

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:

1 **SEC. 12 . ACTIONS TO COMBAT CORRUPTION ACTIVITIES**

2 **CARRIED OUT BY THE RUSSIAN FEDERATION.**

3 (a) FINDINGS.—Congress finds the following:

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

8 (2) Russia's ultimate goal is to dissolve the
9 transatlantic union by capitalizing on and exacer-
10 bating existing tensions within European countries.

11 (3) In 2016, the Center for Strategic and Inter-
12 national Studies (CSIS) and the Centre for the
13 Study of Democracy concluded that Russia has cul-
14 tivated an opaque network of patronage across the
15 region that it uses to influence and direct decision-
16 making. Russia seeks to gain influence over if not
17 control of critical state institutions, bodies, and the
18 economy and uses this influence to shape national
19 policies and decisions.

1 (4) Central and Eastern European leaders, in-
2 cluding those from Romania, the Czech Republic,
3 Latvia, and Poland, have warned that Russia en-
4 gages in economic warfare by using politically moti-
5 vated investments to advance its agenda, and seeks
6 to challenge the transatlantic orientation of Central
7 and Eastern Europe.

8 (5) While countries along Russia's border, espe-
9 cially the Baltic countries, Ukraine, and Georgia, are
10 under threat from Moscow's malign influence and
11 military aggression, corruption is also part of Rus-
12 sia's hybrid warfare strategy to use direct and indi-
13 rect action to coerce, destabilize and exercise malign
14 influence over other countries.

15 (6) Much like a virus, malign Russian-fueled
16 corruption inconspicuously penetrates a country
17 through what appears to be a host of legitimate fi-
18 nancial transactions.

19 (7) According to CSIS, the corruption, often
20 through opaque financial transactions, infects var-
21 ious strategic sectors of host economies, particularly
22 energy, media, and financial sectors. Over time, the
23 host countries' institutions become compromised and
24 can no longer self-police or resist Russian influence,

1 thereby allowing Russian control over the govern-
2 ment.

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

8 (9) The United States intelligence community
9 concluded that Russia deployed similar tactics in the
10 2016 United States elections in order to erode public
11 confidence and trust in the United States political
12 system.

13 (10) This strategy exploits the inherent open-
14 ness and vulnerabilities within Western capitalist
15 systems. To combat it, the United States must sup-
16 port efforts of foreign partner countries to inves-
17 tigate corruption and strengthen fiscal transparency.

18 (11) Only through strengthening Western gov-
19 ernance and institutions will the United States and
20 its partners thwart Russian tactics of corruption and
21 exploitation and prevent Russia's virus-like corrup-
22 tion from eroding democracy in the United States.

23 (b) OFFICE OF ANTI-CORRUPTION RELATING TO IL-
24 LICIT RUSSIAN FINANCIAL ACTIVITIES IN EUROPE.—

25 Title I of the State Department Basic Authorities Act of

1 1956 (22 U.S.C. 2651a et seq.) is amended by adding at
2 the end the following new section:

3 **“SEC. 64. OFFICE OF ANTI-CORRUPTION RELATING TO IL-**
4 **LICIT RUSSIAN FINANCIAL ACTIVITIES IN EU-**
5 **ROPE.**

6 “(a) ESTABLISHMENT.—The Secretary of State shall
7 establish within the Department of State the Office of
8 Anti-Corruption relating to Illicit Russian Financial Ac-
9 tivities in Europe (in this section referred to as the ‘Of-
10 fice’).

11 “(b) HEAD OF OFFICE.—The head of the Office shall
12 be the Director of Anti-Corruption relating to Illicit Rus-
13 sian Financial Activities in Europe (in this section re-
14 ferred to as the ‘Director’). The Director shall be ap-
15 pointed by Secretary, in consultation with the Assistant
16 Secretary of State for European Affairs.

17 “(c) FUNCTIONS.—The Office shall carry out the fol-
18 lowing functions:

19 “(1) In coordination with the intelligence com-
20 munity, analyze financial networks of the Russian
21 Federation that operate in European countries relat-
22 ing to investments in the real estate, energy, media,
23 infrastructure, philanthropy, civil society, sports,
24 nongovernmental organization, and other sectors.

1 “(2) In coordination with the Secretary of the
2 Treasury, train United States liaison officers to
3 serve in key United States diplomatic and consular
4 posts in European countries to cooperate with for-
5 eign partners in the uncovering and prosecution of
6 illicit Russian financial activity.

7 “(d) REPORT.—

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

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

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

23 “(f) APPROPRIATE CONGRESSIONAL COMMITTEES
24 DEFINED.—The term ‘appropriate congressional commit-
25 tees’ means—

1 “(1) the Committee on Foreign Affairs and the
2 Committee on Financial Services of the House of
3 Representatives; and

4 “(2) the Committee on Foreign Relations and
5 the Committee on Banking, Housing, and Urban Af-
6 fairs, and the Committee on Finance of the Sen-
7 ate.”.

8 (c) FOREIGN ASSISTANCE AND RELATED MAT-
9 TERS.—

10 (1) AUTHORITY TO PROVIDE FOREIGN ASSIST-
11 ANCE.—

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

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

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

22 (ii) Support for and strengthening of
23 foreign programs focused on investigative
24 journalism and independence of the media
25 environment to expose Russian corruption.

1 (iii) Support for activities in Europe
2 relating to anti-corruption, anti-propa-
3 ganda, and anti-Russian malign influence.

4 (2) MATTERS RELATING TO NATO.—The Sec-
5 retary of State shall seek to work with the North At-
6 lantic Treaty Organization (NATO) to carry out the
7 following actions:

8 (A) Encouraging the NATO Assistant Sec-
9 retary General for Intelligence and Warning to
10 monitor Russian influence in NATO member
11 states.

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

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

22 (d) NATIONAL INTELLIGENCE ESTIMATE.—

23 (1) IN GENERAL.—Not later than 180 days
24 after the date of the enactment of this Act, the Di-
25 rector of National Intelligence shall develop and sub-

1 mit to the appropriate congressional committees a
2 National Intelligence Estimate on the matters de-
3 scribed in paragraph (2).

4 (2) MATTERS DESCRIBED.—The matters de-
5 scribed in this subsection are the following:

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

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

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

21 (f) DEFINITIONS.—In this section:

22 (1) APPROPRIATE CONGRESSIONAL COMMIT-
23 TEES.—The term “appropriate congressional com-
24 mittees” means—

1 (A) the Committee on Foreign Affairs and
2 the Committee on Financial Services of the
3 House of Representatives; and

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

8 (2) INTELLIGENCE COMMUNITY.—The term
9 “intelligence community” has the meaning given the
10 term in section 3 of the National Security Act of
11 1947 (50 U.S.C. 3003).

