

AMENDMENT TO RULES COMMITTEE PRINT 117-

13

OFFERED BY MR. KEATING OF MASSACHUSETTS

Page 1365, after line 22, insert the following:

1 **TITLE LIV—COUNTERING RUS-**
2 **SIAN AND OTHER OVERSEAS**
3 **KLEPTOCRACY ACT**

4 **SEC. 5401. SHORT TITLE.**

5 This title may be cited as the “Countering Russian
6 and Other Overseas Kleptocracy Act” or the “CROOK
7 Act”.

8 **SEC. 5402. FINDINGS.**

9 Congress finds the following:

10 (1) Authoritarian leaders in foreign countries
11 abuse their power to steal assets from state institu-
12 tions, enrich themselves at the expense of their coun-
13 tries’ economic development, and use corruption as
14 a strategic tool both to solidify their grip on power
15 and to undermine democratic institutions abroad.

16 (2) Global corruption harms the competitiveness
17 of United States businesses, weakens democratic
18 governance, feeds terrorist recruitment and
19 transnational organized crime, enables drug smug-

1 gling and human trafficking, and stymies economic
2 growth.

3 (3) Illicit financial flows often penetrate coun-
4 tries through what appear to be legitimate financial
5 transactions, as kleptocrats launder money, use shell
6 companies, amass offshore wealth, and participate in
7 a global shadow economy.

8 (4) The Government of the Russian Federation
9 is a leading model of this type of kleptocratic sys-
10 tem, using state-sanctioned corruption to both erode
11 democratic governance from within and discredit de-
12 mocracy abroad, thereby strengthening the authori-
13 tarian rule of Vladimir Putin.

14 (5) Corrupt individuals and entities in the Rus-
15 sian Federation, often with the backing and encour-
16 agement of political leadership, use stolen money—

17 (A) to purchase key assets in other coun-
18 tries, often with a goal of attaining monopolistic
19 control of a sector;

20 (B) to gain access to and influence the
21 policies of other countries; and

22 (C) to advance Russian interests in other
23 countries, particularly those that undermine
24 confidence and trust in democratic systems.

1 (6) Systemic corruption in the People’s Repub-
2 lic of China, often tied to, directed by, or backed by
3 the leadership of the Chinese Communist Party and
4 the Chinese Government is used—

5 (A) to provide unfair advantage to certain
6 People’s Republic of China economic entities;

7 (B) to increase other countries’ economic
8 dependence on the People’s Republic of China
9 to secure greater deference to the People’s Re-
10 public of China’s diplomatic and strategic goals;
11 and

12 (C) to exploit corruption in foreign govern-
13 ments and among other political elites to enable
14 People’s Republic of China state-backed firms
15 to pursue predatory and exploitative economic
16 practices.

17 (7) Thwarting these tactics by Russian, Chi-
18 nese, and other kleptocratic actors requires the
19 international community to strengthen democratic
20 governance and the rule of law. International co-
21 operation in combating corruption and illicit finance
22 is vital to such efforts, especially by empowering re-
23 formers in foreign countries during historic political
24 openings for the establishment of the rule of law in
25 those countries.

1 (8) Technical assistance programs that combat
2 corruption and strengthen the rule of law, including
3 through assistance provided by the Department of
4 State’s Bureau of International Narcotics and Law
5 Enforcement Affairs and the United States Agency
6 for International Development, and through pro-
7 grams like the Department of Justice’s Office of
8 Overseas Prosecutorial Development, Assistance and
9 Training and the International Criminal Investiga-
10 tive Training Assistance Program, can have lasting
11 and significant impacts for both foreign and United
12 States interests.

13 (9) There currently exist numerous inter-
14 national instruments to combat corruption,
15 kleptocracy, and illicit finance, including—

16 (A) the Inter-American Convention against
17 Corruption of the Organization of American
18 States, done at Caracas March 29, 1996;

19 (B) the Convention on Combating Bribery
20 of Foreign Public Officials in International
21 Business Transactions of the Organisation of
22 Economic Co-operation and Development, done
23 at Paris December 21, 1997 (commonly re-
24 ferred to as the “Anti-Bribery Convention”);

1 (C) the United Nations Convention against
2 Transnational Organized Crime, done at New
3 York November 15, 2000;

4 (D) the United Nations Convention against
5 Corruption, done at New York October 31,
6 2003;

7 (E) Recommendation of the Council for
8 Further Combating Bribery of Foreign Public
9 Officials in International Business Trans-
10 actions, adopted November 26, 2009; and

11 (F) recommendations of the Financial Ac-
12 tion Task Force comprising the International
13 Standards on Combating Money Laundering
14 and the Financing of Terrorism and Prolifera-
15 tion.

