## 117TH CONGRESS 1ST SESSION

# H. R. 2946

To advance the strategic alignment of United States diplomatic tools toward the realization of free, fair, and transparent elections in Nicaragua and to reaffirm the commitment of the United States to protect the fundamental freedoms and human rights of the people of Nicaragua, and for other purposes.

# IN THE HOUSE OF REPRESENTATIVES

April 30, 2021

Mr. Sires (for himself, Ms. Salazar, Mr. Green of Tennessee, Ms. Wasserman Schultz, Mrs. Murphy of Florida, Mr. Diaz-Balart, Mr. Soto, Mr. Vargas, and Mr. Deutch) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

# A BILL

To advance the strategic alignment of United States diplomatic tools toward the realization of free, fair, and transparent elections in Nicaragua and to reaffirm the commitment of the United States to protect the fundamental freedoms and human rights of the people of Nicaragua, 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,

# SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

- 2 (a) SHORT TITLE.—This Act may be cited as the
- 3 "Reinforcing Nicaragua's Adherence to Conditions for
- 4 Electoral Reform Act of 2021" or the "RENACER Act".
- 5 (b) Table of Contents for

### 6 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Sense of Congress.
- Sec. 4. Restrictions on international financial institutions relating to Nicaragua.
- Sec. 5. Targeted sanctions to advance democratic elections.
- Sec. 6. Developing and implementing a coordinated sanctions strategy with diplomatic partners.
- Sec. 7. Inclusion of Nicaragua in list of countries subject to certain sanctions relating to corruption.
- Sec. 8. Classified report on the involvement of Ortega family members and Nicaraguan government officials in corruption.
- Sec. 9. Classified report on the activities of the Russian Federation in Nicaragua.
- Sec. 10. Report on human rights abuses in the interior of Nicaragua.
- Sec. 11. Supporting independent news media and freedom of information in Nicaragua.
- Sec. 12. Amendment to short title of Public Law 115–335.
- Sec. 13. Definition.

#### 7 SEC. 2. FINDINGS.

- 8 Congress makes the following findings:
- 9 (1) Adopted by the Organization of American
- States (in this Act referred to as the "OAS") on Oc-
- tober 21, 2020, the Resolution Restoring Democratic
- 12 Institutions and Respect for Human Rights in Nica-
- ragua Through Free and Fair Elections (in this sec-
- tion referred to as the "OAS Resolution" reiterated
- 15 hemispheric concern that the government of Presi-
- dent Daniel Ortega in Nicaragua has failed to re-

- lease all political prisoners and implement agreedupon measures to ensure freedom of expression.
  - (2) The OAS Resolution called on the Ortega government to accept the deployment of domestic and international electoral observation missions and outlined a need for timely, inclusive negotiations to achieve meaningful electoral reforms, including the modernization of the Supreme Electoral Council, the revitalization of a pluralistic political process, and an independent audit of Nicaraguan voter rolls.
    - (3) A November 19, 2019, report from the OAS High Level Commission on Nicaragua noted the Ortega government had engaged in significant efforts since April 2018 to curtail the fundamental rights of the citizens of Nicaragua, including repeated acts of police intimidation and at least 325 murders, which were predominately committed by government security forces.
    - (4) On April 21, 2018, Nicaraguan journalist Ángel Gahona was killed while broadcasting live on social protests in the country. Since April 2018, the Ortega government has increased its harassment of independent media, which includes December 2019 police raids of the digital newspaper Confidencial and the 100% Noticias news channel, and a Sep-

- tember 2020 court-ordered seizure of assets belong ing to independent broadcaster Nicavision Canal 12.
  - (5) Since 2007, family members of President Daniel Ortega and their political allies have purchased over a dozen TV channels, radio stations, and online news sites in Nicaragua, including Canal 4, 8, and 13, Radio Nicaragua, and El 19 Digital, to increase pro-government media coverage and silence media coverage critical of the government.
    - (6) Sandinista National Liberation Front members of the National Assembly of Nicaragua, with support from the Ortega government, recently approved legislation to obstruct citizen mobilization and codify the persecution of political opponents, including—
      - (A) the Foreign Agents Regulation Law on October 15, 2020, which requires civil society, nongovernmental organizations, and citizens who receive funds originating from abroad to register as "foreign agents", and bars them from engaging in domestic political activity;
      - (B) the Special Cybercrimes Law on October 27, 2020, which established prison sentences for individuals who spread information online that the Government of Nicaragua deems

to be false or construes to cause alarm, terror, or unease in the public;

