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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To provide for the imposition of sanctions with respect to foreign persons undermining the Dayton Peace Agreement or threatening the security of Bosnia and Herzegovina, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. WAGNER introduced the following bill; which was referred to the
Committee on _____

A BILL

To provide for the imposition of sanctions with respect to foreign persons undermining the Dayton Peace Agreement or threatening the security of Bosnia and Herzegovina, 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.**

4 This Act may be cited as the “Upholding the Dayton
5 Peace Agreement Through Sanctions Act”.

6 **SEC. 2. STATEMENT OF POLICY.**

7 It is the policy of the United States—

1 (1) to support Bosnia and Herzegovina's sov-
2 ereignty, territorial integrity, multi-ethnic character
3 and the prosperity of the Republika Srpska entity,
4 the Federation of Bosnia and Herzegovina entity,
5 and the Brcko District within one Bosnia and
6 Herzegovina;

7 (2) to support Bosnia and Herzegovina's
8 progress towards Euro-Atlantic integration;

9 (3) to encourage officials in Bosnia and
10 Herzegovina to resume institutional participation at
11 all levels of government to advance functionality and
12 common-sense reforms for greater prosperity;

13 (4) to call on Bosnia and Herzegovina to imple-
14 ment the rulings of the European Court of Human
15 Rights;

16 (5) to support the robust use of targeted sanc-
17 tions against persons who undermine the Dayton
18 Peace Agreement, as well as the democratic institu-
19 tions and Constitution of Bosnia and Herzegovina,
20 to support peace and stability in that country;

21 (6) to urge the European Union to join the
22 United States and United Kingdom in sanctioning
23 Milorad Dodik, a member of the Presidency of Bos-
24 nia and Herzegovina, for his actions that undermine

1 the stability and territorial integrity of Bosnia and
2 Herzegovina;

3 (7) to expose and condemn the Government of
4 Russia for its role in fueling instability in Bosnia
5 and Herzegovina and undermining the Dayton Peace
6 Agreement, the role of the Office of the High Rep-
7 resentative, and the European Union Force in BiH's
8 Operation Althea;

9 (8) to work with other regional states, including
10 Serbia and Croatia, to support the territorial integ-
11 rity and stability of Bosnia and Herzegovina; and

12 (9) to encourage the United States to use its
13 voice and vote at the United Nations, the Peace Im-
14 plementation Council and its Steering Board, and
15 other relevant international bodies to support the
16 Office of the High Representative.

17 **SEC. 3. IMPOSITION OF SANCTIONS WITH RESPECT TO FOR-**
18 **EIGN PERSONS UNDERMINING THE DAYTON**
19 **PEACE AGREEMENT OR THREATENING THE**
20 **SECURITY OF BOSNIA AND HERZEGOVINA.**

21 (a) IMPOSITION OF SANCTIONS.—

22 (1) LIST REQUIRED.—Not later than 180 days
23 after the date of the enactment of this Act, and
24 every 180 days thereafter, the President shall sub-

1 mit to the appropriate congressional committees a
2 list of foreign persons that are determined—

3 (A) to be responsible for or complicit in, or
4 to have directly or indirectly engaged in, any
5 action or policy that threatens the peace, secu-
6 rity, stability, or territorial integrity of Bosnia
7 and Herzegovina, including actions that seek to
8 undermine the authority of Bosnia and
9 Herzegovina's state-level institutions, such as
10 forming illegal parallel institutions or actions
11 that threaten the Office of the High Represent-
12 ative;

13 (B) to be responsible for or complicit in, or
14 to have directly or indirectly engaged in, any
15 action or policy that undermines democratic
16 processes or institutions in Bosnia and
17 Herzegovina;

18 (C) to be responsible for or complicit in, or
19 to have directly or indirectly engaged in, or to
20 have attempted, a violation of, or an act that
21 has obstructed or threatened the implementa-
22 tion of, the Dayton Peace Agreement or the
23 Conclusions of the Peace Implementation Con-
24 ference Council held in London in December
25 1995, including the decisions or conclusions of

1 the Office of the High Representative, the
2 Peace Implementation Council, or its Steering
3 Board;

4 (D) to be a member, official, or senior
5 leader of an illegal parallel institution or any
6 other institution that engages in activities de-
7 scribed in subparagraph (A), (B) or (C), as de-
8 termined by the Secretary of State;

