

115TH CONGRESS 1ST SESSION

H. R. 2658

To provide humanitarian assistance for the Venezuelan people, to defend democratic governance and combat widespread public corruption in Venezuela, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

May 25, 2017

Mr. Engel (for himself, Ms. Ros-Lehtinen, Mr. Sires, and Mr. Diaz-Balart) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide humanitarian assistance for the Venezuelan people, to defend democratic governance and combat widespread public corruption in Venezuela, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
- 4 (a) Short Title.—This Act may be cited as the
- 5 "Venezuela Humanitarian Assistance and Defense of
- 6 Democratic Governance Act of 2017".

1 (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. Sense of Congress. Sec. 4. Humanitarian assistance for the people of Venezuela. Sec. 5. Requirement for strategy to coordinate international humanitarian assistance. Sec. 6. Support for efforts at the United Nations on the humanitarian and political crisis in Venezuela. Sec. 7. Support for Organization of American States Inter-American Democratic Charter. Sec. 8. Support for international election observation missions and democratic civil society in Venezuela. Sec. 9. Concerns and report on the involvement of Venezuelan officials in corruption and illicit narcotics trafficking. Sec. 10. Sanctions on persons responsible for public corruption and undermining democratic governance in Venezuela. Sec. 11. Concerns over PDVSA transactions with Rosneft. Sec. 12. Report on Government of the Russian Federation's activities in Ven-3 SEC. 2. FINDINGS. 4 Congress makes the following findings: 5 (1) The deterioration of democratic governance and the economic crisis in Venezuela have led to an 6 7 unprecedented humanitarian situation in which peo-8 ple are suffering from severe shortages of essential 9 medicines and basic food products. 10 (2) According to the World Health Organiza-11 tion, Venezuela had a shortage of necessary medica-12 tions and medical supplies of—

(A) 55 percent in 2014;

(C) 75 percent in 2016.

(B) 67 percent in 2015; and

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- 1 (3) According to a Human Rights Watch 2016 2 report, it is increasingly difficult for many Ven-3 ezuelans, particularly those in lower- or middle-in-4 come families, to obtain adequate nutrition and 5 there are reports of symptoms of malnutrition, par-6 ticularly in children.
 - (4) Maternal deaths in Venezuela increased by 66 percent from 2015 to 2016 while infant deaths increased by 30 percent.
 - (5) There were 240,000 confirmed malaria cases in Venezuela in 2016—a 76 percent increase over 2015.
 - (6) A recent survey—conducted jointly by the Central University of Venezuela, the Andrés Bello Catholic University, and the Simón Bolivar University—found that almost 75 percent of Venezuelans lost an average of at least 19 pounds in 2016 as a result of a lack of proper nutrition amidst the country's economic crisis.
 - (7) Despite massive shortages of basic foodstuffs and essential medicines, Nicolás Maduro has rejected repeated requests from the Venezuelan National Assembly and civil society organizations to bring humanitarian aid into the country.

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- 1 (8) The International Monetary Fund has esti2 mated that in Venezuela in 2016 the country's gross
 3 domestic product contracted by 12 percent and infla4 tion rate reached 720 percent, and has stated that
 5 Venezuela had the worst growth and inflation per6 formance in the world.
 - (9) The International Monetary Fund has not convened an Article IV Executive Board consultation for Venezuela since September 13, 2004, which greatly limits the extent of information available to the international community about the severity of the Venezuelan economic crisis.
 - (10) Venezuela's political, economic, and humanitarian crisis is fueling social tensions that are resulting in growing incidents of public unrest, looting, violence among citizens, and an exodus of Venezuelans abroad.
 - (11) These social distortions are taking place amidst an alarming climate of criminal violence. According to the United Nations Office on Drug and Crime, Caracas, Venezuela had the highest per capita homicide rate of any capital city in the world in 2015 at 120 murders per 100,000 citizens.
- 24 (12) In 2016, 18,155 Venezuelans submitted 25 asylum requests in the United States, which was the