16 **SEC. 5403. DEFINITIONS.**

17 In this title:

18 (1) APPROPRIATE CONGRESSIONAL COMMIT-
19 TEES.—The term “appropriate congressional com-
20 mittees” means—

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

23 (B) the Committee on Banking, Housing,
24 and Urban Affairs of the Senate;

1 (C) the Committee on Finance of the Sen-
2 ate;

3 (D) the Committee on the Judiciary of the
4 Senate;

5 (E) the Committee on Foreign Affairs of
6 the House of Representatives;

7 (F) the Committee on Financial Services
8 of the House of Representatives;

9 (G) the Committee on Ways and Means of
10 the House of Representatives; and

11 (H) the Committee on the Judiciary of the
12 House of Representatives.

13 (2) FOREIGN ASSISTANCE.—The term “foreign
14 assistance” means foreign assistance authorized
15 under the Foreign Assistance Act of 1961 (22
16 U.S.C. 2251 et seq.).

17 (3) FOREIGN STATE.—The term “foreign state”
18 has the meaning given such term in section 1603(a)
19 of title 28, United States Code.

20 (4) INTELLIGENCE COMMUNITY.—The term
21 “intelligence community” has the meaning given
22 such term in section 3(4) of the National Security
23 Act of 1947 (50 U.S.C. 3003(4)).

24 (5) PUBLIC CORRUPTION.—The term “public
25 corruption” includes the unlawful exercise of en-

1 trusted public power for private gain, such as
2 through bribery, nepotism, fraud, extortion, or em-
3 bezzlement.

4 (6) RULE OF LAW.—The term “rule of law”
5 means the principle of governance in which all per-
6 sons, institutions, and entities, whether public or
7 private, including the state, are accountable to laws
8 that are—

9 (A) publicly promulgated;

10 (B) equally enforced;

11 (C) independently adjudicated; and

12 (D) consistent with international human
13 rights norms and standards.

14 **SEC. 5404. STATEMENT OF POLICY.**

15 It is the policy of the United States—

16 (1) to leverage United States diplomatic en-
17 gagement and foreign assistance to promote the rule
18 of law;

19 (2)(A) to promote international instruments to
20 combat corruption, kleptocracy, and illicit finance,
21 including instruments referred to in section 5402(9),
22 and other relevant international standards and best
23 practices, as such standards and practices develop;
24 and

1 (B) to promote the adoption and implementa-
2 tion of such laws, standards, and practices by for-
3 eign states;

4 (3) to support foreign states in promoting good
5 governance and combating public corruption;

6 (4) to encourage and assist foreign partner
7 countries to identify and close loopholes in their
8 legal and financial architecture, including the misuse
9 of anonymous shell companies, free trade zones, and
10 other legal structures, that are enabling illicit fi-
11 nance to penetrate their financial systems;

12 (5) to help foreign partner countries to inves-
13 tigate, prosecute, adjudicate, and more generally
14 combat the use of corruption by malign actors, in-
15 cluding authoritarian governments, particularly the
16 Government of the Russian Federation and the Gov-
17 ernment of the People's Republic of China, as a tool
18 of malign influence worldwide;

19 (6) to assist in the recovery of kleptocracy-re-
20 lated stolen assets for victims, including through the
21 use of appropriate bilateral arrangements and inter-
22 national agreements, such as the United Nations
23 Convention against Corruption, done at New York
24 October 31, 2003, and the United Nations Conven-

1 tion against Transnational Organized Crime, done at
2 New York November 15, 2000;

3 (7) to use sanctions authorities, such as the
4 Global Magnitsky Human Rights Accountability Act
5 (subtitle F of title XII of the National Defense Au-
6 thorization Act for Fiscal Year 2017 (Public Law
7 114–328; 22 U.S.C. 2656 note)) and section
8 7031(e) of the Department of State, Foreign Oper-
9 ations, and Related Programs Appropriations Act,
10 2020 (division G of Public Law 116–94), to identify
11 and take action against corrupt foreign actors;

12 (8) to ensure coordination between relevant
13 Federal departments and agencies with jurisdiction
14 over the advancement of good governance in foreign
15 states; and

16 (9) to lead the creation of a formal grouping of
17 like-minded states—

18 (A) to coordinate efforts to counter corrup-
19 tion, kleptocracy, and illicit finance; and

20 (B) to strengthen collective financial de-
21 fense.

