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 SENATE OF THE UNITED STATES

Mr. CARDIN (for himself, Mr. RUBIO, Mr. DURBIN, Mr. CORNYN, Mr. MENENDEZ, Mr. MCCAIN, Mr. NELSON, Mr. KAINE, and Mr. VAN HOLLEN) introduced the following bill; which was read twice and referred to the Committee on

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.

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 “Venezuela Humanitarian Assistance and Defense of Democratic Governance Act of 2017”.

1
2
3
4
5
6
(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 Organization of American States Inter-American Democratic Charter.
Sec. 7. Support for international election observation missions and democratic civil society in Venezuela.
Sec. 8. Support for Caribbean countries.
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. 2. FINDINGS.

Congress makes the following findings:

(1) The deterioration of democratic governance and the economic crisis in Venezuela have led to an unprecedented humanitarian situation in which people are suffering from severe shortages of essential medicines and basic food products.

(2) According to the World Health Organization, Venezuela had a shortage of necessary medications and medical supplies of—

(A) 55 percent in 2014;
(B) 67 percent in 2015; and
(C) 75 percent in 2016.

(3) According to a Human Rights Watch 2016 report, it is increasingly difficult for many Venezuelans, particularly those in lower or middle-in-
come families, to obtain adequate nutrition and
there are reports of symptoms of malnutrition, par-
ticularly in children.

(4) Despite massive shortages of basic food-
stuffs and essential medicines, President of Ven-
ezuela Nicolás Maduro has rejected repeated re-
quests from the Venezuelan National Assembly and
civil society organizations to bring humanitarian aid
into the country.

(5) The International Monetary Fund has esti-
mated that in Venezuela in 2016 the country’s gross
domestic product contracted by 12 percent and infla-
tion rate reached 720 percent, and has stated that
Venezuela had the worst growth and inflation per-
formance in the world.

(6) 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.

(7) Venezuela’s political, economic, and human-
itarian crisis is fueling social tensions that are re-
sulting in growing incidents of public unrest, looting,
violence among citizens, and an exodus of Ven-

(8) These social distortions are taking place amidst an alarming climate of criminal violence. Ac-

(9) In 2016, 18,155 Venezuelans submitted asylum requests in the United States, which was greatest number of requests by any nationality, ac-

(10) International and domestic human rights groups, such as Foro Penal Venezolano, recognize more than 108 political prisoners in Venezuela, in-

(11) According to media accounts, 29 people lost their lives as the result of public demonstrations and protests in Venezuela in April 2017.
SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) Venezuelan President Nicolás Maduro should permit the delivery of international humanitarian assistance to address the widespread and deeply concerning shortages of essential medicines and basic food products faced by the people of Venezuela;

(2) it is in the best interest of the Venezuelan people for the Government of Venezuela to engage with multilateral and regional economic institutions to ameliorate the effects of the country’s ongoing economic, social, and humanitarian crisis;

(3) Venezuelan President 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) Venezuelan President 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 Ven-
ezuela; and

(6) the United States should support meaning-
ful efforts towards political negotiations and dia-
logue through which all parties uphold their commit-
ments and agree to specific deadlines to restore re-
spect for Venezuela’s constitutional mechanisms and
resolve the country’s political, economic, and human-
itarian crisis.

SEC. 4. HUMANITARIAN ASSISTANCE FOR THE PEOPLE OF
VENEZUELA.

(a) IN GENERAL.—The Secretary of State, in coordi-
nation with the Administrator of the United States Agen-
cy for International Development, subject to the avail-
ability of appropriations, shall work through nongovern-
mental organizations to provide—

(1) public health commodities to Venezuelan
health facilities and services, including medicines on
the World Health Organization’s List of Essential
Medicines and basic medical supplies and equipment;

(2) the basic food commodities and nutritional
supplements needed to address growing malnutrition
and improve food security for the people of Ven-
ezuela, with a specific emphasis on the most vulnerable populations;

(3) technical assistance to ensure health and food commodities are appropriately selected, procured, and distributed; and

(4) improved transparency and accountability in institutions of the Government of Venezuela, including the publication of official data on public health indicators and shortages of food and medicine.

(b) STRATEGY REQUIREMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall submit a strategy for carrying out the activities described in subsection (a) to—

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

(2) the Committee on Appropriations of the Senate;

(3) the Committee on Foreign Affairs of the House of Representatives; and

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

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to the Secretary of State $10,000,000 for fiscal year 2018 to carry out the activities set
forth in subsection (a) in accordance with this section.

