

Manager's Amendment

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—117th Cong., 1st Sess.**S. 1041**

To advance the strategic alignment of United States diplomatic tools toward the realization of free, fair, and transparent elections in Nicaragua and to reaffirm the commitment of the United States to protect the fundamental freedoms and human rights of the people of Nicaragua, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended
to be proposed by Mr. MENENDEZ

Viz:

1 Strike all after the enacting clause and insert the fol-
2 lowing:

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

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Reinforcing Nicaragua’s Adherence to Conditions for
6 Electoral Reform Act of 2021” or the “RENACER Act”.

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

Sec. 1. Short title; table of contents.

Sec. 2. Sense of Congress.

- Sec. 3. Review of participation of Nicaragua in Dominican Republic-Central America-United States Free Trade Agreement.
- Sec. 4. Restrictions on international financial institutions relating to Nicaragua.
- Sec. 5. Targeted sanctions to advance democratic elections.
- Sec. 6. Developing and implementing a coordinated sanctions strategy with diplomatic partners.
- Sec. 7. Inclusion of Nicaragua in list of countries subject to certain sanctions relating to corruption.
- Sec. 8. Classified report on the involvement of Ortega family members and Nicaraguan government officials in corruption.
- Sec. 9. Classified report on the activities of the Russian Federation in Nicaragua.
- Sec. 10. Imposition of sanctions under section 231 of Countering America's Adversaries Through Sanctions Act with respect to Government of Nicaragua.
- Sec. 11. Report on human rights abuses in Nicaragua.
- Sec. 12. Supporting independent news media and freedom of information in Nicaragua.
- Sec. 13. Amendment to short title of Public Law 115-335.
- Sec. 14. Definition.

1 SEC. 2. SENSE OF CONGRESS.

2 It is the sense of Congress that—

3 (1) ongoing efforts by the government of Presi-
4 dent Daniel Ortega in Nicaragua to suppress the
5 voice and actions of political opponents through in-
6 timidation and unlawful detainment, civil society,
7 and independent news media violate the fundamental
8 freedoms and basic human rights of the people of
9 Nicaragua;

10 (2) Congress unequivocally condemns the politi-
11 cally motivated and unlawful detention of presi-
12 dential candidates Cristiana Chamorro, Arturo Cruz,
13 Felix Maradiaga, and Juan Sebastian Chamorro;

14 (3) Congress unequivocally condemns the pas-
15 sage of the Foreign Agents Regulation Law, the
16 Special Cybercrimes Law, the Self-Determination

1 Law, and the Consumer Protection Law by the Na-
2 tional Assembly of Nicaragua, which represent clear
3 attempts by the Ortega government to curtail the
4 fundamental freedoms and basic human rights of the
5 people of Nicaragua;

6 (4) Congress recognizes that free, fair, and
7 transparent elections predicated on robust reform
8 measures and the presence of domestic and inter-
9 national observers represent the best opportunity for
10 the people of Nicaragua to restore democracy and
11 reach a peaceful solution to the political and social
12 crisis in Nicaragua;

13 (5) the United States recognizes the right of
14 the people of Nicaragua to freely determine their
15 own political future as vital to ensuring the sustain-
16 able restoration of democracy in their country;

17 (6) the United States should align the use of
18 diplomatic engagement and all other foreign policy
19 tools, including the use of targeted sanctions, in sup-
20 port of efforts by democratic political actors and
21 civil society in Nicaragua to advance the necessary
22 conditions for free, fair, and transparent elections in
23 Nicaragua;

1 (7) the United States, in order to maximize the
2 effectiveness of efforts described in paragraph (6),
3 should—

4 (A) coordinate with diplomatic partners,
5 including the Government of Canada, the Euro-
6 pean Union, and partners in Latin America and
7 the Caribbean;

8 (B) advance diplomatic initiatives in con-
9 sultation with the Organization of American
10 States and the United Nations; and

11 (C) thoroughly investigate the assets and
12 holdings of the Nicaraguan Armed Forces in
13 the United States and consider appropriate ac-
14 tions to hold such forces accountable for gross
15 violations of human rights; and

16 (8) pursuant to section 6(b) of the Nicaragua
17 Investment Conditionality Act of 2018, the Presi-
18 dent should waive the application of restrictions
19 under section 4 of that Act and the sanctions under
20 section 5 of that Act if the Secretary of State cer-
21 tifies that the Government of Nicaragua is taking
22 the steps identified in section 6(a) of that Act, in-
23 cluding taking steps to “to hold free and fair elec-
24 tions overseen by credible domestic and international
25 observers”.