22 **SEC. 5405. ANTI-CORRUPTION ACTION FUND.**

23 (a) ESTABLISHMENT.—There is established in the
24 United States Treasury a fund, to be known as the “Anti-
25 Corruption Action Fund”, only for the purposes of—

1 (1) strengthening the capacity of foreign states
2 to prevent and fight public corruption;

3 (2) assisting foreign states to develop rule of
4 law-based governance structures, including account-
5 able civilian police, prosecutorial, and judicial insti-
6 tutions;

7 (3) supporting foreign states to strengthen do-
8 mestic legal and regulatory frameworks to combat
9 public corruption, including the adoption of best
10 practices under international law; and

11 (4) supplementing existing foreign assistance
12 and diplomacy with respect to efforts described in
13 paragraphs (1), (2), and (3).

14 (b) FUNDING.—

15 (1) TRANSFERS.—Beginning on or after the
16 date of the enactment of this Act, if total criminal
17 fines and penalties in excess of \$50,000,000 are im-
18 posed against a person under the Foreign Corrupt
19 Practices Act of 1977 (Public Law 95–213) or sec-
20 tion 13, 30A, or 32 of the Securities Exchange Act
21 of 1934 (15 U.S.C. 78m, 78dd–1, and 78ff), wheth-
22 er pursuant to a criminal prosecution, enforcement
23 proceeding, deferred prosecution agreement, non-
24 prosecution agreement, a declination to prosecute or
25 enforce, or any other resolution, the court (in the

1 case of a conviction) or the Attorney General shall
2 impose an additional prevention payment equal to
3 \$5,000,000 against such person, which shall be de-
4 posited in the Anti-Corruption Action Fund estab-
5 lished under subsection (a).

6 (2) AVAILABILITY OF FUNDS.—Amounts depos-
7 ited into the Anti-Corruption Action Fund pursuant
8 to paragraph (1) shall be available to the Secretary
9 of State only for the purposes described in sub-
10 section (a), without fiscal year limitation or need for
11 subsequent appropriation.

12 (3) LIMITATION.—None of the amounts made
13 available to the Secretary of State from the Anti-
14 Corruption Action Fund may be used inside the
15 United States, except for administrative costs re-
16 lated to overseas program implementation pursuant
17 to subsection (a).

18 (c) SUPPORT.—The Anti-Corruption Action Fund—

19 (1) may support governmental and nongovern-
20 mental parties in advancing the purposes described
21 in subsection (a); and

22 (2) shall be allocated in a manner complemen-
23 tary to existing United States foreign assistance, di-
24 plomacy, and anti-corruption activities.

1 (d) ALLOCATION AND PRIORITIZATION.—In pro-
2 gramming foreign assistance made available through the
3 Anti-Corruption Action Fund, the Secretary of State, in
4 coordination with the Attorney General, shall prioritize
5 projects that—

6 (1) assist countries that are undergoing historic
7 opportunities for democratic transition, combating
8 corruption, and the establishment of the rule of law;
9 and

10 (2) are important to United States national in-
11 terests.

12 (e) TECHNICAL ASSISTANCE PROVIDERS.—For any
13 technical assistance to a foreign governmental party under
14 this section, the Secretary of State, in coordination with
15 the Attorney General, shall prioritize United States Gov-
16 ernment technical assistance providers as implementers, in
17 particular the Office of Overseas Prosecutorial Develop-
18 ment, Assistance and Training and the International
19 Criminal Investigative Training Assistance Program at
20 the Department of Justice.

21 (f) PUBLIC DIPLOMACY.—The Secretary of State
22 shall announce that funds deposited in the Anti-Corrup-
23 tion Action Fund are derived from actions brought under
24 the Foreign Corrupt Practices Act to demonstrate that the
25 use of such funds are—

1 (1) contributing to international anti-corruption
2 work; and

3 (2) reducing the pressure that United States
4 businesses face to pay bribes overseas, thereby con-
5 tributing to greater competitiveness of United States
6 companies.

