

114TH CONGRESS
2D SESSION

S. 3543

To contain, reverse, and deter Russian aggression in Ukraine, to assist Ukraine’s democratic transition, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 9, 2016

Mr. MENENDEZ (for himself, Mr. COONS, Mr. DURBIN, and Mrs. SHAHEEN) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To contain, reverse, and deter Russian aggression in Ukraine, to assist Ukraine’s democratic transition, 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 AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Stability and Democracy for Ukraine Act” or “STAND
6 for Ukraine Act”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

Sec. 1. Short title and table of contents.

Sec. 2. Statements of policy.

TITLE I—CRIMEA ANNEXATION NONRECOGNITION

- Sec. 101. United States policy against recognition of territorial changes effected by force alone.
- Sec. 102. Prohibitions against United States recognition of the Russian Federation's annexation of Crimea.
- Sec. 103. Determinations and codification of sanctions under Executive Order No. 13685.

TITLE II—SANCTIONS PROVISIONS

- Sec. 201. Prohibiting certain transactions with foreign sanctions evaders and serious human rights abusers with respect to the Russian Federation.
- Sec. 202. Report on certain foreign financial institutions.
- Sec. 203. Requirements relating to transfers of defense articles and defense services to the Russian Federation.

TITLE III—OTHER MATTERS

- Sec. 301. Strategy to respond to Russian Federation-supported information and propaganda efforts directed toward Russian-speaking communities in countries bordering the Russian Federation.
- Sec. 302. Cost limitation.
- Sec. 303. Sunset.

1 SEC. 2. STATEMENTS OF POLICY.

2 (a) IN GENERAL.—It is the policy of the United
 3 States to further assist the Government of Ukraine in re-
 4 storing its sovereignty and territorial integrity to contain,
 5 reverse, and deter Russian aggression in Ukraine. That
 6 policy shall be carried into effect, among other things,
 7 through a comprehensive effort, in coordination with allies
 8 and partners of the United States where appropriate, that
 9 includes sanctions, diplomacy, and assistance, including le-
 10 thal defensive weapons systems, for the people of Ukraine
 11 intended to enhance their ability to consolidate a rule of
 12 law-based democracy with a free market economy and to
 13 exercise their right under international law to self-defense.

1 (b) ADDITIONAL STATEMENT OF POLICY.—It is fur-
2 ther the policy of the United States—

3 (1) to use its voice, vote, and influence in inter-
4 national fora to encourage others to provide assist-
5 ance that is similar to assistance described in sub-
6 section (a) to Ukraine; and

7 (2) to ensure that any relevant sanctions relief
8 for the Russian Federation is contingent on timely,
9 complete, and verifiable implementation of the Minsk
10 Agreements, especially the restoration of Ukraine’s
11 control of the entirety of its eastern border with the
12 Russian Federation in the conflict zone.

13 **TITLE I—CRIMEA ANNEXATION**
14 **NONRECOGNITION**

15 **SEC. 101. UNITED STATES POLICY AGAINST RECOGNITION**
16 **OF TERRITORIAL CHANGES EFFECTED BY**
17 **FORCE ALONE.**

18 Between the years of 1940 and 1991, the United
19 States did not recognize the forcible incorporation and an-
20 nexation of the three Baltic States of Lithuania, Latvia,
21 and Estonia into the Soviet Union under a policy known
22 as the “Stimson Doctrine”.

1 **SEC. 102. PROHIBITIONS AGAINST UNITED STATES REC-**
2 **OGNITION OF THE RUSSIAN FEDERATION'S**
3 **ANNEXATION OF CRIMEA.**

4 (a) IN GENERAL.—In accordance with United States
5 policy enumerated in section 101, no Federal department
6 or agency should take any action or extend any assistance
7 that recognizes or implies any recognition of the de jure
8 or de facto sovereignty of the Russian Federation over Cri-
9 mea, its airspace, or its territorial waters.