- (C) the Self-Determination Law on December 21, 2020, which provides President Ortega with the authority to unilaterally declare citizens "terrorists" or "traitors to the homeland" for opposing his rule and ban them from running for public office, effectively preventing any individuals who supported the 2018 protests from being candidates; and
- (D) the reform to the Consumer Protection Law on February 4, 2021, which provides the Government of Nicaragua the authority to mandate Nicaraguan commercial banks to overturn and ignore sanctions imposed by the United States with respect to persons on the list of specifically designated national and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury.
- (7) According to preliminary reports of the Government of Nicaragua, Hurricanes Eta and Iota, which made landfall in Nicaragua on November 3 and November 16, 2020, respectively, affected more than 3,000,000 individuals and resulted in an economic loss in excess of \$742,000,000. Indigenous

- 1 Miskito and Mayangna communities situated in the
- 2 North Caribbean Coast Autonomous Region bore the
- 3 brunt of the devastation, with at least 23 indigenous
- 4 territories and upwards of 147,000 indigenous in-
- 5 habitants directly impacted by the weather phe-
- 6 nomena.

# 7 SEC. 3. SENSE OF CONGRESS.

- 8 It is the sense of Congress that—
- 9 (1) ongoing efforts by the government of Presi-
- dent Daniel Ortega in Nicaragua to suppress the
- voice and actions of civil society, political opponents,
- and independent news media violate the fundamental
- freedoms and basic human rights of the people of
- 14 Nicaragua;
- 15 (2) Congress unequivocally condemns the pas-
- sage of the Foreign Agents Regulation Law, the
- 17 Special Cybercrimes Law, and the Self-Determina-
- tion Law by the National Assembly of Nicaragua,
- which represent clear attempts by the Ortega gov-
- ernment to curtail the fundamental freedoms and
- basic human rights of the people of Nicaragua;
- 22 (3) Congress recognizes that free, fair, and
- transparent elections predicated on robust reform
- measures and the presence of domestic and inter-
- 25 national observers represent the best opportunity for

- the people of Nicaragua to restore democracy and reach a peaceful solution to the political and social crisis in Nicaragua;
  - (4) the United States should align the use of diplomatic engagement and all other foreign policy tools, including the use of targeted sanctions, in support of efforts by democratic political actors and civil society in Nicaragua to advance the necessary conditions for free, fair, and transparent elections in Nicaragua;
  - (5) the United States, in order to maximize the effectiveness of efforts described in paragraph (4), should—
    - (A) coordinate with diplomatic partners, including the Government of Canada, the European Union, and partners in Latin America and the Caribbean; and
    - (B) advance diplomatic initiatives in consultation with the OAS and the United Nations; and
  - (6) pursuant to section 6(b) of the Nicaragua Investment Conditionality Act of 2018, the President should waive the application of restrictions under section 4 of that Act and the sanctions under section 5 of that Act if the Secretary of State cer-

1	tifies that the Government of Nicaragua is taking
2	the steps identified in section 6(a) of that Act, in-
3	cluding taking steps to "to hold free and fair elec-
4	tions overseen by credible domestic and international
5	observers".
6	SEC. 4. RESTRICTIONS ON INTERNATIONAL FINANCIAL IN-
7	STITUTIONS RELATING TO NICARAGUA.
8	Section 4 of the Nicaragua Investment Conditionality
9	Act of 2018 is amended—
10	(1) by redesignating subsections (a), (b), and
11	(c) as subsections (b), (c), and (d), respectively;
12	(2) by inserting before subsection (b), as redes-
13	ignated by paragraph (1), the following:
14	"(a) Sense of Congress.—It is the sense of Con-
15	gress that the Secretary of the Treasury should take all
16	possible steps, including through the full implementation
17	of the exceptions set forth in subsection (c), to ensure that
18	the restrictions required under subsection (b) do not nega-
19	tively impact the basic human needs of the people of Nica-
20	ragua.";
21	(3) in subsection (c), as so redesignated, by
22	striking "subsection (a)" and inserting "subsection
23	(b)"; and
24	(4) by striking subsection (d), as so redesig-
25	nated, and inserting the following:

1 "(d) Increased Oversight.—

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"(1) IN GENERAL.—The United States Executive Director at each international financial institution of the World Bank Group, the United States Executive Director at the Inter-American Development Bank, and the United States Executive Director at each other international financial institution, including the International Monetary Fund, shall take all practicable steps to increase scrutiny of any loan or financial or technical assistance provided for a project in Nicaragua to ensure that the loan or assistance is being used for the intended purposes.

- "(2) MECHANISMS FOR INCREASED SCRU-TINY.—The United States Executive Director at each international financial institution described in paragraph (1) shall use the voice, vote, and influence of the United States to encourage that institution to develop oversight mechanisms for new and existing loans or financial or technical assistance provided for a project in Nicaragua to ensure that such loans and assistance are being used for the intended purposes.
- "(e) Interagency Consultation.—Before imple-24 menting the restrictions described in subsection (b), or be-25 fore exercising an exception under subsection (c), the Sec-

- 1 retary of the Treasury shall consult with the Secretary of
- 2 State and with the Administrator of the United States
- 3 Agency for International Development to ensure that all
- 4 loans and financial or technical assistance to Nicaragua
- 5 are consistent with United States foreign policy objectives
- 6 as defined in section 3.
- 7 "(f) Report.—Not later than 180 days after the
- 8 date of the enactment of the RENACER Act, and annu-
- 9 ally thereafter until the termination date specified in sec-
- 10 tion 10, the Secretary of the Treasury, in coordination
- 11 with the Secretary of State and the Administrator of the
- 12 United States Agency for International Development, shall
- 13 submit to the appropriate congressional committees a re-
- 14 port on the implementation of this section, which shall in-
- 15 clude—
- 16 "(1) summary of any loans and financial and
- technical assistance provided by international finan-
- cial institutions for projects in Nicaragua;
- 19 "(2) a description of the implementation of the
- restrictions described in subsection (b);
- 21 "(3) an identification of the occasions in which
- 22 the exceptions under subsection (c) are exercised
- and an assessment of how the loan or assistance
- provided with each such exception may address basic

- 1 human needs or promote democracy in Nicaragua;
- 2 and
- 3 "(4) a description of the results of the in-
- 4 creased oversight conducted under subsection (d).".

### 5 SEC. 5. TARGETED SANCTIONS TO ADVANCE DEMOCRATIC

- 6 ELECTIONS.
- 7 (a) Coordinated Strategy.—
- 8 (1) IN GENERAL.—The Secretary of State and 9 the Secretary of the Treasury, in consultation with 10 the intelligence community (as defined in section 3
- of the National Security Act of 1947 (50 U.S.C.
- 12 3003)), shall develop and implement a coordinated
- strategy to align diplomatic engagement efforts with
- the implementation of targeted sanctions in order to
- support efforts to facilitate the necessary conditions
- 16 for free, fair, and transparent elections in Nica-
- 17 ragua.
- 18 (2) Briefing required.—Not later than 60
- days after the date of the enactment of this Act, and
- every 60 days thereafter until December 31, 2021,
- 21 the Secretary of State and the Secretary of the
- Treasury shall brief the Committee on Foreign Rela-
- tions of the Senate and the Committee on Foreign
- Affairs of the House of Representatives on steps to
- be taken by the United States Government to de-