1 **SEC. 3. REVIEW OF PARTICIPATION OF NICARAGUA IN DO-**
2 **MINICAN REPUBLIC-CENTRAL AMERICA-**
3 **UNITED STATES FREE TRADE AGREEMENT.**

4 (a) FINDINGS.—Congress makes the following find-
5 ings:

6 (1) On November 27, 2018, the President
7 signed Executive Order 13851 (50 U.S.C. 1701
8 note; relating to blocking property of certain persons
9 contributing to the situation in Nicaragua), which
10 stated that “the situation in Nicaragua, including
11 the violent response by the Government of Nica-
12 ragua to the protests that began on April 18, 2018,
13 and the Ortega regime’s systematic dismantling and
14 undermining of democratic institutions and the rule
15 of law, its use of indiscriminate violence and repres-
16 sive tactics against civilians, as well as its corruption
17 leading to the destabilization of Nicaragua’s econ-
18 omy, constitutes an unusual and extraordinary
19 threat to the national security and foreign policy of
20 the United States”.

21 (2) Article 21.2 of the Dominican Republic-
22 Central America-United States Free Trade Agree-
23 ment approved by Congress under section 101(a)(1)
24 of the Dominican Republic-Central America-United
25 States Free Trade Agreement Implementation Act
26 (19 U.S.C. 4011(a)(1)) states, “Nothing in this

1 Agreement shall be construed . . . to preclude a
2 Party from applying measures that it considers nec-
3 essary for the fulfillment of its obligations with re-
4 spect to the maintenance or restoration of inter-
5 national peace or security, or the protection of its
6 own essential security interests.”.

7 (b) SENSE OF CONGRESS.—It is the sense of Con-
8 gress that the President should review the continued par-
9 ticipation of Nicaragua in the Dominican Republic-Central
10 America-United States Free Trade Agreement if the Gov-
11 ernment of Nicaragua continues to tighten its authori-
12 tarian rule in an attempt to subvert democratic elections
13 in November 2021 and undermine democracy and human
14 rights in Nicaragua.

15 **SEC. 4. RESTRICTIONS ON INTERNATIONAL FINANCIAL IN-**
16 **STITUTIONS RELATING TO NICARAGUA.**

17 Section 4 of the Nicaragua Investment Conditionality
18 Act of 2018 is amended—

19 (1) by redesignating subsections (a), (b), and
20 (c) as subsections (b), (c), and (d), respectively;

21 (2) by inserting before subsection (b), as redес-
22 igned by paragraph (1), the following:

23 “(a) SENSE OF CONGRESS.—It is the sense of Con-
24 gress that the Secretary of the Treasury should take all
25 possible steps, including through the full implementation

1 of the exceptions set forth in subsection (c), to ensure that
2 the restrictions required under subsection (b) do not nega-
3 tively impact the basic human needs of the people of Nica-
4 ragua.”;

5 (3) in subsection (c), as so redesignated, by
6 striking “subsection (a)” and inserting “subsection
7 (b)”;

8 (4) by striking subsection (d), as so redesign-
9 ated, and inserting the following:

10 “(d) INCREASED OVERSIGHT.—

11 “(1) IN GENERAL.—The United States Execu-
12 tive Director at each international financial institu-
13 tion of the World Bank Group, the United States
14 Executive Director at the Inter-American Develop-
15 ment Bank, and the United States Executive Direc-
16 tor at each other international financial institution,
17 including the International Monetary Fund, shall
18 take all practicable steps—

19 “(A) to increase scrutiny of any loan or fi-
20 nancial or technical assistance provided for a
21 project in Nicaragua; and

22 “(B) to ensure that the loan or assistance
23 is administered through an entity with full tech-
24 nical, administrative, and financial independ-
25 ence from the Government of Nicaragua.