10 (b) DOCUMENTS PORTRAYING CRIMEA AS PART OF
11 RUSSIAN FEDERATION.—In accordance with United
12 States policy enumerated in section 101, the Government
13 Printing Office should not print any map, document,
14 record, or other paper of the United States portraying or
15 otherwise indicating Crimea as part of the territory of the
16 Russian Federation.

17 **SEC. 103. DETERMINATIONS AND CODIFICATION OF SANC-**
18 **TIONS UNDER EXECUTIVE ORDER NO. 13685.**

19 (a) DETERMINATIONS.—

20 (1) IN GENERAL.—Not later than 90 days after
21 the date of the enactment of this Act, the President
22 shall submit to the appropriate congressional com-
23 mittees a report that contains the assessment de-
24 scribed in paragraph (2).

25 (2) ASSESSMENT DESCRIBED.—The assessment
26 described in this paragraph is—

1 (A) a review of each person designated
2 pursuant to Executive Order No. 13660 (March
3 6, 2014; 79 Fed. Reg. 13493; relating to block-
4 ing property of certain persons contributing to
5 the situation in Ukraine) or Executive Order
6 No. 13661 (March 16, 2014; 79 Fed. Reg.
7 15535; relating to blocking property of addi-
8 tional persons contributing to the situation in
9 Ukraine); and

10 (B) a determination as to whether any
11 such person meets the criteria for designation
12 pursuant to Executive Order No. 13685 (De-
13 cember 19, 2014; 79 Fed. Reg. 77357; relating
14 to blocking property of certain persons and pro-
15 hibiting certain transactions with respect to the
16 Crimea region of Ukraine).

17 (3) FORM.—The assessment required by para-
18 graph (2) shall be submitted in unclassified form but
19 may contain a classified annex.

20 (b) CODIFICATION.—United States sanctions pro-
21 vided for in Executive Order No. 13685, as in effect on
22 the day before the date of the enactment of this Act, shall
23 remain in effect until the date on which the President sub-
24 mits to the appropriate congressional committees a certifi-
25 cation described in subsection (c).

1 (c) CERTIFICATION.—A certification described in this
2 subsection is a certification of the President that
3 Ukraine’s sovereignty over Crimea has been restored.

4 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
5 tion shall be construed to restrict the authority of the
6 President to impose additional United States sanctions
7 with specific respect to the Russian Federation’s occupa-
8 tion of Crimea pursuant to Executive Order No. 13685.

9 (e) APPROPRIATE CONGRESSIONAL COMMITTEES.—
10 In this section, the term “appropriate congressional com-
11 mittees” means—

12 (1) the Committee on Foreign Affairs, the
13 Committee on Financial Services, and the Com-
14 mittee on Ways and Means of the House of Rep-
15 resentatives; and

16 (2) the Committee on Foreign Relations, the
17 Committee on Banking, Housing, and Urban Af-
18 fairs, and the Committee on Finance of the Senate.

1 **TITLE II—SANCTIONS**
2 **PROVISIONS**

3 **SEC. 201. PROHIBITING CERTAIN TRANSACTIONS WITH**
4 **FOREIGN SANCTIONS EVADERS AND SERIOUS**
5 **HUMAN RIGHTS ABUSERS WITH RESPECT TO**
6 **THE RUSSIAN FEDERATION.**

7 (a) IN GENERAL.—The Support for the Sovereignty,
8 Integrity, Democracy, and Economic Stability of Ukraine
9 Act of 2014 (Public Law 113–95; 22 U.S.C. 8901 et seq.)
10 is amended by adding at the end the following new sec-
11 tions:

12 **“SEC. 10. PROHIBITING CERTAIN TRANSACTIONS WITH**
13 **FOREIGN SANCTIONS EVADERS WITH RE-**
14 **SPECT TO THE RUSSIAN FEDERATION.**

15 “(a) IN GENERAL.—The President is authorized to
16 impose with respect to a foreign person the sanctions de-
17 scribed in subsection (b) if the President determines that
18 the foreign person knowingly—

19 “(1) has materially violated, attempted to vio-
20 late, conspired to violate, or caused a violation of
21 any license, order, regulation, or prohibition con-
22 tained in, or issued pursuant to any covered Execu-
23 tive order; or

24 “(2) has facilitated significant deceptive or
25 structured transactions for or on behalf of any per-

1 son subject to United States sanctions concerning
2 the Russian Federation.