1	velop and implement the coordinated strategy re-
2	quired by paragraph (1).
3	(b) Targeted Sanctions Prioritization.—
4	(1) In general.—Pursuant to the coordinated
5	strategy required by subsection (a), the President
6	shall prioritize the implementation of the targeted
7	sanctions required under section 5 of the Nicaragua
8	Investment Conditionality Act of 2018 with respect
9	to foreign persons directly or indirectly obstructing
10	the establishment of conditions necessary for the re-
11	alization of free, fair, and transparent elections in
12	Nicaragua.
13	(2) Targets.—In carrying out paragraph (1),
14	the President shall specifically target foreign persons
15	involved in directly or indirectly obstructing the es-
16	tablishment of conditions described in that para-
17	graph, including—
18	(A) officials in the government of Presi-
19	dent Daniel Ortega;
20	(B) family members of President Daniel
21	Ortega;
22	(C) members of the National Nicaraguan
23	Police;
24	(D) members of the Nicaraguan Armed
25	Forces;

1	(E) members of the Supreme Electoral
2	Council of Nicaragua;
3	(F) party members and elected officials
4	from the Sandinista National Liberation Front
5	and their family members;
6	(G) individuals or entities affiliated with
7	businesses engaged in corrupt financial trans-
8	actions with officials in the government of
9	President Daniel Ortega, his party, or his fam-
10	ily; and
11	(H) individuals identified in the report re-
12	quired by section 8 as involved in significant
13	acts of public corruption in Nicaragua.
14	SEC. 6. DEVELOPING AND IMPLEMENTING A COORDINATED
15	SANCTIONS STRATEGY WITH DIPLOMATIC
16	PARTNERS.
17	(a) FINDINGS.—Congress makes the following find-
18	ings:
19	(1) On June 21, 2019, the Government of Can-
20	ada, pursuant to its Special Economic Measures Act,
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21	designated 9 officials of the Government of Nica-
<ul><li>21</li><li>22</li></ul>	designated 9 officials of the Government of Nica- ragua for the imposition of sanctions in response to

- 1 (2) On May 4, 2020, the European Union im-2 posed sanctions with respect to 6 officials of the 3 Government of Nicaragua identified as responsible 4 for serious human rights violations and for the re-5 pression of civil society and democratic opposition in 6 Nicaragua.
- 7 (3) On October 12, 2020, the European Union 8 extended its authority to impose restrictive measures 9 on "persons and entities responsible for serious 10 human rights violations or abuses or for the repres-11 sion of civil society and democratic opposition in 12 Nicaragua, as well as persons and entities whose ac-13 tions, policies or activities otherwise undermine de-14 mocracy and the rule of law in Nicaragua, and per-15 sons associated with them".
- (b) Sense of Congress.—It is the sense of Congress that the United States should encourage the Government of Canada, the European Union and governments of members countries of the European Union, and governments of countries in Latin America and the Caribbean to use targeted sanctions with respect to persons involved in human rights violations and the obstruction of free, fair, and transparent elections in Nicaragua.
- (c) COORDINATING INTERNATIONAL SANCTIONS.—The Secretary of State, working through the head of the

- 1 Office of Sanctions Coordination established by section
- 2 1(h) of the State Department Basic Authorities Act of
- 3 1956 (22 U.S.C. 2651a(h)), and in consultation with the
- 4 Secretary of the Treasury, shall engage in diplomatic ef-
- 5 forts with governments of countries that are partners of
- 6 the United States, including the Government of Canada,
- 7 governments of countries in the European Union, and gov-
- 8 ernments of countries in Latin America and the Carib-
- 9 bean, to impose targeted sanctions with respect to the per-
- 10 sons described in section 5(b) in order to advance demo-
- 11 cratic elections in Nicaragua.
- 12 (d) Briefing Requirement.—Not later than 60
- 13 days after the date of the enactment of this Act, and every
- 14 60 days thereafter until December 31, 2021, the Secretary
- 15 of State, in consultation with the Secretary of the Treas-
- 16 ury, shall brief the Committee on Foreign Relations of the
- 17 Senate and the Committee on Foreign Affairs of the
- 18 House of Representatives on the implementation of this
- 19 section.
- 20 SEC. 7. INCLUSION OF NICARAGUA IN LIST OF COUNTRIES
- 21 SUBJECT TO CERTAIN SANCTIONS RELATING
- TO CORRUPTION.
- Section 353 of title III of division FF of the Consoli-
- 24 dated Appropriations Act, 2021 (Public Law 116–260) is
- 25 amended—