1 “(2) MECHANISMS FOR INCREASED SCRUTINY.—The United States Executive Director at
2 each international financial institution described in
3 paragraph (1) shall use the voice, vote, and influence
4 of the United States to encourage that institution to
5 increase oversight mechanisms for new and existing
6 loans or financial or technical assistance provided
7 for a project in Nicaragua.

8 “(e) INTERAGENCY CONSULTATION.—Before imple-
9 menting the restrictions described in subsection (b), or be-
10 fore exercising an exception under subsection (c), the Sec-
11 retary of the Treasury shall consult with the Secretary of
12 State and with the Administrator of the United States
13 Agency for International Development to ensure that all
14 loans and financial or technical assistance to Nicaragua
15 are consistent with United States foreign policy objectives
16 as defined in section 3.

17 “(f) REPORT.—Not later than 180 days after the
18 date of the enactment of the RENACER Act, and annu-
19 ally thereafter until the termination date specified in sec-
20 tion 10, the Secretary of the Treasury, in coordination
21 with the Secretary of State and the Administrator of the
22 United States Agency for International Development, shall
23 submit to the appropriate congressional committees a re-
24

1 port on the implementation of this section, which shall in-
2 clude—

3 “(1) summary of any loans and financial and
4 technical assistance provided by international finan-
5 cial institutions for projects in Nicaragua;

6 “(2) a description of the implementation of the
7 restrictions described in subsection (b);

8 “(3) an identification of the occasions in which
9 the exceptions under subsection (c) are exercised
10 and an assessment of how the loan or assistance
11 provided with each such exception may address basic
12 human needs or promote democracy in Nicaragua;

13 “(4) a description of the results of the in-
14 creased oversight conducted under subsection (d);
15 and

16 “(5) a description of international efforts to ad-
17 dress the humanitarian needs of the people of Nica-
18 ragua.”.

19 **SEC. 5. TARGETED SANCTIONS TO ADVANCE DEMOCRATIC**
20 **ELECTIONS.**

21 (a) COORDINATED STRATEGY.—

22 (1) IN GENERAL.—The Secretary of State and
23 the Secretary of the Treasury, in consultation with
24 the intelligence community (as defined in section 3
25 of the National Security Act of 1947 (50 U.S.C.

1 3003)), shall develop and implement a coordinated
2 strategy to align diplomatic engagement efforts with
3 the implementation of targeted sanctions in order to
4 support efforts to facilitate the necessary conditions
5 for free, fair, and transparent elections in Nica-
6 ragua.

7 (2) BRIEFING REQUIRED.—Not later than 90
8 days after the date of the enactment of this Act, and
9 every 90 days thereafter until December 31, 2022,
10 the Secretary of State and the Secretary of the
11 Treasury shall brief the Committee on Foreign Rela-
12 tions of the Senate and the Committee on Foreign
13 Affairs of the House of Representatives on steps to
14 be taken by the United States Government to de-
15 velop and implement the coordinated strategy re-
16 quired by paragraph (1).

17 (b) TARGETED SANCTIONS PRIORITIZATION.—

18 (1) IN GENERAL.—Pursuant to the coordinated
19 strategy required by subsection (a), the President
20 shall prioritize the implementation of the targeted
21 sanctions required under section 5 of the Nicaragua
22 Investment Conditionality Act of 2018.

23 (2) TARGETS.—In carrying out paragraph (1),
24 the President—

1 (A) shall examine whether foreign persons
2 involved in directly or indirectly obstructing the
3 establishment of conditions necessary for the
4 realization of free, fair, and transparent elec-
5 tions in Nicaragua are subject to sanctions
6 under section 5 of the Nicaragua Investment
7 Conditionality Act of 2018; and

8 (B) should, in particular, examine whether
9 the following persons have engaged in conduct
10 subject to such sanctions:

11 (i) Officials in the government of
12 President Daniel Ortega.

13 (ii) Family members of President
14 Daniel Ortega.

15 (iii) High-ranking members of the Na-
16 tional Nicaraguan Police.

17 (iv) High-ranking members of the
18 Nicaraguan Armed Forces.

