreign Affairs Committee focused on the North Korean threat. Ranking Member ELIOT ENGEL and I, in one of our first trips together as chairman and ranking member of the committee, traveled to visit our South Korean ally and toured the wreckage of the Cheonan.

This was a corvette ship that was hit and split right in half by a torpedo fired by a North Korean submarine, costing the lives of 46 sailors. It is a reminder of the attitude that North Korea has in terms of its provocative action.

Both ELIOT ENGEL and I have been to North Korea on separate trips, and we can tell you it is a totalitarian state with an ever-present cult of personalities. If you have ever read Orwell's book, "Nineteen Eighty-Four," the society in that book seemed almost more rational than this police state.

I was talking to the former Minister of Propaganda. In the no-go areas, 1.9 million were starved to death in North Korea. You ask why. Well, with the paranoia of the police state, they are not considered particularly loyal out there.

Besides, the food can be sold on the food exchange in the capital for hard currency. Donated food often is used in this way to support what he calls "juche," to support this philosophy which leads them forward with this desire to have a nuclear weapon and the capability to deliver it.

This bipartisan bill, which I authored with ELIOT ENGEL as our principal co-author, is based on legislation that unanimously passed the House last Congress. Its implementation will help sever a key subsidy for North Korea's weapons of mass destruction program, for only when the North Korean leadership realizes that its criminal activi-

ties are untenable do prospects for peace and security in Northeast Asia improve.

This bill will return us to the one strategy that has worked to pressure North Korea at a time when Kim Jong-un is trying to blackmail his way to consolidating power.

Congress must send the message to the Kim regime that they can either reform and disarm or the system can implode. Without hard currency, without being able to pay the generals, that system would implode. By cutting off Kim Jong-un's access to the hard currency he needs for his army and his weapons, this bill, H.R. 757, will squarely present the North Korean regime with that choice.

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

Ms. JACKSON LEE. Mr. Speaker, recent news of North Korea's claim that it successfully conducted an H-bomb test for the first time, in defiance of United Nations' resolutions ups the ante on why we must remain steadfast in expediently addressing insecurity in our nation and across the globe, as anticipated in this bill by Representative ROYCE of California, entitled the North Korean Sanctions Enforcement Act of 2,315 which has enjoyed bipartisan support.

Our world today is faced with resurgent and evolving threats from weapons of mass destruction to destructive nuclear ambitions.

Indeed, news events inform us of the far-ranging spectrum we must contend with, ranging from persistent nation state-based dangerous nuclear ambitions in North Korea, to continued chemical weapons used in Syria, to terrorist organizations such as Daesh ramping up their destructive capabilities through vitriolic recruitment strategies, that pose an existential threat beyond the borders from which ISIS is operating.

I am confident that these are issues that President Obama will be addressing and proposing durable solutions to during his last state of the Union Address as our nation's Commander in Chief.

Under his leadership, our nation has achieved foreign policy feats that have worked to maintain our security, promote our geopolitical objectives and advance our diplomatic relationships with key allies.

Let's just take a quick look back at some of the President's foreign policy achievements:

The capture and neutralization of Osama Bin Laden which brought an end to a nearly decade long manhunt.

The withdrawal of U.S. forces from Iraq which helped to bring an end to a costly war, helping our country save billions of dollars in U.S. taxpayer funds.

The current Joint Comprehensive Plan of Action, which has been instrumental in deterring and stemming Iran's nuclear ambitions and enabling security in the global society.

The repealing of Don't Ask, Don't Tell, an aspersion on the personal private matters of those who have dedicated their lives to protect our nation.

Signing into law the New Strategic Arms Reduction Treaty (START), an important treaty that showcases how the U.S. leads by example by signing a treaty that requires both the United States and Russia to reduce their nuclear warhead arsenals to 1,550 each, a 30

percent reduction from the 2002 Treaty of Moscow and a 74 percent reduction from the 1991 START treaty.

Neutralization of al Qaeda propagandist and foreign fighter recruiter Anwar Al Awlaki, one of the main leaders in the Al Qaeda in the Arabian Peninsula (AQAP).

Indeed, under President Obama's leadership, our country's military aid to Israel has increased remarkably with the eye towards deepening and expanding U.S./Israeli relations—an important aspect of our nation's foreign policy and geopolitical efforts to promote peace in the region.

This president's foreign policy achievements in promoting the security of our nation are irrefutable and this is why I support the North Korea Sanctions Enforcement Act of 2015 because it will empower him to continue his impressive work in this arena.