9 (E) to be responsible for or complicit in, or
10 to have directly or indirectly engaged in, or at-
11 tempted to engage in, corruption related to
12 Bosnia and Herzegovina, including corruption
13 by, on behalf of, or otherwise related to the gov-
14 ernment in Bosnia and Herzegovina, or a cur-
15 rent or former government official at any level
16 of government in Bosnia and Herzegovina, such
17 as the misappropriation of public assets, expro-
18 priation of private assets for personal gain or
19 political purposes, corruption related to govern-
20 ment contracts or the extraction of natural re-
21 sources or bribery;

22 (F) to be an adult family member of any
23 foreign person described in subparagraph (A),
24 (B), (C), (D), or (E), unless the President de-
25 termines that the adult family member—

1 (i) has condemned the activity or ac-
2 tivities of the foreign person described in
3 any such subparagraph; and

4 (ii) has taken tangible steps to oppose
5 the activity or activities;

6 (G) to have knowingly facilitated a signifi-
7 cant transaction or transactions for or on be-
8 half of a foreign person described in subpara-
9 graph (A), (B), (C), (D), or (E);

10 (H) to be owned or controlled by, or to
11 have acted or purported to act for or on behalf
12 of, directly or indirectly, a foreign person de-
13 scribed in subparagraph (A), (B), (C), (D), or
14 (E); or

15 (I) to have knowingly materially assisted,
16 sponsored, or provided financial, material, or
17 technological support for, or goods or services
18 to or in support of, a foreign person described
19 in subparagraph (A), (B), (C), (D), or (E).

20 (2) IMPOSITION OF SANCTIONS.—Upon the sub-
21 mission of each list required by paragraph (1), the
22 President shall impose the sanctions described in
23 subsection (c) with respect to each foreign person
24 identified on the list.

1 (b) ADDITIONAL MEASURE RELATING TO FACILITA-
2 TION OF TRANSACTIONS.—The Secretary of the Treasury
3 may, in consultation with the Secretary of State, prohibit
4 or impose strict conditions on the opening or maintaining
5 in the United States of a correspondent account or pay-
6 able-through account by a foreign financial institution
7 that the President determines has, on or after the date
8 of the enactment of this Act, knowingly conducted or fa-
9 cilitated a significant transaction or transactions on behalf
10 of a foreign person on the list required by subsection
11 (a)(1).

12 (c) SANCTIONS DESCRIBED.—The sanctions de-
13 scribed in this subsection are the following:

14 (1) PROPERTY BLOCKING.—Notwithstanding
15 the requirements of section 202 of the International
16 Emergency Economic Powers Act (50 U.S.C. 1701),
17 the President may exercise of all powers granted to
18 the President by that Act to the extent necessary to
19 block and prohibit all transactions in all property
20 and interests in property of the foreign person if
21 such property and interests in property are in the
22 United States, come within the United States, or are
23 or come within the possession or control of a United
24 States person.

1 (2) ALIENS INADMISSIBLE FOR VISAS, ADMIS-
2 SION, OR PAROLE.—

3 (A) IN GENERAL.—An alien on the list re-
4 quired by subsection (a)(1) is—

5 (i) inadmissible to the United States;

6 (ii) ineligible for a visa or travel to the
7 United States; and

8 (iii) otherwise ineligible to be admitted
9 or paroled into the United States or to re-
10 ceive any other benefit under the Immigra-
11 tion and Nationality Act (8 U.S.C. 1101 et
12 seq.).

13 (B) CURRENT VISAS REVOKED.—

14 (i) IN GENERAL.—The visa or other
15 documentation issued to an alien on the
16 list required by subsection (a)(1) shall be
17 revoked, regardless of when such visa or
18 other documentation is or was issued.

19 (ii) EFFECT OF REVOCATION.—A visa
20 or other entry documentation revoked
21 under clause (i) shall, in accordance with
22 section 221(i) of the Immigration and Na-
23 tionality Act (8 U.S.C. 1201(i)), no longer
24 be valid for travel to the United States.

25 (d) EXCEPTIONS.—

1 (1) EXCEPTION FOR INTELLIGENCE, LAW EN-
2 FORCEMENT, AND NATIONAL SECURITY ACTIVI-
3 TIES.—Sanctions under this section shall not apply
4 to any authorized intelligence, law enforcement, or
5 national security activities of the United States.

6 (2) EXCEPTION TO COMPLY WITH UNITED NA-
7 TIONS HEADQUARTERS AGREEMENT.—Sanctions
8 under subsection (c)(2) shall not apply with respect
9 to the admission of an alien to the United States if
10 the admission of the alien is necessary to permit the
11 United States to comply with the Agreement regard-
12 ing the Headquarters of the United Nations, signed
13 at Lake Success June 26, 1947, and entered into
14 force November 21, 1947, between the United Na-
15 tions and the United States, the Convention on Con-
16 sular Relations, done at Vienna April 24, 1963, and
17 entered into force March 19, 1967, or other applica-
18 ble international obligations.