- greatest number of requests by any nationality, according to U.S. Citizenship and Immigration Services.
- 4 (13) International and domestic human rights
 5 groups, such as Foro Penal Venezolano, recognize
 6 more than 108 political prisoners in Venezuela, in7 cluding opposition leader and former Chacao mayor
 8 Leopoldo López, Judge María Lourdes Afiuni, Cara9 cas Mayor Antonio José Ledezma Díaz, National
 10 Assembly Deputy Gilber Caro, and former San Cris11 tobal mayor Daniel Ceballos.
- 12 (14) According to media accounts, over 40 peo-13 ple lost their lives as the result of public demonstra-14 tions and protests in Venezuela in April 2017.

15 SEC. 3. SENSE OF CONGRESS.

- 16 It is the sense of Congress that—
- 17 (1) Nicolás Maduro should permit the delivery 18 of international humanitarian assistance to address 19 the widespread and deeply concerning shortages of 20 essential medicines and basic food products faced by 21 the people of Venezuela;
- 22 (2) it is in the best interest of the Venezuelan 23 people for the Government of Venezuela to engage 24 with multilateral institutions to ameliorate the ef-

- fects of the country's ongoing economic, social, and humanitarian crisis;
 - (3) Nicolás Maduro should immediately release all political prisoners and respect internationally recognized human rights in order to facilitate the conditions for political negotiations and dialogue in Venezuela;
 - (4) Nicolás Maduro and the Supreme Tribunal of Justice of Venezuela should take steps to reinstate the full powers and authorities of the National Assembly of Venezuela in accordance with the Constitution of the Bolivarian Republic of Venezuela;
 - (5) Venezuela's National Electoral Council should establish a specific timeline to hold national, regional, and municipal elections in accordance with the Constitution of the Bolivarian Republic of Venezuela and allow supervision of credible international electoral observers; and
 - (6) the United States should support meaningful efforts towards a substantive dialogue through which all parties uphold their commitments and agree to specific deadlines to restore respect for Venezuela's constitutional mechanisms and resolve the country's political, economic, and humanitarian crisis.

1 SEC. 4. HUMANITARIAN ASSISTANCE FOR THE PEOPLE OF

| 1 | SEC. 4. HUMANITARIAN ASSISTANCE FOR THE PEOPLE OF |
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| 2 | VENEZUELA. |
| 3 | (a) In General.—The Secretary of State, in coordi- |
| 4 | nation with the Administrator of the United States Agen- |
| 5 | cy for International Development, subject to the avail- |
| 6 | ability of appropriations, shall work through credible and |
| 7 | independent nongovernmental organizations to provide— |
| 8 | (1) public health commodities to Venezuelan |
| 9 | health facilities and services, including medicines on |
| 10 | the World Health Organization's List of Essential |
| 11 | Medicines and basic medical supplies and equipment; |
| 12 | (2) the basic food commodities and nutritional |
| 13 | supplements needed to address growing malnutrition |
| 14 | and improve food security for the people of Ven- |
| 15 | ezuela, with a specific emphasis on the most vulner- |
| 16 | able populations; and |
| 17 | (3) technical assistance to ensure health and |
| 18 | food commodities are appropriately selected, pro- |
| 19 | cured, and distributed, predominantly through local |
| 20 | nongovernmental organizations. |
| 21 | (b) Plan Requirement.—Not later than 90 days |
| 22 | after the date of the enactment of this Act, the Secretary |
| 23 | of State shall submit a plan for carrying out the activities |
| 24 | described in subsection (a) which also identifies United |
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25 States Agency for International Development best prac-