(2) NOTIFICATION REQUIREMENT.—
   (A) IN GENERAL.—Amounts appropriated or otherwise made available pursuant to paragraph (1) may not be obligated until 15 days after the date on which the President has provided notice of intent to obligate such funds to the committees listed in subsection (b).

   (B) WAIVER.—The Secretary of State may waive the requirement under subparagraph (A) if the Secretary of State determines that failure to waive such requirement would pose a substantial risk to human health or welfare. If such a waiver is invoked, the President shall notify the committees listed in subsection (b) of the intention to obligate funds under this section as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable in the context of the circumstances necessitating such waiver.

(d) BRIEFINGS.—Upon a request from one of the committees listed in subsection (b), the Secretary of State and the Administrator of the United States Agency for
International Development shall brief the committee on the progress made in implementing the strategy submitted under subsection (b).

SEC. 5. REQUIREMENT FOR STRATEGY TO COORDINATE INTERNATIONAL HUMANITARIAN ASSISTANCE.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the United Nations humanitarian agencies, including the Office for the Coordination of Humanitarian Affairs, the World Health Organization, the Food and Agriculture Organization, and UNICEF, should conduct and publish an independent assessment on—

(1) the extent and impact of the shortages of food and medicine in Venezuela; and

(2) the efforts needed to resolve such shortages.

(b) STRATEGY.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State, in consultation with the Administrator of the United States Agency for International Development, shall submit 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 support from international donors, including regional partners in Latin America and the Caribbean,
for the provision of humanitarian assistance to the
people of Venezuela;

(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 assist-
ance; and

(3) identifies the financial and technical assist-
ance to be provided by multilateral institutions, in-
cluding the United Nations humanitarian agencies
listed in subsection (a), the Pan American Health
Organization, the Inter-American Development
Bank, and the World Bank, and a description of
such assistance.

(c) DIPLOMATIC ENGAGEMENT AND COORDINA-
TION.—The Secretary of State, in coordination with the
Administrator of the United States Agency for Inter-
national Development, as appropriate, shall—

(1) carry out diplomatic engagement to secure
contributions of financial and technical assistance
from international donors and multilateral institu-
tions in support of the strategy submitted under
subsection (b); and
(2) take all necessary steps to ensure effective cooperation among international donors and multilateral institutions in support of such strategy.

(d) 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 Secretary of State and the Administrator of the United States Agency for International Development shall brief such committee on the progress made in implementing the strategy submitted under subsection (b).

SEC. 6. SUPPORT FOR ORGANIZATION OF AMERICAN STATES INTER-AMERICAN DEMOCRATIC CHARTER.

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

(1) Article 1 of the Inter-American Democratic Charter, adopted by the Organization of American States in Lima on September 11, 2001, affirms, “The peoples of the Americas have a right to democracy and their governments have an obligation to promote and defend it.”

(2) Article 19 of the Inter-American Democratic Charter states “an unconstitutional interruption of the democratic order or an unconstitutional alteration of the constitutional regime that seriously
impairs the democratic order in a member state, constitutes, while it persists, an insurmountable obstacle to its government’s participation in sessions of the General Assembly . . . and other bodies of the Organization.”.

(3) Article 20 of the Inter-American Democratic Charter provides—

(A) “In the event of an unconstitutional alteration of the constitutional regime that seriously impairs the democratic order in a member state, any member state or the Secretary General may request the immediate convocation of the Permanent Council to undertake a collective assessment of the situation and to take such decisions as it deems appropriate.”; and

(B) “The Permanent Council, depending on the situation, may undertake the necessary diplomatic initiatives, including good offices, to foster the restoration of democracy.”.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Venezuelan President Nicolás Maduro and the Supreme Tribunal of Justice of Venezuela have carried out systematic efforts to undermine, block, and circumvent the authorities and responsibilities
of the Venezuelan National Assembly as mandated in the Constitution of the Bolivarian Republic of Venezuela;

(2) such efforts by President Maduro and the Supreme Tribunal of Justice of Venezuela amount to an unconstitutional alternation of the constitutional regime that seriously impairs the democratic order in Venezuela; and

(3) the Secretary of State, working through the United States Permanent Mission to the Organization of American States, should take additional steps to support ongoing efforts by Secretary General Luis Almagro—

(A) to invoke the Inter-American Democratic Charter;

(B) to advance a collective assessment of the situation in Venezuela; and

(C) to promote diplomatic initiatives to foster the restoration of Venezuelan democracy.

SEC. 7. SUPPORT FOR INTERNATIONAL ELECTION OBSERVATION MISSIONS AND DEMOCRATIC CIVIL SOCIETY IN VENEZUELA.