19 (v) Members of the Supreme Electoral
20 Council of Nicaragua.

21 (vi) Officials of the Central Bank of
22 Nicaragua.

23 (vii) Party members and elected offi-
24 cials from the Sandinista National Libera-
25 tion Front and their family members.

1 (viii) Individuals or entities affiliated
2 with businesses engaged in corrupt finan-
3 cial transactions with officials in the gov-
4 ernment of President Daniel Ortega, his
5 party, or his family.

6 (ix) Individuals identified in the re-
7 port required by section 8 as involved in
8 significant acts of public corruption in
9 Nicaragua.

10 **SEC. 6. DEVELOPING AND IMPLEMENTING A COORDINATED**
11 **SANCTIONS STRATEGY WITH DIPLOMATIC**
12 **PARTNERS.**

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

15 (1) On June 21, 2019, the Government of Can-
16 ada, pursuant to its Special Economic Measures Act,
17 designated 9 officials of the Government of Nica-
18 ragua for the imposition of sanctions in response to
19 gross and systematic human rights violations in
20 Nicaragua.

21 (2) On May 4, 2020, the European Union im-
22 posed sanctions with respect to 6 officials of the
23 Government of Nicaragua identified as responsible
24 for serious human rights violations and for the re-

1 pression of civil society and democratic opposition in
2 Nicaragua.

3 (3) On October 12, 2020, the European Union
4 extended its authority to impose restrictive measures
5 on “persons and entities responsible for serious
6 human rights violations or abuses or for the repres-
7 sion of civil society and democratic opposition in
8 Nicaragua, as well as persons and entities whose ac-
9 tions, policies or activities otherwise undermine de-
10 mocracy and the rule of law in Nicaragua, and per-
11 sons associated with them”.

12 (b) SENSE OF CONGRESS.—It is the sense of Con-
13 gress that the United States should encourage the Govern-
14 ment of Canada, the European Union and governments
15 of members countries of the European Union, and govern-
16 ments of countries in Latin America and the Caribbean
17 to use targeted sanctions with respect to persons involved
18 in human rights violations and the obstruction of free,
19 fair, and transparent elections in Nicaragua.

20 (c) COORDINATING INTERNATIONAL SANCTIONS.—
21 The Secretary of State, working through the head of the
22 Office of Sanctions Coordination established by section
23 1(h) of the State Department Basic Authorities Act of
24 1956 (22 U.S.C. 2651a(h)), and in consultation with the
25 Secretary of the Treasury, shall engage in diplomatic ef-

1 forts with governments of countries that are partners of
2 the United States, including the Government of Canada,
3 governments of countries in the European Union, and gov-
4 ernments of countries in Latin America and the Carib-
5 bean, to impose targeted sanctions with respect to the per-
6 sons described in section 5(b) in order to advance demo-
7 cratic elections in Nicaragua.

8 (d) BRIEFING REQUIREMENT.—Not later than 90
9 days after the date of the enactment of this Act, and every
10 90 days thereafter until December 31, 2022, the Secretary
11 of State, in consultation with the Secretary of the Treas-
12 ury, shall brief the Committee on Foreign Relations of the
13 Senate and the Committee on Foreign Affairs of the
14 House of Representatives on the implementation of this
15 section.

16 **SEC. 7. INCLUSION OF NICARAGUA IN LIST OF COUNTRIES**
17 **SUBJECT TO CERTAIN SANCTIONS RELATING**
18 **TO CORRUPTION.**

19 Section 353 of title III of division FF of the Consoli-
20 dated Appropriations Act, 2021 (Public Law 116–260) is
21 amended—

22 (1) in the section heading, by striking “**AND**
23 **HONDURAS**” and inserting “**, HONDURAS, AND**
24 **NICARAGUA**”; and

1 (2) pose challenges for United States national
2 security and regional stability;

3 (3) impede the realization of free, fair, and
4 transparent elections in Nicaragua; and

5 (4) violate the fundamental freedoms of civil so-
6 ciety and political opponents in Nicaragua.