- tices in delivering humanitarian assistance and how they are being utilized in the Venezuela context to— 3 (1) the Committee on Foreign Relations of the Senate; the Committee on Appropriations of the 6 Senate; 7 (3) the Committee on Foreign Affairs of the 8 House of Representatives; and 9 (4) the Committee on Appropriations of the 10 House of Representatives. 11 (c) AUTHORIZATION OF APPROPRIATIONS.—There is 12 authorized to be appropriated to the Secretary of State 13 \$10,000,000 for fiscal year 2018 to carry out the activities described in subsection (a) in accordance with this section. 14 15 (d) Briefings.—Upon a request from one of the committees listed in subsection (b), the Secretary of State 16 and the Administrator of the United States Agency for International Development shall brief the committee on 18 the progress made in implementing the plan submitted 19 20 under subsection (b). 21 SEC. 5. REQUIREMENT FOR STRATEGY TO COORDINATE 22 **INTERNATIONAL HUMANITARIAN ASSIST-**23 ANCE. 24 (a) Sense of Congress.—It is the sense of Con-

gress that the appropriate United Nations humanitarian

- agencies should conduct and publish an independent as-2 sessment on— 3 (1) the extent and impact of the shortages of food and medicine in Venezuela; and (2) the efforts needed to resolve such shortages. 6 (b) STRATEGY.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State, 8 in consultation with the Administrator of the United States Agency for International Development, shall submit 10 a multi-year strategy to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives that— (1) describes how the United States will secure 13 14 support from international donors, including re-15 gional partners in Latin America and the Caribbean, 16 for the provision of humanitarian assistance to the 17 people of Venezuela; and
 - (2) identifies governments that are willing to provide financial and technical assistance for the provision of such humanitarian assistance to the people of Venezuela and a description of such assistance.
- (c) Briefings.—Upon a request from the Committee
 on Foreign Relations of the Senate or the Committee on
 Foreign Affairs of the House of Representatives, the Sec-

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| 1 | retary of State and the Administrator of the United States |
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| 2 | Agency for International Development shall brief such |
| 3 | committee on the progress made in implementing the |
| 4 | strategy submitted under subsection (b). |
| 5 | SEC. 6. SUPPORT FOR EFFORTS AT THE UNITED NATIONS |
| 6 | ON THE HUMANITARIAN AND POLITICAL CRI- |
| 7 | SIS IN VENEZUELA. |
| 8 | (a) Initial Efforts.—The President shall instruct |
| 9 | the Permanent Representative of the United States to the |
| 10 | United Nations to use the voice and vote of the United |
| 11 | States to secure the necessary votes— |
| 12 | (1) to place the humanitarian and political cri- |
| 13 | sis in Venezuela on the agenda of the United Na- |
| 14 | tions Security Council; and |
| 15 | (2) to secure a Presidential Statement from the |
| 16 | United Nations Security Council urging the Govern- |
| 17 | ment of Venezuela to allow the delivery of humani- |
| 18 | tarian relief and to lift bureaucratic impediments or |
| 19 | any other obstacles so that independent nongovern- |
| 20 | mental organizations can provide the proper assist- |
| 21 | ance to the people of Venezuela without any inter- |
| 22 | ference by such government. |
| 23 | (b) Additional Efforts.— |
| 24 | (1) In general.—If the Government of Ven- |
| 25 | ezuela refuses to allow the delivery of humanitarian |

| 1 | relief and lift bureaucratic impediments and any |
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| 2 | other obstacles described in subsection (a)(2), then |
| 3 | beginning not later than 30 days after the conclu- |
| 4 | sion of the efforts of the United Nations described |
| 5 | in such subsection, the President shall instruct the |
| 6 | Permanent Representative of the United States to |
| 7 | the United Nations to use the voice and vote of the |
| 8 | United States to secure the adoption of a resolution |
| 9 | of the United Nations Security Council described in |
| 10 | paragraph (2). |
| 11 | (2) RESOLUTION DESCRIBED.—The resolution |
| 12 | of the United Nations Security Council described in |
| 13 | paragraph (1) is a resolution— |
| 14 | (A) directing the Government of Venezuela |
| 15 | to promptly allow safe and unhindered access |
| 16 | for humanitarian agencies and their imple- |
| 17 | menting partners, including possible support |
| 18 | from neighboring countries; and |
| 19 | (B) calling on the Government of Ven- |
| 20 | ezuela to— |
| 21 | (i) allow the delivery of food and med- |
| 22 | icine; |
| 23 | (ii) end human rights violations; |