1	(1) in the section heading, by striking "AND
2	HONDURAS" and inserting ", HONDURAS, AND
3	NICARAGUA''; and
4	(2) by striking "and Honduras" each place it
5	appears and inserting ", Honduras, and Nicaragua".
6	SEC. 8. CLASSIFIED REPORT ON THE INVOLVEMENT OF OR-
7	TEGA FAMILY MEMBERS AND NICARAGUAN
8	GOVERNMENT OFFICIALS IN CORRUPTION.
9	(a) Report Required.—Not later than 60 days
10	after the date of the enactment of this Act, the Secretary
11	of State, acting through the Bureau of Intelligence and
12	Research of the Department of State, and in coordination
13	with the Director of National Intelligence, shall submit a
14	classified report to the appropriate congressional commit-
15	tees on significant acts of public corruption in Nicaragua
16	that—
17	(1) involve—
18	(A) the President of Nicaragua, Daniel Or-
19	tega;
20	(B) members of the family of Daniel Or-
21	tega; and
22	(C) senior officials of the Ortega govern-
23	ment, including—

1	(i) members of the Supreme Electoral
2	Council, the Nicaraguan Armed Forces,
3	and the National Nicaraguan Police; and
4	(ii) elected officials from the Sandi-
5	nista National Liberation Front party;
6	(2) pose challenges for United States national
7	security and regional stability;
8	(3) impede the realization of free, fair, and
9	transparent elections in Nicaragua; and
10	(4) infringe upon the fundamental freedoms of
11	civil society and political opponents in Nicaragua.
12	(b) Appropriate Congressional Committees.—
13	In this section, the term "appropriate congressional com-
14	mittees" means—
15	(1) the Committee on Foreign Relations and
16	the Select Committee on Intelligence of the Senate;
17	and
18	(2) the Committee on Foreign Affairs and the
19	Permanent Select Committee on Intelligence of the
20	House of Representatives.
21	SEC. 9. CLASSIFIED REPORT ON THE ACTIVITIES OF THE
22	RUSSIAN FEDERATION IN NICARAGUA.
23	The Secretary of State shall include in the classified
24	report required by section 8 a separate section on activities

- of the Government of the Russian Federation in Nica-2 ragua, including— 3 (1) cooperation between Russian and Nica-4 raguan military personnel, intelligence services, secu-5 rity forces, and private Russian security contractors; 6 (2) cooperation related to telecommunications 7 and satellite navigation; 8 (3) other political and economic cooperation; 9 and 10 (4) the threats and risks that such activities 11 pose to United States national interests and national 12 security. 13 SEC. 10. REPORT ON HUMAN RIGHTS ABUSES IN THE INTE-14 RIOR OF NICARAGUA. 15 (a) FINDINGS.—Congress finds that, since the June 2018 initiation of "Operation Clean-up", an effort of the 16 17 government of Daniel Ortega to dismantle barricades constructed throughout Nicaragua during social demonstra-18
- 20 its abuse of campesinos and members of indigenous com-

tions in April 2018, the Ortega government has increased

- 21 munities, including arbitrary detentions, torture, and sex-
- 22 ual violence as a form of intimidation.
- 23 (b) Report Required.—Not later than 90 days
- 24 after the date of the enactment of this Act, the Secretary
- 25 of State shall submit to the appropriate congressional

1	committees a report that documents the perpetration of
2	gross human rights violations by the Ortega government
3	against campesinos and indigenous communities in the in-
4	terior of Nicaragua.
5	(c) Elements.—The report required by subsection
6	(b) shall—
7	(1) include a compilation of human rights viola-
8	tions committed by the Ortega government against
9	inhabitants of the interior of Nicaragua, with a
10	focus on such violations committed since April 2018,
11	including human rights abuses and extrajudicial
12	killings in—
13	(A) the cities of Managua, Carazo, and
14	Masaya between April and June of 2018; and
15	(B) the municipalities of Wiwili, El Cuá,
16	San Jose de Bocay, and Santa Maria de
17	Pantasma in the Department of Jinotega,
18	Esquipulas in the Department of Rivas, and
19	Bilwi in the North Caribbean Coast Autono-
20	mous Region between 2018 and 2021;
21	(2) outline efforts by the Ortega government to
22	intimidate and disrupt the activities of CENIDH
23	and other civil society organizations attempting to
24	hold the government accountable for infringing on