19 (3) EXCEPTION RELATING TO THE PROVISION
20 OF HUMANITARIAN ASSISTANCE.—Sanctions under
21 this section may not be imposed with respect to
22 transactions or the facilitation of transactions for—

23 (A) the sale of agricultural commodities,
24 food, medicine, or medical devices;

1 (B) the provision of humanitarian assist-
2 ance;

3 (C) financial transactions relating to hu-
4 manitarian assistance or for humanitarian pur-
5 poses; and

6 (D) transporting goods or services that are
7 necessary to carry out operations relating to
8 humanitarian assistance or humanitarian pur-
9 poses.

10 (4) EXCEPTION RELATING TO THE IMPORTA-
11 TION OF GOODS.—

12 (A) IN GENERAL.—The authorities and re-
13 quirements under this section shall not include
14 the authority or a requirement to impose sanc-
15 tions on the importation of goods.

16 (B) GOOD DEFINED.—In this section, the
17 term “good” means any article, natural or man-
18 made substance, material, supply, or manufac-
19 tured product, including inspection and test
20 equipment, and excluding technical data.

21 (e) WAIVER.—The President may, on a case-by-case
22 basis and for periods not to exceed 180 days each, waive
23 the application of sanctions or restrictions imposed with
24 respect to a foreign person under this section if the Presi-
25 dent certifies to the appropriate congressional committees

1 not later than 15 days before such waiver is to take effect
2 that the waiver is vital to the national security interests
3 of the United States.

4 (f) REGULATIONS.—

5 (1) IN GENERAL.—The President shall, not
6 later than 180 days after the date of the enactment
7 of this Act, prescribe regulations as necessary for
8 the implementation of this Act.

9 (2) NOTIFICATION TO CONGRESS.—Not later
10 than 10 days before the prescription of regulations
11 under paragraph (1), the President shall notify the
12 appropriate congressional committees regarding the
13 proposed regulations and the provisions of this Act
14 that the regulations are implementing.

15 (g) IMPLEMENTATION.—The President may exercise
16 all authorities provided under sections 203 and 205 of the
17 International Emergency Economic Powers Act (50
18 U.S.C. 1702 and 1704) to carry out this Act.

19 (h) PENALTIES.—The penalties provided for in sub-
20 sections (b) and (c) of section 206 of the International
21 Emergency Economic Powers Act (50 U.S.C. 1705) shall
22 apply to a person that violates, attempts to violate, con-
23 spires to violate, or causes a violation of regulations pre-
24 scribed to carry out this Act to the same extent that such

1 penalties apply to a person that commits an unlawful act
2 described in subsection (a) of such section 206.

3 (i) TERMINATION OF SANCTIONS.—The President
4 may terminate the application of sanctions under this sec-
5 tion with respect to a foreign person if the President deter-
6 mines and reports to the appropriate congressional com-
7 mittees not later than 15 days before the termination of
8 the sanctions that—

9 (1) credible information exists that the foreign
10 person did not engage in the activity for which sanc-
11 tions were imposed;

12 (2) the foreign person has been prosecuted and
13 sentenced appropriately for the activity for which
14 sanctions were imposed; or

15 (3) the foreign person has credibly dem-
16 onstrated a significant change in behavior, has paid
17 an appropriate consequence for the activity for
18 which sanctions were imposed, and has credibly com-
19 mitted to not engage in an activity described in sub-
20 section (a)(1) in the future.

21 **SEC. 4. CODIFICATION OF SANCTIONS RELATING TO THE**
22 **WESTERN BALKANS.**

23 (a) IN GENERAL.—Each sanction imposed through
24 Executive orders described in subsection (b), including
25 each sanction imposed with respect to a person under such

1 an Executive order, as of the date of the enactment of
2 this Act, shall remain in effect, except as provided in sub-
3 section (c).

4 (b) EXECUTIVE ORDERS SPECIFIED.—The Executive
5 orders specified in this subsection are—

6 (1) Executive Order 13219 (50 U.S.C. 1701
7 note; relating to blocking property of persons who
8 threaten international stabilization efforts in the
9 Western Balkans), as in effect on the date of the en-
10 actment of this Act; and

11 (2) Executive Order 14033 (50 U.S.C. 1701
12 note; relating to blocking property and suspending
13 entry into the United States of certain persons con-
14 tributing to the destabilizing situation in the West-
15 ern Balkans), as in effect on such date of enact-
16 ment.