| 1 | (iii) agree to free, fair and trans- |
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| 2 | parent elections with credible international |
| 3 | observers; |
| 4 | (iv) cease violence; and |
| 5 | (v) release all political prisoners. |
| 6 | SEC. 7. SUPPORT FOR ORGANIZATION OF AMERICAN |
| 7 | STATES INTER-AMERICAN DEMOCRATIC |
| 8 | CHARTER. |
| 9 | (a) FINDINGS.—Congress makes the following find- |
| 10 | ings: |
| 11 | (1) Article 1 of the Inter-American Democratic |
| 12 | Charter, adopted by the Organization of American |
| 13 | States in Lima on September 11, 2001, affirms, |
| 14 | "The peoples of the Americas have a right to democ- |
| 15 | racy and their governments have an obligation to |
| 16 | promote and defend it.". |
| 17 | (2) Article 19 of the Inter-American Demo- |
| 18 | cratic Charter states "an unconstitutional interrup- |
| 19 | tion of the democratic order or an unconstitutional |
| 20 | alteration of the constitutional regime that seriously |
| 21 | impairs the democratic order in a member state, |
| 22 | constitutes, while it persists, an insurmountable ob- |
| 23 | stacle to its government's participation in sessions of |
| 24 | the General Assembly and other bodies of the |
| 25 | Organization.". |

| 1 | (3) Article 20 of the Inter-American Demo- |
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| 2 | cratic Charter provides— |
| 3 | (A) "In the event of an unconstitutional al- |
| 4 | teration of the constitutional regime that seri- |
| 5 | ously impairs the democratic order in a member |
| 6 | state, any member state or the Secretary Gen- |
| 7 | eral may request the immediate convocation of |
| 8 | the Permanent Council to undertake a collective |
| 9 | assessment of the situation and to take such de- |
| 10 | cisions as it deems appropriate."; and |
| 11 | (B) "The Permanent Council, depending |
| 12 | on the situation, may undertake the necessary |
| 13 | diplomatic initiatives, including good offices, to |
| 14 | foster the restoration of democracy.". |
| 15 | (b) Sense of Congress.—It is the sense of Con- |
| 16 | gress that— |
| 17 | (1) Nicolás Maduro and the Supreme Tribunal |
| 18 | of Justice of Venezuela have carried out systematic |
| 19 | efforts to undermine, block, and circumvent the au- |
| 20 | thorities and responsibilities of the Venezuelan Na- |
| 21 | tional Assembly as mandated in the Constitution of |
| 22 | the Bolivarian Republic of Venezuela; |
| 23 | (2) such efforts by Nicolás Maduro and the Su- |
| 24 | preme Tribunal of Justice of Venezuela amount to |
| 25 | an unconstitutional alternation of the constitutional |