(a) In General.—Subject to the availability of appropriations, the Secretary of State, in coordination with
the Administrator of the United States Agency for International Development, shall work —

(1) with the Organization of American States to ensure credible international observation that contributes to free, fair, and transparent democratic electoral processes in Venezuela; and

(2) directly, or through nongovernmental organizations—

(A) to defend internationally recognized human rights for the people of Venezuela;

(B) to support the efforts of independent media outlets to broadcast, distribute, and share information beyond the limited channels made available by the Government of Venezuela;

(C) to facilitate open and uncensored access to the Internet for the people of Venezuela; and

(D) to combat corruption and improve the transparency and accountability of institutions that are part of the Government of Venezuela.

(b) Voice and Vote at the OAS.—The Secretary of State, acting through the United States Permanent Representative to the Organization of American States, should advocate and build diplomatic support for sending
an election observation mission to Venezuela to ensure that democratic electoral processes are organized and carried out in a free, fair, and transparent manner.

(c) Strategy Requirement.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall submit a strategy to carry out the activities described in subsection (a) to—

(1) the Committee on Foreign Relations of the Senate;
(2) the Committee on Appropriations of the Senate;
(3) the Committee on Foreign Affairs of the House of Representatives; and
(4) the Committee on Appropriations of the House of Representatives.

(d) Authorization of Appropriations.—

(1) In general.—There are authorized to be appropriated to the Secretary of State for fiscal year 2018—

(A) $500,000 to carry out the activities set forth in subsection (a)(1); and

(B) $9,500,000 to carry out the activities set forth in subsection (a)(2).

(2) Notification requirement.—
(A) IN GENERAL.—Except as provided in subparagraph (B), amounts appropriated or otherwise made available pursuant to paragraph (1) may not be obligated until 15 days after the date on which the President has provided notice of intent to obligate such funds to the committees listed in subsection (c).

(B) WAIVER.—

(i) IN GENERAL.—The Secretary of State may waive the notification requirement under subparagraph (A) if the President determines that such requirement would pose a substantial risk to human health or welfare.

(ii) NOTIFICATION REQUIREMENT.—If a waiver is invoked under clause (i), the Secretary of State shall notify the committees listed in subsection (c) of the intention to obligate funds under this section as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable in the context of the circumstances necessitating such waiver.
(c) BRIEFINGS.—Upon a request from 1 of the committees listed in subsection (c), the Secretary of State and the Administrator of the United States Agency for International Development shall brief the committee on the progress made in implementing the strategy submitted under subsection (e).

SEC. 8. SUPPORT FOR CARIBBEAN COUNTRIES.

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

(1) Caribbean countries, despite facing their own challenges, can play a significant role in the Caribbean region by responding to the humanitarian and political crisis in Venezuela.

(2) Energy security is a major challenge for Caribbean countries, which depend largely on high-cost imported fuel for electricity generation, and many of which have benefited from preferential treatment by Venezuela.

(3) Caribbean countries—

(A) are a market for United States products and services;

(B) have access to renewable and other energy sources; and

(C) can attract financing to develop and implement new energy technologies and ap-
approaches, with assistance and through public-private partnerships.

(b) **Sense of Congress.**—It is the Sense of Congress that—

(1) the Secretary of State should—
- (A) strengthen the Caribbean Energy Security Initiative; and
- (B) extend current programming, such as the Caribbean Sustainable Energy Road Map and Strategy; and

(2) the Secretary of State, working with the Administrator of the United States Agency for International Development, the Director of the United States Trade and Development Agency, and the President and Chief Executive Officer of the Overseas Private Investment Corporation, should—
- (A) support the Clean Energy Finance Facility for the Caribbean and Central America to encourage and facilitate regional investments in energy diversification;
- (B) promote energy efficiency and integration of renewables into Caribbean energy grids; and
- (C) promote United States energy missions to the Caribbean.
(c) **STATEMENT OF POLICY.**—According to the United States-Caribbean Strategic Engagement Act of 2016 (Public Law 114–291), it is the policy of the United States to increase engagement with—

(1) the governments in the Caribbean region; and

(2) the private sector and civil society in the United States and in the Caribbean.

**SEC. 9. CONCERNS AND REPORT ON THE INVOLVEMENT OF VENEZUELAN OFFICIALS IN CORRUPTION AND ILLICIT NARCOTICS TRAFFICKING.**

(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.

(2) In March 2015, the Department of the Treasury’s Financial Crimes Enforcement Network determined that approximately $2,000,000,000 had been siphoned from Venezuela’s public oil company, Petróleos de Venezuela S.A., in conjunction with its
designation of the Banca Privada d'Andorra as a Foreign Financial Institution of Primary Money Laundering Concern.