1	the fundamental rights and freedoms of the people
2	of Nicaragua; and
3	(3) provide recommendations on how the United
4	States, in collaboration with international partners
5	and Nicaraguan civil society, should leverage its dip-
6	lomatic capabilities, including sanctions, to curtail
7	the gross human rights violations perpetrated by the
8	Ortega government and better support the victims of
9	human rights violations in the interior of Nicaragua.
10	(d) Appropriate Congressional Committees
11	DEFINED.—In this section, the term "appropriate con-
12	gressional committees" means—
13	(1) the Committee on Foreign Relations of the
14	Senate; and
15	(2) the Committee on Foreign Affairs of the
16	House of Representatives.
17	SEC. 11. SUPPORTING INDEPENDENT NEWS MEDIA AND
18	FREEDOM OF INFORMATION IN NICARAGUA.
19	(a) Report Required.—Not later than 90 days
20	after the date of the enactment of this Act, the Secretary
21	of State, the Administrator for the United States Agency
22	for International Development, and the Chief Executive
23	Officer of the United States Agency for Global Media,
24	shall submit to Congress a report that includes—

- 1 (1) an evaluation of the governmental, political, 2 and technological obstacles faced by the people of 3 Nicaragua in their efforts to obtain accurate, objec-4 tive, and comprehensive news and information about 5 domestic and international affairs;
  - (2) a list of all TV channels, radio stations, online news sites, and other media platforms operating in Nicaragua that are directly or indirectly owned or beneficially controlled by President Daniel Ortega, members of the Ortega family, or known allies of the Ortega government; and
  - (3) a list of any independent press organization or any person affiliated with the independent news media that has experienced intimidation, harassment, physical assault, theft of property, or fatal injury by agents of the Government of Nicaragua or pro-government supporters in direct relation to their journalistic activities since April 2018.
- (b) Elements.—The report required by subsection(a) shall include—
  - (1) an assessment of the extent to which the current level and type of news and related programming and content provided by the Voice of America and other sources is addressing the informational needs of the people of Nicaragua;

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1	(2) a description of existing United States ef-
2	forts to strengthen freedom of the press and freedom
3	of expression in Nicaragua, including recommenda-
4	tions to expand upon those efforts; and
5	(3) a strategy for strengthening independent
6	broadcasting, information distribution, and media
7	platforms in Nicaragua.
0	SEC. 12. AMENDMENT TO SHORT TITLE OF PUBLIC LAW
8	SEC. 12. AMENDMENT TO SHORT TITLE OF PUBLIC LAW
8 9	115-335.
9 10	115–335.
9 10 11	115–335.  Section 1(a) of the Nicaragua Human Rights and
9 10 11 12	Section 1(a) of the Nicaragua Human Rights and Anticorruption Act of 2018 (Public Law 115–335; 50
9 10 11 12 13	Section 1(a) of the Nicaragua Human Rights and Anticorruption Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note) is amended to read as follows:
9 110 111 12 13 14	Section 1(a) of the Nicaragua Human Rights and Anticorruption Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note) is amended to read as follows:  "(a) SHORT TITLE.—This Act may be cited as the
9 110 111 12 13 14	Section 1(a) of the Nicaragua Human Rights and Anticorruption Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note) is amended to read as follows:  "(a) Short Title.—This Act may be cited as the 'Nicaragua Investment Conditionality Act of 2018' or the

17 In this Act, the term "Nicaragua Investment Condi-

 $18\,$  tionality Act of 2018" means the Public Law 115–335 (50

 $19\,\,$  U.S.C. 1701 note), as amended by section 12.

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