| 1 | regime that seriously impairs the democratic order |
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| 2 | in Venezuela; and |
| 3 | (3) the Secretary of State, working through the |
| 4 | United States Permanent Mission to the Organiza- |
| 5 | tion of American States, should take additional steps |
| 6 | to support ongoing efforts by the Secretary General |
| 7 | of the Organization of American States— |
| 8 | (A) to invoke the Inter-American Demo- |
| 9 | cratic Charter; |
| 10 | (B) to advance a collective assessment of |
| 11 | the situation in Venezuela; and |
| 12 | (C) to promote diplomatic initiatives to |
| 13 | foster the restoration of Venezuelan democracy. |
| 14 | SEC. 8. SUPPORT FOR INTERNATIONAL ELECTION OBSER- |
| 15 | VATION MISSIONS AND DEMOCRATIC CIVIL |
| 16 | SOCIETY IN VENEZUELA. |
| 17 | (a) In General.—Subject to the availability of ap- |
| 18 | propriations, the Secretary of State, in coordination with |
| 19 | the Administrator of the United States Agency for Inter- |
| 20 | national Development, shall work— |
| 21 | (1) with the Organization of American States |
| 22 | and other entities to ensure credible international |
| 23 | observation that contributes to free, fair, and trans- |
| 24 | parent democratic electoral processes in Venezuela; |
| 25 | and |

| 1 | (2) directly, or through independent nongovern- |
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| 2 | mental organizations— |
| 3 | (A) to defend internationally recognized |
| 4 | human rights for the people of Venezuela; |
| 5 | (B) to support the efforts of independent |
| 6 | media outlets to broadcast, distribute, and |
| 7 | share information beyond the limited channels |
| 8 | made available by the Government of Ven- |
| 9 | ezuela; |
| 10 | (C) to facilitate open and uncensored ac- |
| 11 | cess to the Internet for the people of Venezuela; |
| 12 | and |
| 13 | (D) to combat corruption and improve the |
| 14 | transparency and accountability of institutions |
| 15 | that are part of the Government of Venezuela. |
| 16 | (b) VOICE AND VOTE AT THE OAS.—The Secretary |
| 17 | of State, acting through the United States Permanent |
| 18 | Representative to the Organization of American States, |
| 19 | should advocate and build diplomatic support for sending |
| 20 | an election observation mission to Venezuela to ensure |
| 21 | that democratic electoral processes are organized and car- |
| 22 | ried out in a free, fair, and transparent manner. |
| 23 | (c) Authorization of Appropriations.—There |
| 24 | are authorized to be appropriated to the Secretary of State |
| 25 | for fiscal year 2018— |

| 1 | (1) \$500,000 to carry out the activities set |
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| 2 | forth in subsection $(a)(1)$; and |
| 3 | (2) \$9,500,000 to carry out the activities set |
| 4 | forth in subsection (a)(2). |
| 5 | (d) Briefings.—Upon a request from one of the |
| 6 | committees listed in subsection (c), the Secretary of State |
| 7 | and the Administrator of the United States Agency for |
| 8 | International Development shall brief the committee on |
| 9 | the progress made in implementing the strategy submitted |
| 10 | under subsection (c). |
| 11 | SEC. 9. CONCERNS AND REPORT ON THE INVOLVEMENT OF |
| 12 | VENEZUELAN OFFICIALS IN CORRUPTION |
| 10 | AND HELICITE NAD COMECC TO A DELCTING |
| 13 | AND ILLICIT NARCOTICS TRAFFICKING. |
| 13 14 | (a) FINDINGS.—Congress makes the following find- |
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| 14 | (a) FINDINGS.—Congress makes the following find- |
| 14 15 | (a) FINDINGS.—Congress makes the following findings: |
| 14 15 16 | (a) FINDINGS.—Congress makes the following findings:(1) The deterioration of governance in Ven- |
| 14 15 16 17 | (a) FINDINGS.—Congress makes the following findings:(1) The deterioration of governance in Venezuela has been exacerbated by the involvement of |
| 14 15 16 17 18 | (a) FINDINGS.—Congress makes the following findings: (1) The deterioration of governance in Venezuela has been exacerbated by the involvement of senior officials of the Government of Venezuela, in- |
| 14 15 16 17 18 | (a) FINDINGS.—Congress makes the following findings: (1) The deterioration of governance in Venezuela has been exacerbated by the involvement of senior officials of the Government of Venezuela, including members of the National Electoral Council, |
| 14 15 16 17 18 19 20 | (a) FINDINGS.—Congress makes the following findings: (1) The deterioration of governance in Venezuela has been exacerbated by the involvement of senior officials of the Government of Venezuela, including members of the National Electoral Council, the judicial system, and the Venezuelan security |
| 14 15 16 17 18 19 20 21 | (a) FINDINGS.—Congress makes the following findings: (1) The deterioration of governance in Venezuela has been exacerbated by the involvement of senior officials of the Government of Venezuela, including members of the National Electoral Council, the judicial system, and the Venezuelan security forces, in acts of corruption and illicit narcotics traf- |
| 14 15 16 17 18 19 20 21 | (a) FINDINGS.—Congress makes the following findings: (1) The deterioration of governance in Venezuela has been exacerbated by the involvement of senior officials of the Government of Venezuela, including members of the National Electoral Council, the judicial system, and the Venezuelan security forces, in acts of corruption and illicit narcotics trafficking and related money laundering. |