7 (g) REPORTING.—Not later than 1 year after the
8 date of the enactment of this Act and not less frequently
9 than annually thereafter, the Secretary of State shall sub-
10 mit a report to the appropriate congressional committees
11 that contains—

12 (1) the balance of the funding remaining in the
13 Anti-Corruption Action Fund;

14 (2) the amount of funds that have been depos-
15 ited into the Anti-Corruption Action Fund; and

16 (3) a summary of the obligation and expendi-
17 ture of such funds.

18 (h) NOTIFICATION REQUIREMENTS.—None of the
19 amounts made available to the Secretary of State from
20 the Anti-Corruption Action Fund pursuant to this section
21 shall be available for obligation, or for transfer to other
22 departments, agencies, or entities, unless the Secretary of
23 State notifies the Committee on Foreign Relations of the
24 Senate, the Committee on Appropriations of the Senate,
25 the Committee on Foreign Affairs of the House of Rep-

1 representatives, and the Committee on Appropriations of the
2 House of Representatives, not later than 15 days in ad-
3 vance of such obligation or transfer.

4 **SEC. 5406. INTERAGENCY ANTI-CORRUPTION TASK FORCE.**

5 (a) IN GENERAL.—The Secretary of State, in co-
6 operation with the Interagency Anti-Corruption Task
7 Force established pursuant to subsection (b), shall man-
8 age a whole-of-government effort to improve coordination
9 among Federal departments and agencies and donor orga-
10 nizations with a role in—

11 (1) promoting good governance in foreign
12 states; and

13 (2) enhancing the ability of foreign states to
14 combat public corruption.

15 (b) INTERAGENCY ANTI-CORRUPTION TASK
16 FORCE.—Not later than 180 days after the date of the
17 enactment of this Act, the Secretary of State shall estab-
18 lish and convene the Interagency Anti-Corruption Task
19 Force (referred to in this section as the “Task Force”),
20 which shall be composed of representatives appointed by
21 the President from appropriate departments and agencies,
22 including the Department of State, the United States
23 Agency for International Development, the Department of
24 Justice, the Department of the Treasury, the Department
25 of Homeland Security, the Department of Defense, the

1 Department of Commerce, the Millennium Challenge Cor-
2 poration, and the intelligence community.

3 (c) ADDITIONAL MEETINGS.—The Task Force shall
4 meet not less frequently than twice per year.

5 (d) DUTIES.—The Task Force shall—

6 (1) evaluate, on a general basis, the effective-
7 ness of existing foreign assistance programs, includ-
8 ing programs funded by the Anti-Corruption Action
9 Fund, that have an impact on—

10 (A) promoting good governance in foreign
11 states; and

12 (B) enhancing the ability of foreign states
13 to combat public corruption;

14 (2) assist the Secretary of State in managing
15 the whole-of-government effort described in sub-
16 section (a);

17 (3) identify general areas in which such whole-
18 of-government effort could be enhanced; and

19 (4) recommend specific programs for foreign
20 states that may be used to enhance such whole-of-
21 government effort.

22 (e) BRIEFING REQUIREMENT.—Not later than 1 year
23 after the date of the enactment of this Act and not less
24 frequently than annually thereafter through the end of fis-
25 cal year 2026, the Secretary of State shall provide a brief-

1 ing to the appropriate congressional committees regarding
2 the ongoing work of the Task Force. Each briefing shall
3 include the participation of a representative of each of the
4 departments and agencies described in subsection (b), to
5 the extent feasible.

6 **SEC. 5407. DESIGNATION OF EMBASSY ANTI-CORRUPTION**

7 **POINTS OF CONTACT.**

8 (a) **EMBASSY ANTI-CORRUPTION POINT OF CON-**
9 **TACT.**—The chief of mission of each United States em-
10 bassy shall designate an anti-corruption point of contact
11 for each such embassy.

