To reauthorize and amend the Nicaraguan Investment Conditionality Act of 2018 and the Reinforcing Nicaragua’s Adherence to Conditions for Electoral Reform Act of 2021, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Mr. RUBIO (for himself and Mr. KAINE) introduced the following bill; which was read twice and referred to the Committee on __________________

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A BILL

To reauthorize and amend the Nicaraguan Investment Conditionality Act of 2018 and the Reinforcing Nicaragua’s Adherence to Conditions for Electoral Reform Act of 2021, 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; TABLE OF CONTENTS.
4 (a) Short Title.—This Act may be cited as the
5 “Restoring Sovereignty and Human Rights in Nicaragua
6 Act of 2023”.
7 (b) Table of Contents.—The table of contents of
8 this Act is as follows:
Title I—Reauthorization and Amendment of the Nicaraguan Investment Conditionality Act of 2018 and the Reimposing Nicaragua’s Adherence to Conditions for Electoral Reform Act of 2021

Sec. 102. Enhancing sanctions on sectors of the Nicaraguan economy that generate revenue for the Ortega family.
Sec. 103. Imposition of sanctions with respect to the Ortega administration’s abuses against the Catholic Church, political prisoners, and support for the invasion of Ukraine.
Sec. 104. Coordinated diplomatic strategy to restrict investment and loans that benefit the Government of Nicaragua from the Central American Bank for Economic Integration.

Title II—Additional Economic Measures to Hold the Government of Nicaragua Accountable for Human Rights Abuses

Sec. 201. Statement of policy.
Sec. 202. Suspension of treatment of Nicaragua as a party to the Dominican Republic-Central America-United States free trade agreement.
Sec. 203. Prohibition on new United States investment in Nicaragua.
Sec. 204. Termination.

Title III—Promoting the Human Rights of Nicaraguans

Sec. 301. Support for human rights and democracy programs.

Sec. 2. Definitions.

In this Act:

(1) Appropriate Congressional Committees.—The term “appropriate congressional committees” means—

(A) the Committee on Foreign Relations and the Committee on Banking of the Senate;
(B) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives.

(2) UNITED STATES PERSON.—The term “United States person” means—

(A) an individual who is a citizen or national of the United States or an alien lawfully admitted for permanent residence in the United States; and

(B) any corporation, partnership, or other entity organized under the laws of the United States or the laws of any jurisdiction within the United States.

SEC. 3. FINDINGS.

Congress makes the following findings:

(1) The 2022 Annual Report of the United States Commission on International Religious Freedom made the following recommendations to the United States Government:

(B) Impose targeted sanctions with respect to agencies and officials of the Government of Nicaragua responsible for violence and other punitive actions against places of worship, religious leaders, and organizations by freezing the assets of and barring the entry of certain persons into the United States, citing specific violations of religious freedom.

(C) Collaborate with and encourage multilateral organizations, such as the Organization of American States—

(i) to monitor and investigate violations of religious freedom that occur in Nicaragua;

(ii) to work to identify perpetrators of religious freedom violations in Nicaragua; and

(iii) to seek the repeal of problematic laws such as the foreign agents law passed in Nicaragua in 2020.

(2) The Catholic Church in Nicaragua suffered—

(A) 127 attacks in 2022;

(B) 54 attacks in 2021;

(C) 58 attacks in 2020;
(D) 76 attacks in 2019; and

(E) 81 attacks in 2018.

(3) In a 2022 report by the Economist Intelligence Unit, Nicaragua was listed as an authoritarian regime and one of the least democratic countries in the Western Hemisphere, along with Cuba and Venezuela.

(4) According to the 2021 Country Reports on Human Rights Practices published by the Department of State, members of civil society and student leaders involved in the April 2018 protests in Nicaragua were subjected to torture and inhuman or degrading treatment or punishment.

(5) According to human rights organizations, the Ortega regime has 150 political prisoners, including prisoners in solitary confinement.

(6) In 2022, the Ortega regime rejected a United States envoy, declared the head of the European Union persona non grata, and closed the Vatican embassy in Managua.

(7) On February 9, 2023, the authoritarian Ortega regime—

(A) expelled 222 Nicaraguan nationals who had been unjustly imprisoned for exercising their fundamental rights; and
(B) stripped those nationals of Nicaraguan citizenship.

(8) The invasion of Ukraine by President of the Russian Federation Vladimir Putin poses a significant threat to global peace and stability in the Western Hemisphere.

(9) The authoritarian regime of President Daniel Ortega in Nicaragua is providing diplomatic support to the Russian Federation and serving as an amplifier and repeater of Russian propaganda on a global scale.