3 “(b) SANCTIONS DESCRIBED.—

4 “(1) IN GENERAL.—The sanctions described in
5 this subsection are the exercise of all powers granted
6 to the President by the International Emergency
7 Economic Powers Act (50 U.S.C. 1701 et seq.) to
8 the extent necessary to block and prohibit all trans-
9 actions in all property and interests in property of
10 a person determined by the President to be subject
11 to subsection (a) if such property and interests in
12 property are in the United States, come within the
13 United States, or are or come within the possession
14 or control of a United States person.

15 “(2) PENALTIES.—A person that violates, at-
16 tempts to violate, conspires to violate, or causes a
17 violation of paragraph (1) or any regulation, license,
18 or order issued to carry out that paragraph shall be
19 subject to the penalties set forth in subsections (b)
20 and (c) of section 206 of the International Emer-
21 gency Economic Powers Act (50 U.S.C. 1705) to the
22 same extent as a person that commits an unlawful
23 act described in subsection (a) of that section.

24 “(c) WAIVER.—The President may waive the applica-
25 tion of sanctions under subsection (b) on a case-by-case

1 for a period of not more than 120 days, and may renew
2 that waiver for additional periods of not more than 120
3 days with respect to a person if the President determines
4 that such a waiver is in the national interests of the
5 United States and on or before the date on which the waiv-
6 er takes effect, submits to the appropriate congressional
7 committees a notice of and justification for the waiver.

8 “(d) IMPLEMENTATION AUTHORITY.—The President
9 may exercise all authorities provided to the President
10 under sections 203 and 205 of the International Emer-
11 gency Economic Powers Act (50 U.S.C. 1702 and 1704)
12 for purposes of carrying out this section.

13 “(e) REGULATORY AUTHORITY.—The President shall
14 issue such regulations, licenses, and orders as are nec-
15 essary to carry out this section.

16 “(f) DEFINITIONS.—In this section:

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

20 “(A) the Committee on Foreign Affairs,
21 the Committee on Financial Services, and the
22 Committee on Ways and Means of the House of
23 Representatives; and

24 “(B) the Committee on Foreign Relations,
25 the Committee on Banking, Housing, and

1 Urban Affairs, and the Committee on Finance
2 of the Senate.

3 “(2) COVERED EXECUTIVE ORDER.—The term
4 ‘covered Executive order’ means any of the fol-
5 lowing:

6 “(A) Executive Order No. 13660 (March
7 6, 2014; 79 Fed. Reg. 13493; relating to block-
8 ing property of certain persons contributing to
9 the situation in Ukraine).

10 “(B) Executive Order No. 13661 (March
11 16, 2014; 79 Fed. Reg. 15535; relating to
12 blocking property of additional persons contrib-
13 uting to the situation in Ukraine).

14 “(C) Executive Order No. 13685 (Decem-
15 ber 19, 2014; 79 Fed. Reg. 77357; relating to
16 blocking property of certain persons and prohib-
17 iting certain transactions with respect to the
18 Crimea region of Ukraine).

19 “(3) FOREIGN PERSON.—The term ‘foreign per-
20 son’ has the meaning given such term in section
21 595.304 of title 31, Code of Federal Regulations, as
22 in effect on the date of the enactment of this Act.

23 “(4) STRUCTURED.—The term ‘structured’,
24 with respect to a transaction, has the meaning given

1 the term ‘structure’ in paragraph (xx) of section
2 1010.100 of title 31, Code of Federal Regulations.

3 “(5) UNITED STATES PERSON.—The term
4 ‘United States person’ has the meaning given such
5 term in section 589.312 of title 31, Code of Federal
6 Regulations, as in effect on the date of the enact-
7 ment of this Act.