- 1 been siphoned from Venezuela's public oil company,
- 2 Petróleos de Venezuela S.A., in conjunction with its
- designation of the Banca Privada d'Andorra as a
- 4 Foreign Financial Institution of Primary Money
- 5 Laundering Concern.
- 6 (3) On August 1, 2016, General Nestor
- Reverol, Venezuela's current Minister of Interior and
- 8 former National Guard commander, was indicted in
- 9 a United States district court for participating in an
- international cocaine trafficking conspiracy.
- 11 (4) On November 18, 2016, Franqui Francisco
- 12 Flores de Freitas and Efrain Antonio Campo Flores,
- 13 nephews of Nicolás Maduro and Venezuelan First
- Lady Cilia Flores, were convicted in a United States
- district court on charges of conspiring to import co-
- caine into the United States.
- 17 (5) On February 13, 2017, the Department of
- the Treasury's Office of Foreign Assets Control des-
- ignated Tareck Zaidan El Aissami Maddah for his
- involvement in illicit narcotics trafficking, pursuant
- 21 to the Foreign Narcotics Kingpin Designation Act
- 22 (21 U.S.C. 1901 et seq.; title VIII of Public Law
- 23 106–120).
- 24 (6) The Department of the Treasury's Office of
- Foreign Assets Control has designated additional in-

| 1 | dividuals and senior Venezuelan officials for their in- |
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| 2 | volvement in illicit narcotics trafficking, pursuant to |
| 3 | such Act, including— |
| 4 | (A) Venezuelan national Samark Jose |
| 5 | Lopez Bello, who is the primary front man and |
| 6 | money launderer for Tareck Zaidan El Aissam |
| 7 | Maddah; |
| 8 | (B) Hugo Armando Carvajal Barrios, who |
| 9 | is the current National Assembly Deputy and |
| 10 | the former Director of Venezuela's Military In- |
| 11 | telligence Directorate; |
| 12 | (C) Henry de Jesus Rangel Silva, who is |
| 13 | the current Governor of Trujillo State and the |
| 14 | former Director of Venezuela's Directorate of |
| 15 | Intelligence and Prevention Services; |
| 16 | (D) Ramon Emilio Rodriguez Chacin, who |
| 17 | previously served as the Minister of Interior |
| 18 | and |
| 19 | (E) Freddy Alirio Bernal Rosales, who pre- |
| 20 | viously served as the Mayor of the Libertador |
| 21 | municipality of Caracas. |
| 22 | (b) DEFINITIONS.—In this section: |
| 23 | (1) CORRUPTION.—The term "corruption" |
| 24 | means the extent to which public power is exercised |

- for private gain, including by bribery, nepotism,
 fraud, or embezzlement.
 - (2) Grand corruption.—The term "grand corruption" means corruption committed at a high level of government that—
- 6 (A) distorts policies or the central func-7 tioning of the country; and
- 8 (B) enables leaders to benefit at the expense of the public good.