17 (c) TERMINATION OF SANCTIONS.—The President
18 may terminate the application of a sanction described in
19 subsection (a) with respect to a person if the President
20 certifies to the appropriate congressional committees
21 that—

22 (1) such person—

23 (A) is not engaging in the activity that was
24 the basis for such sanctions; or

1 (B) has taken significant verifiable steps
2 toward stopping such activity; and

3 (2) the President has received reliable assur-
4 ances that such person will not knowingly engage in
5 activity subject to such sanctions in the future.

6 (d) SANCTIONS RELATING TO THE IMPORTATION OF
7 GOODS UNCHANGED.—This section may not be construed
8 to create any new authorities or requirements related to
9 sanctions on the importation of goods.

10 **SEC. 5. CONSIDERATION OF CERTAIN INFORMATION IN IM-**
11 **POSING SANCTIONS.**

12 (a) IN GENERAL.—Not later than 60 days after re-
13 ceiving a request from the chairman and ranking member
14 of one of the appropriate congressional committees with
15 respect to whether a person or foreign person, as the case
16 may be, meets the criteria of a person described in section
17 3(a)(1) or a person described in Executive Order 13219
18 or Executive Order 14033 as provided for in section 4(b),
19 or any Executive order issued pursuant to this Act or
20 under the Balkans regulatory regime, the President
21 shall—

22 (1) determine if the person or foreign person,
23 as the case may be, meets such criteria; and

24 (2) submit a classified or unclassified report to
25 such chairman and ranking member with respect to

1 such determination that includes a statement of
2 whether or not the President imposed or intends to
3 impose sanctions with respect to such person or for-
4 eign person.

5 (b) SUNSET.—This section shall terminate on the
6 date that is 5 years after the date of enactment of this
7 Act.

8 **SEC. 6. DEFINITIONS.**

9 In this Act:

10 (1) ADMITTED; ALIEN.—The terms “admitted”
11 and “alien” have the meanings given those terms in
12 section 101 of the Immigration and Nationality Act
13 (8 U.S.C. 1101).

14 (2) APPROPRIATE CONGRESSIONAL COMMIT-
15 TEES.—The term “appropriate congressional com-
16 mittees” means—

17 (A) the Committee on Foreign Affairs and
18 the Committee on Financial Services of the
19 House of Representatives; and

20 (B) the Committee on Foreign Relations
21 and the Committee on Banking, Housing, and
22 Urban Affairs of the Senate.

23 (3) CORRESPONDENT ACCOUNT; PAYABLE-
24 THROUGH ACCOUNT.—The terms “correspondent ac-
25 count” and “payable-through account” have the

1 meanings given those terms in section 5318A of title
2 31, United States Code.

3 (4) DAYTON PEACE AGREEMENT.—The term
4 “Dayton Peace Agreement”, also known as the
5 “Dayton Accords”, means the General Framework
6 Agreement for Peace in Bosnia and Herzegovina,
7 initialed by the parties in Dayton, Ohio, on Novem-
8 ber 21, 1995, and signed in Paris on December 14,
9 1995.

10 (5) FOREIGN FINANCIAL INSTITUTION.—The
11 term “foreign financial institution” has the meaning
12 of that term as determined by the Secretary of the
13 Treasury by regulation.

14 (6) FOREIGN PERSON.—The term “foreign per-
15 son” means a person that is not a United States
16 person.

17 (7) ILLEGAL PARALLEL INSTITUTION.—The
18 term “illegal parallel institution” means an agency,
19 structure, or instrumentality at the Republika
20 Srpska entity level that disrupts the authority of the
21 state-level institutions of Bosnia and Herzegovina
22 and undermines its constitutional order.

23 (8) KNOWINGLY.—The term “knowingly”, with
24 respect to conduct, a circumstance, or a result,
25 means that a person has actual knowledge, or should

1 have known, of the conduct, the circumstance, or the
2 result.

3 (9) PERSON.—The term “person” means an in-
4 dividual or entity.

5 (10) UNITED STATES PERSON.—The term
6 “United States person” means—

7 (A) a United States citizen or an alien law-
8 fully admitted to the United States for perma-
9 nent residence;

10 (B) an entity organized under the laws of
11 the United States or any jurisdiction within the
12 United States, including a foreign branch of
13 such an entity; or

14 (C) any person in the United States.

15 **SEC. 7. SUNSET.**

16 This Act and the authorities provided by this Act
17 shall terminate on the date that is 7 years after the date
18 of the enactment of this Act.