To identify and combat corruption in countries, to establish a tiered system of countries with respect to levels of corruption by their governments and their efforts to combat such corruption, and to assess United States assistance to designated countries in order to advance anti-corruption efforts in those countries and better serve United States taxpayers.

IN THE SENATE OF THE UNITED STATES

Mr. Cardin (for himself, Mr. Perdue, Mrs. Feinstein, Mr. Rubio, Mr. Blumenthal, Ms. Collins, Mr. Merkley, Mr. Booker, and Mr. Leahy) introduced the following bill; which was read twice and referred to the Committee on ...
SECTION 1. SHORT TITLE.

This Act may be cited as the "Combating Global Corruption Act of 2017".

SEC. 2. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Foreign Relations of the Senate;

(B) the Committee on Armed Services of the Senate;

(C) the Committee on Appropriations of the Senate;

(D) the Committee on Foreign Affairs of the House of Representatives;

(E) the Committee on Armed Services of the House of Representatives; and

(F) the Committee on Appropriations of the House of Representatives.

(2) CORRUPT ACTOR.—The term "corrupt actor" means—

(A) any foreign person or entity that is a government official or government entity responsible for, or complicit in, an act of corruption; and
(B) any company, in which a person or entity described in subparagraph (A) has a significant stake, which is responsible for, or complicit in, an act of corruption.

(3) CORRUPTION.—The term "corruption" means the exercise of public power for private gain, including by bribery, nepotism, fraud, or embezzlement.

(4) FOREIGN ASSISTANCE.—The term "foreign assistance" means assistance made available under—

(A) the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.);

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

(C) title 10, United States Code.

(5) GRAND CORRUPTION.—The term "grand corruption" means corruption committed at a high level of government that—

(A) distorts policies or the central functioning of the country; and

(B) enables leaders to benefit at the expense of the public good.

(6) PETTY CORRUPTION.—The term "petty corruption" means the abuse of entrusted power by
low- or mid-level public officials in their interactions with ordinary citizens.

SEC. 3. PUBLICATION OF TIERED RANKING LIST.

(a) IN GENERAL.—The Secretary of State shall annually publish, on a publicly accessible website, a tiered ranking of all foreign countries.

(b) TIER 1 COUNTRIES.—A country shall be ranked as a tier 1 country in the ranking published under subsection (a) if the government of such country is complying with the minimum standards set forth in section 4.

(c) TIER 2 COUNTRIES.—A country shall be ranked as a tier 2 country in the ranking published under subsection (a) if the government of such country is making efforts to comply with the minimum standards set forth in section 4, but is not achieving the requisite level of compliance to be ranked as a tier 1 country.

(d) TIER 3 COUNTRIES.—A country shall be ranked as a tier 3 country in the ranking published under subsection (a) if the government of such country is making de minimis or no efforts to comply with the minimum standards set forth in section 4.
SEC. 4. MINIMUM STANDARDS FOR THE ELIMINATION OF CORRUPTION AND ASSESSMENT OF EFFORTS TO COMBAT CORRUPTION.

(a) IN GENERAL.—The government of a country is complying with the minimum standards for the elimination of corruption if the government—

(1) has enacted laws and established government structures, policies, and practices that prohibit corruption, including grand corruption and petty corruption;

(2) enforces the laws described in paragraph (1) by punishing any person who is found, through a fair judicial process, to have violated such laws;

(3) prescribes punishment for grand corruption that is commensurate with the punishment prescribed for serious crimes;

(4) prescribes punishment for petty corruption that—

(A) provides a sufficiently stringent deterrent; and

(B) adequately reflects the nature of the offense; and

(5) is making serious and sustained efforts to eliminate corruption.

(b) FACTORS FOR ASSESSING GOVERNMENT EFFORTS TO COMBAT CORRUPTION.—In determining wheth-
er a government is making serious and sustained efforts
to eliminate corruption, the Secretary of State shall con-
sider——

(1) whether the government of the country vig-
orousl investigats and prosecutes acts of corrup-
tion and convicts and sentences persons responsible
for such acts that take place wholly or partly within
such country, including, as appropriate, requiring in-
carceration of individuals convicted of such acts;

(2) whether the government of the country vig-
orous investigats, prosecutes, convicts, and sen-
tences public officials who participate in or facilitate
corruption, including nationals of the country who
are deployed in foreign military assignments, trade
delegations abroad, or other similar missions, who
engage in or facilitate severe forms of corruption;

(3) whether the government of the country has
adopted measures to prevent corruption, such as
measures to inform and educate the public, including
potential victims, about the causes and consequences
of corruption;