7 (b) APPROPRIATE CONGRESSIONAL COMMITTEES.—

8 In this section, the term “appropriate congressional com-
9 mittees” means—

10 (1) the Committee on Foreign Relations and
11 the Select Committee on Intelligence of the Senate;
12 and

13 (2) the Committee on Foreign Affairs and the
14 Permanent Select Committee on Intelligence of the
15 House of Representatives.

16 **SEC. 9. CLASSIFIED REPORT ON THE ACTIVITIES OF THE**
17 **RUSSIAN FEDERATION IN NICARAGUA.**

18 (a) REPORT REQUIRED.—Not later than 90 days
19 after the date of the enactment of this Act, the Secretary
20 of State, acting through the Bureau of Intelligence and
21 Research of the Department of State, and in coordination
22 with the Director of National Intelligence, shall submit a
23 classified report to the appropriate congressional commit-
24 tees on activities of the Government of the Russian Fed-
25 eration in Nicaragua, including—

1 (1) cooperation between Russian and Nica-
2 raguan military personnel, intelligence services, secu-
3 rity forces, and law enforcement, and private Rus-
4 sian security contractors;

5 (2) cooperation related to telecommunications
6 and satellite navigation;

7 (3) other political and economic cooperation, in-
8 cluding with respect to banking, disinformation, and
9 election interference; and

10 (4) the threats and risks that such activities
11 pose to United States national interests and national
12 security.

13 (b) APPROPRIATE CONGRESSIONAL COMMITTEES.—

14 In this section, the term “appropriate congressional com-
15 mittees” means—

16 (1) the Committee on Foreign Relations and
17 the Select Committee on Intelligence of the Senate;
18 and

19 (2) the Committee on Foreign Affairs and the
20 Permanent Select Committee on Intelligence of the
21 House of Representatives.

1 **SEC. 10. IMPOSITION OF SANCTIONS UNDER SECTION 231**
2 **OF COUNTERING AMERICA'S ADVERSARIES**
3 **THROUGH SANCTIONS ACT WITH RESPECT**
4 **TO GOVERNMENT OF NICARAGUA.**

5 (a) REPORT REQUIRED.—

6 (1) IN GENERAL.—Not later than 90 days after
7 the date of the enactment of this Act, the Secretary
8 of State, acting through the Bureau of Intelligence
9 and Research of the Department of State, and in co-
10 ordination with the Director of National Intelligence
11 and the Director of the Defense Intelligence Agency,
12 shall submit to the Committee on Foreign Relations
13 of the Senate and the Committee on Foreign Affairs
14 of the House of Representatives a report that in-
15 cludes—

16 (A) a list of—

17 (i) all equipment, technology, or infra-
18 structure with respect to the military or in-
19 telligence sector of Nicaragua purchased,
20 on or after January 1, 2011, by the Gov-
21 ernment of Nicaragua from an entity iden-
22 tified by the Department of State under
23 section 231(e) of the Countering America's
24 Adversaries Through Sanctions Act (22
25 U.S.C. 9525(e)); and

1 (ii) all agreements with respect to the
2 military or intelligence sector of Nicaragua
3 entered into, on or after January 1, 2011,
4 by the Government of Nicaragua with an
5 entity described in clause (i); and

6 (B) a description of and date for each pur-
7 chase and agreement described in subparagraph
8 (A).

9 (2) CONSIDERATION.—The report required by
10 paragraph (1) shall be prepared after consideration
11 of the content of the report of the Defense Intel-
12 ligence Agency entitled, “Russia: Defense Coopera-
13 tion with Cuba, Nicaragua, and Venezuela” and
14 dated February 4, 2019.

15 (3) FORM OF REPORT.—The report required by
16 paragraph (1) shall be submitted in unclassified
17 form but may include a classified annex.

18 (b) REVIEW REQUIRED.—Not later than 30 days
19 after submitting the report required by subsection (a), the
20 Secretary of State, in coordination with the Director of
21 National Intelligence and the Director of the Defense In-
22 telligence Agency, shall—

23 (1) review whether any of the purchases or
24 agreements included in the list required by sub-
25 section (a)(1)(A) that occurred after August 2,

1 2017, qualify as significant transactions described in
2 section 231(a) of the Countering America’s Adver-
3 saries Through Sanctions Act (22 U.S.C. 9525(a));
4 and

5 (2) submit to the Committee on Foreign Rela-
6 tions of the Senate and the Committee on Foreign
7 Affairs of the House of Representatives a report on
8 the results of the review conducted under paragraph
9 (1).