8 **“SEC. 11. PROHIBITING CERTAIN TRANSACTIONS IN AREAS**
9 **CONTROLLED BY THE RUSSIAN FEDERATION.**

10 “(a) IN GENERAL.—The President is authorized to
11 impose with respect to a foreign person the sanctions de-
12 scribed in subsection (b) if the President determines that
13 the foreign person, based on credible information—

14 “(1) is responsible for, complicit in, or respon-
15 sible for ordering, controlling, or otherwise directing,
16 the commission of serious human rights abuses in
17 any territory forcibly occupied or otherwise con-
18 trolled by the Government of the Russian Federa-
19 tion;

20 “(2) has materially assisted, sponsored, or pro-
21 vided financial, material, or technological support
22 for, or goods or services to, a foreign person that is
23 responsible for, complicit in, or responsible for order-
24 ing, controlling, or otherwise directing, the commis-
25 sion of serious human rights abuses in any territory

1 forcibly occupied or otherwise controlled by the Gov-
2 ernment of the Russian Federation; or

3 “(3) is owned or controlled by a foreign person,
4 or has acted or purported to act for or on behalf of,
5 directly or indirectly, a foreign person, that is re-
6 sponsible for, complicit in, or responsible for order-
7 ing, controlling, or otherwise directing, the commis-
8 sion of serious human rights abuses in any territory
9 forcibly occupied or otherwise controlled by the Gov-
10 ernment of the Russian Federation.

11 “(b) SANCTIONS DESCRIBED.—

12 “(1) IN GENERAL.—The sanctions described in
13 this subsection are the exercise of all powers granted
14 to the President by the International Emergency
15 Economic Powers Act (50 U.S.C. 1701 et seq.),
16 without regard to section 202 of such Act, to the ex-
17 tent necessary to block and prohibit all transactions
18 in all property and interests in property of a person
19 determined by the President to be subject to sub-
20 section (a) if such property and interests in property
21 are in the United States, come within the United
22 States, or are or come within the possession or con-
23 trol of a United States person.

24 “(2) PENALTIES.—A person that violates, at-
25 tempts to violate, conspires to violate, or causes a

1 violation of paragraph (1) or any regulation, license,
2 or order issued to carry out that paragraph shall be
3 subject to the penalties set forth in subsections (b)
4 and (c) of section 206 of the International Emer-
5 gency Economic Powers Act (50 U.S.C. 1705) to the
6 same extent as a person that commits an unlawful
7 act described in subsection (a) of that section.

8 “(c) WAIVER.—The President may waive the applica-
9 tion of sanctions under subsection (b) on a case-by-case
10 for a period of not more than 120 days, and may renew
11 that waiver for additional periods of not more than 120
12 days with respect to a person if the President determines
13 that such a waiver is in the national interests of the
14 United States and on or before the date on which the wai-
15 ver takes effect, submits to the appropriate congressional
16 committees a notice of and justification for the waiver.

17 “(d) IMPLEMENTATION AUTHORITY.—The President
18 may exercise all authorities provided to the President
19 under sections 203 and 205 of the International Emer-
20 gency Economic Powers Act (50 U.S.C. 1702 and 1704)
21 for purposes of carrying out this section.

22 “(e) REGULATORY AUTHORITY.—The President shall
23 issue such regulations, licenses, and orders as are nec-
24 essary to carry out this section.

25 “(f) DEFINITIONS.—In this section:

1 “(1) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term ‘appropriate congressional com-
3 mittees’ means—

4 “(A) the Committee on Foreign Affairs,
5 the Committee on Financial Services, and the
6 Committee on Ways and Means of the House of
7 Representatives; and

8 “(B) the Committee on Foreign Relations,
9 the Committee on Banking, Housing, and
10 Urban Affairs, and the Committee on Finance
11 of the Senate.

12 “(2) FOREIGN PERSON.—The term ‘foreign per-
13 son’ has the meaning given such term in section
14 595.304 of title 31, Code of Federal Regulations, as
15 in effect on the date of enactment of this section.