Much like the Joint Comprehensive Plan of Action (JCPOA) championed by this Administration, this bill encourages our President to investigate any credible information of sanctionable activities involving North Korea.

Furthermore, this bill will designate and implement sanctions against persons and entities who knowingly engage in or contribute to activities in North Korea whether it is through their exporting or importing of weapons of mass destruction, significant arms, significant luxury goods, money laundering, censorship, or engage in human rights abuses.

Pursuant to the bill, the President is empowered to exercise authorities under the International Emergency Economic Powers Act (IEEPA) as it relates to persons, entities and the government of North Korea.

This bill empowers our President with discretionary authority to designate and apply sanctions to persons involved in certain other kinds of conduct.

This bill will facilitate civil forfeiture of assets, real or personal, if said properties inure from any attempted or actual violation of this Act, or which constitutes or is derived from proceeds traceable to such a violation.

Other core provisions of the bill is the empowerment of our Treasury Secretary to:

determine whether reasonable grounds exist for concluding that North Korea is a jurisdiction of primary money laundering concern; and

In the event our Treasury Secretary makes this determination, he is empowered to impose one or more special measures with respect to the jurisdiction of North Korea.

Finally, our sense of Congress in this bill is in comity with and ensures the consistent enforcement of United Nations Security Council resolutions and financial restrictions on North Korea.

Through this bill, our president will be empowered to withhold assistance under the Foreign Assistance Act of 1961 to any country that provides lethal military equipment to, or receives it from the government of North Korea.

This bill is also important because it will put into place an enhanced screening procedure whereby our Secretary of Homeland Security (DHS) will be able to determine if physical inspections are warranted of any cargo bound for or landed in the United States that has been transported through a foreign seaport or airport whose inspections are deficient if there are reasonable grounds to believe that such cargo contains goods prohibited under this Act.

This will facilitate expedient seizure of vessels or aircraft used to facilitate sanctionable activities.

The President will also be supported in his efforts to produce progress reports on significant activities undermining cyber security conflicted, or otherwise ordered or controlled, directly or indirectly, by the government of North Korea.

Our Secretary of State will be supported in his human rights efforts of reporting on each political prison camp in North Korea, which will include a detailed description of those abuses or censorship.

Again, I thank Chairman ROYCE for championing this bill and look forward to working with him and other members of this House in promoting our national security and supporting our President's objective of establishing us as a credible and trusted leader in the global landscape.

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. 757, as amended.

The question was taken.

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

Mr. ROYCE. 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.

PRESIDENTIAL ALLOWANCE MODERNIZATION ACT

Mr. CHAFFETZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1777) to amend the Act of August 25, 1958, commonly known as the "Former Presidents Act of 1958", with respect to the monetary allowance payable to a former President, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1777

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 "Presidential Allowance Modernization Act".

SEC. 2. AMENDMENTS.

(a) *RELATING TO A FORMER PRESIDENT.*—The first section of the Act entitled "An Act to provide retirement, clerical assistants, and free mailing privileges to former Presidents of the United States, and for other purposes", approved August 25, 1958 (3 U.S.C. 102 note), is amended by striking the matter before subsection (e) and inserting the following:

"(a) Each former President shall be entitled for the remainder of his or her life to receive from the United States—

"(1) an annuity at the rate of \$200,000 per year, subject to subsection (c); and

"(2) a monetary allowance at the rate of \$200,000 per year, subject to subsections (c) and (d).

"(b)(1) The annuity and allowance under subsection (a) shall each—

"(A) commence on the day after the individual becomes a former President;

"(B) terminate on the last day of the month before the former President dies; and

"(C) be payable by the Secretary of the Treasury on a monthly basis.

"(2) The annuity and allowance under subsection (a) shall not be payable for any period during which the former President holds an appointive or elective position in or under the Federal Government to which is attached a rate of pay other than a nominal rate.

"(c) Effective December 1 of each year, each annuity and allowance under subsection (a) having a commencement date that precedes such December 1 shall be increased by the same percentage as the percentage by which benefit amounts under title II of the Social Security Act (42 U.S.C. 401 and following) are increased, effective as of such December 1, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

"(d)(1) Notwithstanding any other provision of this section, the monetary allowance payable under subsection (a)(2) to a former President for any 12-month period may not exceed the amount by which—

"(A) the monetary allowance which (but for this subsection) would otherwise be so payable for such 12-month period, exceeds (if at all)

"(B) the applicable reduction amount for such 12-month period.