12 (b) **DUTIES.**—The designated anti-corruption points
13 of contact designated pursuant to subsection (a) shall—

14 (1) coordinate, in accordance with guidance
15 from the Interagency Anti-Corruption Task Force
16 established pursuant to section 5406(b), an inter-
17 agency approach within United States embassies to
18 combat public corruption in the foreign states in
19 which such embassies are located that is tailored to
20 the needs of such foreign states, including all rel-
21 evant Federal departments and agencies with a pres-
22 ence in such foreign states, such as the Department
23 of State, the United States Agency for International
24 Development, the Department of Justice, the De-
25 partment of the Treasury, the Department of Home-

1 land Security, the Department of Defense, the Mil-
2 lennium Challenge Corporation, and the intelligence
3 community;

4 (2) make recommendations regarding the use of
5 the Anti-Corruption Action Fund and other foreign
6 assistance funding related to anti-corruption efforts
7 in their respective countries of responsibility that
8 aligns with United States diplomatic engagement;
9 and

10 (3) ensure that anti-corruption activities carried
11 out within their respective countries of responsibility
12 are included in regular reporting to the Secretary of
13 State and the Interagency Anti-Corruption Task
14 Force, including United States embassy strategic
15 planning documents and foreign assistance-related
16 reporting, as appropriate.

17 (c) TRAINING.—The Secretary of State shall develop
18 and implement appropriate training for the designated
19 anti-corruption points of contact.

20 **SEC. 5408. REPORTING REQUIREMENTS.**

21 (a) REPORT OR BRIEFING ON PROGRESS TOWARD
22 IMPLEMENTATION.—Not later than 180 days after the
23 date of the enactment of this Act, and annually thereafter
24 for the following 3 years, the Secretary of State, in con-
25 sultation with the Administrator of the United States

1 Agency for International Development, the Attorney Gen-
2 eral, and the Secretary of the Treasury, shall submit a
3 report or provide a briefing to the appropriate congres-
4 sional committees that summarizes progress made in com-
5 bating public corruption and in implementing this title,
6 including—

7 (1) identifying opportunities and priorities for
8 outreach with respect to promoting the adoption and
9 implementation of relevant international law and
10 standards in combating public corruption,
11 kleptocracy, and illicit finance;

12 (2) describing—

13 (A) the bureaucratic structure of the of-
14 fices within the Department of State and the
15 United States Agency for International Devel-
16 opment that are engaged in activities to combat
17 public corruption, kleptocracy, and illicit fi-
18 nance; and

19 (B) how such offices coordinate their ef-
20 forts with each other and with other relevant
21 Federal departments and agencies;

22 (3) providing a description of how the provi-
23 sions under subsections (d) and (e) of section 5405
24 have been applied to each project funded by the
25 Anti-Corruption Action Fund;

1 (4) providing an explanation as to why a United
2 States Government technical assistance provider was
3 not used if technical assistance to a foreign govern-
4 mental entity is not implemented by a United States
5 Government technical assistance provider;

6 (5) describing the activities of the Interagency
7 Anti-Corruption Task Force established pursuant to
8 section 5406(b);

9 (6) identifying—

10 (A) the designated anti-corruption points
11 of contact for foreign states; and

12 (B) any training provided to such points of
13 contact; and

14 (7) recommending additional measures that
15 would enhance the ability of the United States Gov-
16 ernment to combat public corruption, kleptocracy,
17 and illicit finance overseas.

18 (b) ONLINE PLATFORM.—The Secretary of State, in
19 conjunction with the Administrator of the United States
20 Agency for International Development, should consolidate
21 existing reports with anti-corruption components into a
22 single online, public platform that includes—

23 (1) the Annual Country Reports on Human
24 Rights Practices required under section 116 of the
25 Foreign Assistance Act of 1961 (22 U.S.C. 2151n);

1 (2) the Fiscal Transparency Report required
2 under section 7031(b) of the Department of State,
3 Foreign Operations and Related Programs Appro-
4 priations Act, 2019 (division F of Public Law 116-
5 6);

6 (3) the Investment Climate Statement reports;

7 (4) the International Narcotics Control Strat-
8 egy Report;

9 (5) any other relevant public reports; and

10 (6) links to third-party indicators and compli-
11 ance mechanisms used by the United States Govern-
12 ment to inform policy and programming, as appro-
13 priate, such as—

14 (A) the International Finance Corpora-
15 tion's Doing Business surveys;

16 (B) the International Budget Partnership's
17 Open Budget Index; and

18 (C) multilateral peer review anti-corruption
19 compliance mechanisms, such as—

20 (i) the Organisation for Economic Co-
21 operation and Development's Working
22 Group on Bribery in International Busi-
23 ness Transactions;

1 (ii) the Follow-Up Mechanism for the
2 Inter-American Convention Against Cor-
3 ruption; and

4 (iii) the United Nations Convention
5 Against Corruption, done at New York Oc-
6 tober 31, 2003.