16 “(3) UNITED STATES PERSON.—The term
17 ‘United States person’ has the meaning given such
18 term in section 589.312 of title 31, Code of Federal
19 Regulations, as in effect on the date of enactment of
20 this section.”.

21 (b) CONFORMING AMENDMENT.—Section 2 of the
22 Support for the Sovereignty, Integrity, Democracy, and
23 Economic Stability of Ukraine Act of 2014 (22 U.S.C.
24 8901) is amended, in the matter preceding paragraph (1),

1 by striking “In this Act.” and inserting “Except as other-
2 wise provided, in this Act.”.

3 **SEC. 202. REPORT ON CERTAIN FOREIGN FINANCIAL INSTI-
4 TUTIONS.**

5 The Support for the Sovereignty, Integrity, Democ-
6 racy, and Economic Stability of Ukraine Act of 2014
7 (Public Law 113–95; 22 U.S.C. 8901 et seq.) is amended
8 by inserting after section 11 (as added by section 201 of
9 this Act) the following new section:

10 **“SEC. 12. REPORT ON CERTAIN FOREIGN FINANCIAL INSTI-
11 TUTIONS.**

12 “(a) IN GENERAL.—Not later than 90 days after the
13 date of the enactment of this section, the Secretary of
14 State and the Secretary of the Treasury shall jointly sub-
15 mit to the appropriate congressional committees a report
16 on—

17 “(1) foreign financial institutions that are in di-
18 rect control of assets owned or controlled by the
19 Government of Ukraine in a manner determined by
20 the Secretary of State and the Secretary of the
21 Treasury to be in violation of the sovereignty, inde-
22 pendence, or territorial integrity of Ukraine;

23 “(2) foreign financial institutions that are di-
24 rectly or indirectly assisting or otherwise aiding the

1 violation of sovereignty, independence, and territorial
2 integrity of Ukraine; and

3 “(3) foreign financial institutions determined by
4 the Secretary of State and the Secretary of the
5 Treasury to be complicit in illicit financial activity,
6 including money laundering, financing of terrorism,
7 transnational organized crime, or misappropriation
8 of state assets, that are—

9 “(A) organized under the laws of the Rus-
10 sian Federation; or

11 “(B) owned or controlled by a foreign per-
12 son whose property or interests in property
13 have been blocked pursuant to any covered Ex-
14 ecutive order.

15 “(b) FORM.—The report required to be submitted
16 under this subsection shall be submitted in unclassified
17 form but may include a classified annex.

18 “(c) DEFINITIONS.—In this section:

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

22 “(A) the Committee on Foreign Affairs,
23 the Committee on Financial Services, the Com-
24 mittee on Ways and Means, and the Committee

1 on the Judiciary of the House of Representa-
2 tives; and

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

7 “(2) COVERED EXECUTIVE ORDER.—The term
8 ‘covered Executive order’ has the meaning given the
9 term in section 10(f) of this Act.”.

10 **SEC. 203. REQUIREMENTS RELATING TO TRANSFERS OF**
11 **DEFENSE ARTICLES AND DEFENSE SERVICES**
12 **TO THE RUSSIAN FEDERATION.**

13 (a) STATEMENT OF POLICY.—It is the policy of the
14 United States to oppose the transfer of defense articles
15 and defense services from any country that is a member
16 of the North Atlantic Treaty Organization (NATO) to, or
17 on behalf of, the Russian Federation, during any period
18 in which the Russian Federation forcibly occupies the ter-
19 ritory of Ukraine or of a NATO member country.

20 (b) ADOPTION OF NATO POLICY.—The President
21 shall use the voice, vote, and influence of the United
22 States in NATO to seek the adoption of a policy by NATO
23 that is consistent with the policy of the United States
24 specified in subsection (a).

1 (c) MONITORING AND IDENTIFICATION OF TRANS-
2 FERS.—

3 (1) IN GENERAL.—The President shall direct
4 the heads of the appropriate departments and agen-
5 cies of the United States to identify those transfers
6 of defense articles and defense services described in
7 subsection (a) that are contrary to the policy of the
8 United States specified in subsection (a).

