AMENDMENT TO RULES COMM. PRINT 115–23
OFFERED BY MR. SUOZZI OF NEW YORK

At the end of subtitle D of title XII, add the following new section:

SEC. 12. ACTIONS TO COMBAT CORRUPTION ACTIVITIES CARRIED OUT BY THE RUSSIAN FEDERATION.

(a) FINDINGS.—Congress finds the following:

(1) The Russian Federation uses corruption as a strategic tool to erode democratic governance from within and discredit the liberal democratic system, thereby strengthening Russia’s sphere of influence.

(2) Russia’s ultimate goal is to dissolve the transatlantic union by capitalizing on and exacerbating existing tensions within European countries.

(3) In 2016, the Center for Strategic and International Studies (CSIS) and the Centre for the Study of Democracy concluded that Russia has cultivated an opaque network of patronage across the region that it uses to influence and direct decision-making. Russia seeks to gain influence over if not control of critical state institutions, bodies, and the economy and uses this influence to shape national policies and decisions.
(4) Central and Eastern European leaders, including those from Romania, the Czech Republic, Latvia, and Poland, have warned that Russia engages in economic warfare by using politically motivated investments to advance its agenda, and seeks to challenge the transatlantic orientation of Central and Eastern Europe.

(5) While countries along Russia’s border, especially the Baltic countries, Ukraine, and Georgia, are under threat from Moscow’s malign influence and military aggression, corruption is also part of Russia’s hybrid warfare strategy to use direct and indirect action to coerce, destabilize and exercise malign influence over other countries.

(6) Much like a virus, malign Russian-fueled corruption inconspicuously penetrates a country through what appears to be a host of legitimate financial transactions.

(7) According to CSIS, the corruption, often through opaque financial transactions, infects various strategic sectors of host economies, particularly energy, media, and financial sectors. Over time, the host countries’ institutions become compromised and can no longer self-police or resist Russian influence,
thereby allowing Russian control over the government.

(8) In France, Austria, Germany, and the United Kingdom, Russia directly supports entities that feed directly off lack of confidence and trust in democratic systems, which enhances the popularity of extreme parties.

(9) The United States intelligence community concluded that Russia deployed similar tactics in the 2016 United States elections in order to erode public confidence and trust in the United States political system.

(10) This strategy exploits the inherent openness and vulnerabilities within Western capitalist systems. To combat it, the United States must support efforts of foreign partner countries to investigate corruption and strengthen fiscal transparency.

(11) Only through strengthening Western governance and institutions will the United States and its partners thwart Russian tactics of corruption and exploitation and prevent Russia’s virus-like corruption from eroding democracy in the United States.

(b) OFFICE OF ANTI-CORRUPTION RELATING TO ILICIT RUSSIAN FINANCIAL ACTIVITIES IN EUROPE.—

Title I of the State Department Basic Authorities Act of
1956 (22 U.S.C. 2651a et seq.) is amended by adding at the end the following new section:

“SEC. 64. OFFICE OF ANTI-CORRUPTION RELATING TO ILICIT RUSSIAN FINANCIAL ACTIVITIES IN EUROPE.

“(a) ESTABLISHMENT.—The Secretary of State shall establish within the Department of State the Office of Anti-Corruption relating to Illicit Russian Financial Activities in Europe (in this section referred to as the ‘Office’).

“(b) HEAD OF OFFICE.—The head of the Office shall be the Director of Anti-Corruption relating to Illicit Russian Financial Activities in Europe (in this section referred to as the ‘Director’). The Director shall be appointed by Secretary, in consultation with the Assistant Secretary of State for European Affairs.

“(c) FUNCTIONS.—The Office shall carry out the following functions:

“(1) In coordination with the intelligence community, analyze financial networks of the Russian Federation that operate in European countries relating to investments in the real estate, energy, media, infrastructure, philanthropy, civil society, sports, nongovernmental organization, and other sectors.
“(2) In coordination with the Secretary of the Treasury, train United States liaison officers to serve in key United States diplomatic and consular posts in European countries to cooperate with foreign partners in the uncovering and prosecution of illicit Russian financial activity.

“(d) REPORT.—

“(1) IN GENERAL.—The Office shall develop and submit to the appropriate congressional committees on an annual basis a report on the conduct and results of activities of the Office carried out under subsection (c) during the prior year.

“(2) FORM.—The report required under this subsection shall be submitted in unclassified form but may contain a classified annex.

“(e) PERSONNEL.—The Secretary of State is authorized to accept details or assignments of any personnel on a reimbursable or nonreimbursable basis for the purpose of carrying out this section, and the head of any Federal agency is authorized to detail or assign personnel of such agency on a reimbursable or nonreimbursable basis to the Secretary for purposes of carrying out this section.

“(f) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—The term ‘appropriate congressional committees’ means—
“(1) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and

“(2) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs, and the Committee on Finance of the Senate.”

(c) FOREIGN ASSISTANCE AND RELATED MATTERS.—

(1) AUTHORITY TO PROVIDE FOREIGN ASSISTANCE.—

(A) IN GENERAL.—The Secretary of State is authorized to provide assistance to European countries to combat corruption.

(B) TYPES OF ASSISTANCE.—Assistance authorized to be provided under subparagraph (A) may include the following:

(i) Support for activities described in paragraphs (1) and (2) of section 64(c) of the State Department Basic Authorities Act of 1956 (as added by subsection (b)).

(ii) Support for and strengthening of foreign programs focused on investigative journalism and independence of the media environment to expose Russian corruption.
(iii) Support for activities in Europe relating to anti-corruption, anti-propaganda, and anti-Russian malign influence.

(2) MATTERS RELATING TO NATO.—The Secretary of State shall seek to work with the North Atlantic Treaty Organization (NATO) to carry out the following actions:

(A) Encouraging the NATO Assistant Secretary General for Intelligence and Warning to monitor Russian influence in NATO member states.

(B) Prioritizing the combating of Russian influence under the NATO-European Union framework.

(3) EU-US SUMMIT.—The Secretary of State, in coordination with the Secretary of the Treasury, is authorized to host a summit between the United States and the European Union on preventing undeclared, cross-border money flows invested in strategic areas or economic sectors of European countries.

(d) NATIONAL INTELLIGENCE ESTIMATE.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall develop and sub-
mit to the appropriate congressional committees a
National Intelligence Estimate on the matters de-
scribed in paragraph (2).

(2) Matters described.—The matters de-
scribed in this subsection are the following:

(A) Any purchases of $10,000 or more
made in the 5-year period ending on the date
of the enactment of this Act by individuals and
entities of key sectors in European countries,
particularly purchases that provide monopolistic
control of a sector.

(B) A detailed analysis of the individuals
and entities making such purchases, including
sources of revenue for each individual and enti-
ty and any links to the Russian Federation.

(e) Report.—Not later than 180 days after the date
of the enactment of this Act, the Secretary of State and
the Secretary of Treasury shall jointly submit to the ap-
propriate congressional committees a report on the imple-
mentation of this section.

(f) Definitions.—In this section:

(1) Appropriate congressional commit-
tees.—The term “appropriate congressional com-
mittees” means—
(A) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and

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

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