"(2)(A) For purposes of paragraph (1), the 'applicable reduction amount' is, with respect to any former President and in connection with any 12-month period, the amount by which—

"(i) the sum of (I) the adjusted gross income (as defined by section 62 of the Internal Revenue Code of 1986) of the former President for the last taxable year ending before the start of such 12-month period, plus (II) any interest excluded from the gross income of the former President under section 103 of such Code for such taxable year, exceeds (if at all)

"(ii) \$400,000, subject to subparagraph (C).

"(B) In the case of a joint return, subclauses (I) and (II) of subparagraph (A)(i) shall be applied by taking into account both the amounts properly allocable to the former President and the amounts properly allocable to the spouse of the former President.

"(C) The dollar amount specified in subparagraph (A)(ii) shall be adjusted at the same time that, and by the same percentage as the percentage by which, the monetary allowance of the former President is increased under subsection (c) (disregarding this subsection)."

(b) *RELATING TO THE SURVIVING SPOUSE OF A FORMER PRESIDENT.*—

(1) *INCREASE IN AMOUNT OF MONETARY ALLOWANCE.*—Subsection (e) of the section amended by subsection (a) is amended—

(A) in the first sentence, by striking "\$20,000 per annum," and inserting "\$100,000 per year (subject to paragraph (4))"; and

(B) in the second sentence—

(i) in paragraph (2), by striking "and" at the end;

(ii) in paragraph (3)—

(I) by striking "or the government of the District of Columbia"; and

(II) by striking the period and inserting "and"; and

(iii) by adding after paragraph (3) the following:

"(4) shall, after its commencement date, be increased at the same time that, and by the same percentage as the percentage by which, annuities of former Presidents are increased under subsection (c)."

(2) *COVERAGE OF WIDOWER OF A FORMER PRESIDENT.*—Such subsection (e), as amended by paragraph (1), is further amended—

(A) by striking "widow" each place it appears and inserting "widow or widower"; and

(B) by striking "she" and inserting "she or he".

SEC. 3. RULE OF CONSTRUCTION.

Nothing in this Act shall be considered to affect—

(1) any provision of law relating to the security or protection of a former President or a member of the family of a former President; or

(2) funding, under the law amended by this section or under any other law, to carry out any provision of law described in paragraph (1).

SEC. 4. EFFECTIVE DATE; TRANSITION RULES.

(a) *EFFECTIVE DATE.*—This Act shall take effect on the date of enactment of this Act.

(b) *TRANSITION RULES.*—

(1) *FORMER PRESIDENTS.*—In the case of any individual who is a former President on the date of enactment of this Act, the amendment made by section 2(a) shall be applied as if the commencement date referred in subsection (b)(1)(A) of the section amended by this Act coincided with such date of enactment.

(2) *WIDOWS.*—In the case of any individual who is the widow of a former President on the date of enactment of this Act, the amendments made by section 2(b)(1) shall be applied as if the commencement date referred to in subsection (e)(1) of the section amended by this Act coincided with such date of enactment.

The SPEAKER pro tempore (Mr. COSTELLO of Pennsylvania). Pursuant to the rule, the gentleman from Utah (Mr. CHAFFETZ) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentleman from Utah.

GENERAL LEAVE

Mr. CHAFFETZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous materials on the bill under consideration.

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

There was no objection.

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

I rise today in support of H.R. 1777, the Presidential Allowance Modernization Act. The act updates an arcane law which no longer reflects day-to-day reality in order to reduce unnecessary costs to the taxpayers. H.R. 1777 decreases the pension of former Presidents, increases the pension of surviving spouses, and limits the allowances provided for post-Presidential expenditures.

This important piece of legislation amends and modernizes the Former Presidents Act of 1958 by authorizing a \$200,000 annual pension for each former President and a \$100,000 annual survivor benefit for each surviving spouse.

We thank these Presidents and their spouses for the unbelievable toll and service that they have given to their country. Currently, former Presidents receive an annual pension of roughly \$203,700, and a surviving spouse's pension is \$20,000.

The Presidential Allowance Modernization Act also sets an annual allowance of \$200,000 for costs such as travel, staff, and office expenses that are associated with post-Presidential life.

For those former Presidents that earn outside income, which most do, the \$200,000 annual allowance is reduced dollar for dollar for every dollar a former President earns in outside income in excess of \$400,000.