9 (2) REPORT.—

10 (A) IN GENERAL.—The President shall
11 submit a written report to the chairmen and
12 ranking members of the appropriate committees
13 of Congress within 5 days of the receipt of in-
14 formation indicating that a transfer described
15 in paragraph (1) has occurred.

16 (B) FORM.—The report required under
17 subparagraph (A) shall be submitted in unclas-
18 sified form but may include a classified annex.

19 (d) DEFINITIONS.—In this section:

20 (1) APPROPRIATE COMMITTEES OF CON-
21 GRESS.—The term “appropriate committees of Con-
22 gress” means—

23 (A) the Committee on Armed Services, the
24 Committee on Foreign Affairs, and the Perma-

1 nent Select Committee on Intelligence of the
2 House of Representatives; and

3 (B) the Committee on Armed Services, the
4 Committee on Foreign Relations, and the Select
5 Committee on Intelligence of the Senate.

6 (2) DEFENSE ARTICLES AND DEFENSE SERV-
7 ICES.—The terms “defense article” and “defense
8 service” have the meanings given such terms in sec-
9 tion 47 of the Arms Export Control Act (22 U.S.C.
10 2794).

11 **TITLE III—OTHER MATTERS**

12 **SEC. 301. STRATEGY TO RESPOND TO RUSSIAN FEDERA-**
13 **TION-SUPPORTED INFORMATION AND PROP-**
14 **AGANDA EFFORTS DIRECTED TOWARD RUS-**
15 **SIAN-SPEAKING COMMUNITIES IN COUN-**
16 **TRIES BORDERING THE RUSSIAN FEDERA-**
17 **TION.**

18 (a) IN GENERAL.—Not later than 60 days after the
19 date of the enactment of this Act, the Secretary of State
20 shall develop and implement a strategy to respond to Rus-
21 sian Federation-supported disinformation and propaganda
22 efforts directed toward persons in countries bordering the
23 Russian Federation.

24 (b) MATTERS TO BE INCLUDED.—The strategy re-
25 quired under subsection (a) should include the following:

1 (1) Development of a response to propaganda
2 and disinformation campaigns as an element of the
3 ongoing crisis in Ukraine, specifically—

4 (A) assistance in building the capacity of
5 the Ukrainian military to document conflict
6 zones and disseminate information in real time;

7 (B) assistance in enhancing broadcast ca-
8 pacity with terrestrial television transmitters in
9 Eastern Ukraine; and

10 (C) media training for officials of the Gov-
11 ernment of Ukraine.

12 (2) Establishment of a partnership with partner
13 governments and private-sector entities to provide
14 Russian language entertainment and news content
15 to broadcasters in Russian-speaking communities
16 bordering the Russian Federation.

17 (3) Assessment of the extent of Russian Fed-
18 eration influence in political parties, financial insti-
19 tutions, media organizations, and other entities seek-
20 ing to exert political influence and sway public opin-
21 ion in favor of Russian Federation policy across Eu-
22 rope.

23 (c) REPORT.—The Secretary of State shall submit to
24 the appropriate congressional committees a report on the

1 strategy required under subsection (a) and its implemen-
2 tation.

3 (d) APPROPRIATE CONGRESSIONAL COMMITTEES.—

4 In this section, the term “appropriate congressional com-
5 mittees” means—

6 (1) the Committee on Foreign Affairs and the
7 Committee on Armed Services of the House of Rep-
8 resentatives; and

9 (2) the Committee on Foreign Relations and
10 the Committee on Armed Services of the Senate.

11 **SEC. 302. COST LIMITATION.**

12 No additional funds are authorized to carry out the
13 requirements of this Act and the amendments made by
14 this Act. Such requirements shall be carried out using
15 amounts otherwise authorized.

16 **SEC. 303. SUNSET.**

17 This Act and the amendments made by this Act shall
18 cease to be effective beginning on the date that is 5 years
19 after the date of the enactment of this Act.

○