(c) Reporting Requirement.—

- (1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State, acting through the Bureau of Intelligence and Research, and in consultation with the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 3003(4))), shall submit a report to Congress that describes the involvement of senior officials of the Government of Venezuela, including members of the National Electoral Council, the judicial system, and the Venezuela, with a specific emphasis on acts of grand corruption.
- (2) Additional elements.—The report submitted under paragraph (1) shall—

| 1 | (A) describe how the acts of corruption de- |
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| 2 | scribed in the report pose direct challenges for |
| 3 | United States national security and inter- |
| 4 | national security; |
| 5 | (B) identify individuals that frustrate the |
| 6 | ability of the United States to combat illicit |
| 7 | narcotics trafficking; and |
| 8 | (C) include input from the Drug Enforce- |
| 9 | ment Administration, the Office of Foreign As- |
| 10 | sets Control, and the Financial Crimes Enforce- |
| 11 | ment Network. |
| 12 | (3) FORM.—The report under paragraph (1) |
| 13 | shall be submitted in unclassified form, but may in- |
| 14 | clude a classified annex. The unclassified portion of |
| 15 | the report shall be made available to the public. |
| 16 | SEC. 10. SANCTIONS ON PERSONS RESPONSIBLE FOR PUB- |
| 17 | LIC CORRUPTION AND UNDERMINING DEMO- |
| 18 | CRATIC GOVERNANCE IN VENEZUELA. |
| 19 | (a) FINDING.—Executive Order 13692 (50 U.S.C. |
| 20 | 1701 note), which was signed on March 8, 2015, estab- |
| 21 | lished sanctions against individuals responsible for under- |
| 22 | mining democratic processes and institutions and involved |
| 23 | in acts of public corruption that were not included in the |
| 24 | Venezuela Defense of Human Rights and Civil Society Act |
| 25 | of 2014 (Public Law 113–278). |

| 1 | (b) Sanctions.—Section 5 of the Venezuela Defense |
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| 2 | of Human Rights and Civil Society Act of 2014 (Public |
| 3 | Law 113–278) is amended— |
| 4 | (1) in subsection (a)— |
| 5 | (A) in paragraph (2), by striking "or" at |
| 6 | the end; |
| 7 | (B) by redesignating paragraph (3) as |
| 8 | paragraph (5); and |
| 9 | (C) by inserting after paragraph (2) the |
| 10 | following: |
| 11 | "(3) has perpetrated, or is responsible for or- |
| 12 | dering or otherwise directing, significant actions or |
| 13 | policies that undermine democratic processes or in- |
| 14 | stitutions; |
| 15 | "(4) has perpetrated, or is responsible for or- |
| 16 | dering or otherwise directing, significant acts of pub- |
| 17 | lic corruption; or"; |
| 18 | (2) by redesignating subsections (e) and (f) as |
| 19 | subsections (f) and (g), respectively; |
| 20 | (3) by inserting after subsection (d) the fol- |
| 21 | lowing: |
| 22 | "(e) Briefings.—Upon a request from the Com- |
| 23 | mittee on Foreign Relations of the Senate or the Com- |
| 24 | mittee on Foreign Affairs of the House of Representatives, |
| 25 | the Secretary of State, in conjunction with the Secretary |