(4) what steps the government of the country
has taken to prohibit government officials from par-
ticipating in, facilitating, or condoning corruption,
including the investigation, prosecution, and conviction of such officials;

(5) the extent to which the country provides access, or, as appropriate, makes adequate resources available, to civil society organizations and other institutions to combat corruption, including reporting, investigating, and monitoring;

(6) whether an independent judiciary or judicial body in the country responsible for, and effectively capable of, deciding corruption cases impartially, on the basis of facts and in accordance with the law, without any restrictions, improper influences, inducements, pressures, threats, or interferences (direct or indirect) from any quarter or for any reason;

(7) whether the government of the country is assisting in international investigations of transnational corruption networks and in other cooperative efforts to combat grand corruption, including cooperating with the governments of other countries to extradite corrupt actors;

(8) whether the government of the country recognizes the rights of victims of corruption, ensures their access to justice, and takes steps to prevent victims from being further victimized or persecuted by corrupt actors, government officials, or others;
(9) whether the government of the country refrains from prosecuting victims of corruption or whistleblowers due to such persons having assisted in exposing corruption, and refrains from other discriminatory treatment of such persons; and

(10) such other information relating to corruption as the Secretary of State considers appropriate.

SEC. 5. TRANSPARENCY AND ACCOUNTABILITY.

(a) IN GENERAL.—Not later than 60 days after publishing the report required under section 3(a), and prior to obligation by any United States agency of foreign assistance to the government of a country ranked as a tier 3 country under section 3(d), the Secretary of State, in coordination with the Administrator of the United States Agency for International Development (referred to in this Act as the “USAID Administrator”) and the Secretary of Defense, as appropriate, shall—

(1) conduct a corruption risk assessment and create a corruption mitigation strategy for all United States foreign assistance programs to that country;

(2) require the inclusion of anti-corruption clauses for all foreign assistance contracts, grants, and cooperative agreements, which allow for the termination of the contract, grant, or cooperative
agreement without penalty if credible indicators of corruption are discovered;

(3) require the inclusion of appropriate clawback clauses for all foreign assistance contracts, grants, and cooperative agreements to recover United States taxpayer funds that have been misappropriated from the prime contractor, grantee, or cooperative agreement participant through corruption;

(4) require the disclosure of the beneficial ownership of all contractors, subcontractors, grantees, cooperative agreement participants, and other organizations receiving funding from the United States Government for foreign assistance programs; and

(5) establish a mechanism for investigating allegations of misappropriated foreign assistance funds or equipment.

(b) EXCEPTIONS AND WAIVER.—

(1) EXCEPTIONS.—Subsection (a) shall not apply to humanitarian assistance, disaster assistance, or assistance to combat corruption.

(2) WAIVER.—The Secretary of State, on a program-by-program basis, may waive the requirement to delay foreign assistance under subsection (a) if the Secretary of State certifies to the appropriate
congressional committees that such waiver is important to the national security interests of the United States.

SEC. 6. RESOURCES AND REPORTING REQUIREMENTS.

(a) ANNUAL REPORT.—

(1) IN GENERAL.—The Secretary of State shall submit an annual report to the appropriate congressional committees that outlines the resources needed to meet the objectives and reports under sections 3 through 5, including—

(A) intelligence data collection needs;

(B) personnel needs;

(C) information technology requirements;

and

(D) a description of the bureaucratic structure of the offices within the Department of State and the United States Agency for International Development ("USAID") that are engaged in anti-corruption activities.

(2) FORM.—The report submitted under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(b) ONLINE PLATFORM.—The Secretary of State and the USAID Administrator shall consolidate existing re-
ports with anti-corruption components into one online, public platform, which shall—

(1) include—

(A) the Human Rights Report;

(B) the Fiscal Transparency Report;

(C) the Investment Climate Statement reports;

(D) the International Narcotics Control Strategy Report; and

(E) any other relevant public reports;

(2) link to third-party indicators used by the United States Government to inform policy and programming, such as—

(A) the World Bank’s Control of Corruption Indicator;

(B) the World Bank’s Actionable Governance Index Data Portal;

(C) the International Finance Corporation’s Doing Business surveys;

(D) the International Budget Partnership’s Open Budget Index;

(E) the Global Integrity Index; and

(F) multilateral peer review anti-corruption compliance mechanisms, such as the Organisation for Economic Co-operation and

(e) TRAINING.—To increase the ability of Department of State and USAID personnel to support anti-corruption as a foreign policy and development priority, and strengthen their ability to design, implement, and evaluate more effective anti-corruption programming around the world, including enhancing skills to better evaluate and mitigate corruption risks in assistance programs, the Secretary of State and the USAID Administrator shall incorporate anti-corruption components into existing Foreign Service and Civil Service training courses.