(3) On August 1, 2016, General Nestor Reverol, Venezuela’s current Minister of Interior and former National Guard commander, was indicted in a United States district court for participating in an international cocaine trafficking conspiracy.

(4) On November 18, 2016, Franqui Francisco Flores de Freitas and Efrain Antonio Campo Flores, nephews of President Maduro and Venezuelan First Lady Cilia Flores, were convicted in a United States district court on charges of conspiring to import cocaine into the United States.


(6) The Department of the Treasury’s Office of Foreign Assets Control has designated additional individuals and senior Venezuelan officials for their in-
volvement in illicit narcotics trafficking, pursuant to such Act, including—

(A) Venezuelan national Samark Jose Lopez Bello, who is the primary front man and money launderer for Tareck Zaidan El Aissami Maddah;

(B) Hugo Armando Carvajal Barrios, who is the current National Assembly Deputy and the former Director of Venezuela's Military Intelligence Directorate;

(C) Henry de Jesus Rangel Silva, who is the current Governor of Trujillo State and the former Director of Venezuela’s Directorate of Intelligence and Prevention Services;

(D) Ramon Emilio Rodriguez Chacin, who previously served as the Minister of Interior; and

(E) Freddy Alirio Bernal Rosales, who previously served as the Mayor of the Libertador municipality of Caracas.

(b) DEFINITIONS.—In this section:

(1) CORRUPTION.—The term “corruption” 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—

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

(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 Venezuelan security forces, in acts of corruption in Venezuela, with a specific emphasis on acts of grand corruption.

(2) ADDITIONAL ELEMENTS.—The report submitted under paragraph (1) shall—

(A) describe how the acts of corruption described in the report pose direct challenges for
United States national security and international security;

(B) identify individuals that frustrate the ability of the United States to combat illicit narcotics trafficking; and

(C) include input from the Drug Enforcement Administration, the Office of Foreign Assets Control, and the Financial Crimes Enforcement Network.

(3) FORM.—The report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex. The unclassified portion of the report shall be made available to the public.

SEC. 10. SANCTIONS ON PERSONS RESPONSIBLE FOR PUBLIC CORRUPTION AND UNDERMINING DEMOCRATIC GOVERNANCE IN VENEZUELA.

(a) FINDING.—Executive Order 13692 (50 U.S.C. 1701 note), which was signed on March 8, 2015, established sanctions against individuals responsible for undermining democratic processes and institutions and involved in acts of public corruption that were not included in the Venezuela Defense of Human Rights and Civil Society Act of 2014 (Public Law 113–278).
(b) SANCTIONS.—Section 5 of the Venezuela Defense of Human Rights and Civil Society Act of 2014 (Public Law 113–278) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking “or” at the end;

(B) by redesignating paragraph (3) as paragraph (5); and

(C) by inserting after paragraph (2) the following:

“(3) has perpetrated, or is responsible for ordering or otherwise directing, significant actions or policies that undermine democratic processes or institutions;

“(4) has perpetrated, or is responsible for ordering or otherwise directing, significant acts of public corruption; or”;

(2) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively;

(3) by inserting after subsection (d) the following:

“(e) 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 Secretary of State, in conjunction with the Secretary
of the Treasury, shall offer a classified briefing on the efforts to impose sanctions under this section and the impact of such sanctions.”; and

(4) in subsection (f), as redesignated, by striking “December 31, 2019” and inserting “December 31, 2022”.

SEC. 11. CONCERNS OVER PDVSA TRANSACTIONS WITH ROSNEFT.

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

(1) In late 2016, Venezuelan state owned oil company Petróleos de Venezuela, S.A. (referred to in this section as “PDVSA”), through a no-compete transaction, secured a loan from Russian government-controlled oil company Rosneft, using 49.9 percent of PDVSA’s American subsidiary, CITGO Petroleum Corporation, including its assets in the United States, as collateral. As a result of this transaction, 100 percent of CITGO is held as collateral 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 extensive 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 United States energy infrastructure holdings.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) control of critical United States energy infrastructure by Rosneft, a Russian government-controlled entity currently under United States sanc-
tions, would pose a significant risk to United States
national security and energy security;

(2) the President should take all necessary
steps to prevent Rosneft from gaining control of
critical United States interstate energy infrastruc-
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

(5) the Department of Homeland Security
should conduct an assessment of the security risks
posed by foreign control of CITGO’s United States
energy infrastructure holdings.