- 1 of the Treasury, shall offer a classified briefing on the ef-
- 2 forts to impose sanctions under this section and the im-
- 3 pact of such sanctions."; and
- 4 (4) in subsection (f), as redesignated, by strik-
- 5 ing "December 31, 2019" and inserting "December
- 6 31, 2022".
- 7 (c) Sense of Congress.—It is the sense of Con-
- 8 gress that the President and Secretary of State should
- 9 seek to encourage partner countries of the Organization
- 10 of American States and the United Nations to impose
- 11 sanctions with respect to Venezuelan individuals that are
- 12 similar to sanctions imposed by the United States with
- 13 respect to such Venezuelan individuals.
- 14 SEC. 11. CONCERNS OVER PDVSA TRANSACTIONS WITH
- 15 ROSNEFT.
- 16 (a) FINDINGS.—Congress makes the following find-
- 17 ings:
- 18 (1) In late 2016, Venezuelan state-owned oil
- 19 company Petróleos de Venezuela, S.A. (referred to in
- 20 this section as "PDVSA", through a no-compete
- 21 transaction, secured a loan from Russian govern-
- 22 ment-controlled oil company Rosneft, using 49.9 per-
- cent of PDVSA's American subsidiary, CITGO Pe-
- troleum Corporation, including its assets in the
- 25 United States, as collateral. As a result of this

- transaction, 100 percent of CITGO is held as collat eral by PDVSA's creditors.
- (2) CITGO, a wholly owned subsidiary of PDVSA, is engaged in interstate commerce and owns and controls critical energy infrastructure in 19 States in the United States, including an exten-sive network of pipelines, 48 terminals, and 3 refin-eries, with a combined oil refining capacity of 749,000 barrels per day. CITGO's refinery in Lake Charles, Louisiana is the sixth largest refinery in the United States.
 - (3) The Department of the Treasury imposed sanctions on Rosneft, which is controlled by the Russian Government, and its Executive Chairman, Igor Sechin, following Russia's military invasion of Ukraine and its illegal annexation of Crimea in 2014.
 - (4) The Department of Homeland Security has designated the energy sector as critical to United States infrastructure.
 - (5) The growing economic crisis in Venezuela raises the probability that the Government of Venezuela and PDVSA will default on their international debt obligations, resulting in a scenario in

- which Rosneft could come into control of CITGO's
- 2 United States energy infrastructure holdings.
- 3 (b) Sense of Congress.—It is the sense of Con-
- 4 gress that—

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- 5 (1) control of critical United States energy in-6 frastructure by Rosneft, a Russian government-con-7 trolled entity currently under United States sanc-8 tions, would pose a significant risk to United States
- 9 national security and energy security;
- 10 (2) the President should take all necessary 11 steps to prevent Rosneft from gaining control of 12 critical United States interstate energy infrastruc-13 ture;
 - (3) a default by PDVSA on its loan from Rosneft, resulting in Rosneft coming into possession of PDVSA's United States CITGO assets, would warrant careful consideration by the Committee on Foreign Investment in the United States;
 - (4) if PDVSA defaults on its debt obligations, the Department of the Treasury's Office of Foreign Asset Control should review CITGO's transactions with United States persons to assess and ensure compliance with United States sanctions policies and regulations; and

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| 1 | (5) the Department of Homeland Security |
| 2 | should conduct an assessment of the security risks |
| 3 | posed by foreign control of CITGO's United States |
| 4 | energy infrastructure holdings. |
| 5 | SEC. 12. REPORT ON GOVERNMENT OF THE RUSSIAN FED |
| 6 | ERATION'S ACTIVITIES IN VENEZUELA. |
| 7 | (a) In General.—Not later than 180 days after the |
| 8 | date of the enactment of this Act, the Secretary of State |
| 9 | acting through the Bureau of Intelligence and Research |
| 10 | of the Department of State and in consultation with the |
| 11 | intelligence community, shall submit to Congress a report |
| 12 | that describes the full extent of the Government of the |
| 13 | Russian Federation's cooperation with the Government of |
| 14 | Venezuela and the Venezuelan armed forces. |
| 15 | (b) FORM.—The report under subsection (a) shall be |
| 16 | submitted in unclassified form, but may include a classi- |
| 17 | fied annex. The unclassified portion of the report shall be |
| 18 | made available to the public. |
| 19 | (c) Definition.—In this section, the term "intel- |
| 20 | ligence community" has the meaning given such term in |

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section 3(4) of the National Security Act of 1947 (50

22 U.S.C. 3003(4)).