10 (c) IMPOSITION OF SANCTIONS.—Pursuant to the re-
11 view conducted under subsection (b) and section 231 of
12 the Countering America’s Adversaries Through Sanctions
13 Act (22 U.S.C. 9525), the President shall impose 5 or
14 more of the sanctions described in section 235 of that Act
15 (22 U.S.C. 9529) with respect to each significant trans-
16 action identified pursuant to the review.

17 **SEC. 11. REPORT ON HUMAN RIGHTS ABUSES IN NICA-**
18 **RAGUA.**

19 (a) FINDINGS.—Congress finds that, since the June
20 2018 initiation of “Operation Clean-up”, an effort of the
21 government of Daniel Ortega to dismantle barricades con-
22 structed throughout Nicaragua during social demonstra-
23 tions in April 2018, the Ortega government has increased
24 its abuse of campesinos and members of indigenous com-

1 munities, including arbitrary detentions, torture, and sex-
2 ual violence as a form of intimidation.

3 (b) REPORT REQUIRED.—Not later than 90 days
4 after the date of the enactment of this Act, the Secretary
5 of State shall submit to the appropriate congressional
6 committees a report that documents the perpetration of
7 gross human rights violations by the Ortega government
8 against the citizens of Nicaragua, including campesinos
9 and indigenous communities in the interior of Nicaragua.

10 (c) ELEMENTS.—The report required by subsection
11 (b) shall—

12 (1) include a compilation of human rights viola-
13 tions committed by the Ortega government against
14 the citizens of Nicaragua, with a focus on such viola-
15 tions committed since April 2018, including human
16 rights abuses and extrajudicial killings in—

17 (A) the cities of Managua, Carazo, and
18 Masaya between April and June of 2018; and

19 (B) the municipalities of Wiwili, El Cuá,
20 San Jose de Bocay, and Santa Maria de
21 Pantasma in the Department of Jinotega,
22 Esquipulas in the Department of Rivas, and
23 Bilwi in the North Caribbean Coast Autono-
24 mous Region between 2018 and 2021;

1 Officer of the United States Agency for Global Media,
2 shall submit to Congress a report that includes—

3 (1) an evaluation of the governmental, political,
4 and technological obstacles faced by the people of
5 Nicaragua in their efforts to obtain accurate, objec-
6 tive, and comprehensive news and information about
7 domestic and international affairs; and

8 (2) a list of all TV channels, radio stations, on-
9 line news sites, and other media platforms operating
10 in Nicaragua that are directly or indirectly owned or
11 controlled by President Daniel Ortega, members of
12 the Ortega family, or known allies of the Ortega gov-
13 ernment.

14 (b) ELEMENTS.—The report required by subsection
15 (a) shall include—

16 (1) an assessment of the extent to which the
17 current level and type of news and related program-
18 ming and content provided by the Voice of America
19 and other sources is addressing the informational
20 needs of the people of Nicaragua;

21 (2) a description of existing United States ef-
22 forts to strengthen freedom of the press and freedom
23 of expression in Nicaragua, including recommenda-
24 tions to expand upon those efforts; and

1 (3) a strategy for strengthening independent
2 broadcasting, information distribution, and media
3 platforms in Nicaragua.

4 **SEC. 13. AMENDMENT TO SHORT TITLE OF PUBLIC LAW**
5 **115-335.**

6 Section 1(a) of the Nicaragua Human Rights and
7 Anticorruption Act of 2018 (Public Law 115-335; 50
8 U.S.C. 1701 note) is amended to read as follows:

9 “(a) **SHORT TITLE.**—This Act may be cited as the
10 ‘Nicaragua Investment Conditionality Act of 2018’ or the
11 ‘NICA Act’.”.

12 **SEC. 14. DEFINITION.**

13 In this Act, the term “Nicaragua Investment Condi-
14 tionality Act of 2018” means the Public Law 115-335 (50
15 U.S.C. 1701 note), as amended by section 13.