(10) The actions of the Government of Nicaragua are impeding development of a global consensus to reject and respond to crimes against humanity conducted by President Putin.

(11) The Ortega regime has deepened the relationship between the Government of Nicaragua and the Government of the Russian Federation and is establishing diplomatic relations with the Government of the People Republic of China.

SEC. 4. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the Secretary of State, working through the head of the Office of Sanctions Coordination, and in consultation with the Secretary of the Treasury,
should engage in diplomatic efforts with partners of
the United States, including the Government of Can-
ada, governments of countries in the European
Union, and governments of countries in Latin Amer-
ica and the Caribbean, to impose targeted sanctions
with respect to the persons subject to sanctions au-
thorized by the Nicaraguan Investment Condition-
ality Act of 2018 and the Reinforcing Nicaragua’s
Adherence To Conditions For Electoral Reform Act
Of 2021 in order to hold the authoritarian regime
of President Daniel Ortega accountable for crimes
against the Catholic Church, the clergy, and the peo-
ple of Nicaragua;

(2) the United States Government should con-
tinue—

(A) to raise concerns about human rights
and democracy in Nicaragua, and call attention
to religious and opposition leaders and civil so-
ciety, media, and faith-based organizations si-
lenced by the Ortega regime; and

(B) to enforce Executive Order 13851 (50
U.S.C. 1701 note; relating to blocking property
of certain persons contributing to the situation
in Nicaragua), and expand existing sanctions to
other sectors of the economy of Nicaragua, such as the meat sector; and

(3) the international community, including the Holy See, the International Red Cross, and the United Nations should coordinate efforts—

(A) to improve the conditions of all political prisoners in Nicaragua;

(B) to document all gross violations of internationally recognized human rights in Nicaragua; and

(C) to call for the end of political persecution against members of religious organizations, including the Catholic Church.
TITLE I—REAUTHORIZATION AND AMENDMENT OF THE NICARAGUAN INVESTMENT CONDITIONALITY ACT OF 2018 AND THE REINFORCING NICARAGUA’S ADHERENCE TO CONDITIONS FOR ELECTIONAL REFORM ACT OF 2021


Section 10 of the Nicaraguan Investment Conditionality Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note) is amended by striking “‘2023” and inserting “‘2028”.

SEC. 102. ENHANCING SANCTIONS ON SECTORS OF THE NICARAGUAN ECONOMY THAT GENERATE REVENUE FOR THE ORTEGA FAMILY.

Section 5(a) of the Nicaraguan Investment Conditionality Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note) is amended—

(1) in paragraph (3)(B), by striking “or”;

(2) in paragraph (4), by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:
“(5) to operate or have operated in the gold, cattle, or coffee sectors of the Nicaraguan economy or in any other sector of the Nicaraguan economy identified by the Secretary of the Treasury, in consultation with the Secretary of State, for purposes of this paragraph.”.

SEC. 103. IMPOSITION OF SANCTIONS WITH RESPECT TO THE ORTEGA ADMINISTRATION’S ABUSES AGAINST THE CATHOLIC CHURCH, POLITICAL PRISONERS, AND SUPPORT FOR THE INVASION OF UKRAINE.

(a) Expansion of Activities Triggering Targeted Sanctions.—Section 5(b) of the Nicaraguan Investment Conditionality Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note) is amended by adding at the end the following:

“(5) The arrest or prosecution of a person, including a person who is a member of or an officer of the Catholic Church, because of the legitimate exercise by such person of the freedom of religion.

“(6) The conviction and sentencing of a person who is a member of an opposition party or independent civil society organization under politically motivated charges.
“(7) Gross violations of the internationally rec-
ognized human rights of prisoners.

“(8) Acts of providing significant goods, serv-
ices, or technology to or expressing support for the
invasion of Ukraine by the Russian Federation that
began on February 24, 2022.”.

(b) MODIFICATION OF TARGETED SANCTIONS

PRIORITIZATION.—Section 5(b)(2)(B) of the Reinforcing
Nicaragua’s Adherence to Conditions for Electoral Reform
Act of 2021 (Public Law 117–54; 50 U.S.C. 1701 note)
is amended—

(1) by redesignating clauses (viii) and (ix) as
clauses (ix) and (x), respectively; and

(2) by inserting after clause (vii) the following
new clause (viii):

“(viii) Officials of the Instituto de
Previsión Social Militar (IPSM), commonly
known as the Military Institute of Social
Security of Nicaragua.”.
1 SEC. 104. COORDINATED DIPLOMATIC STRATEGY TO RE-
2 STRICT INVESTMENT AND LOANS THAT BEN-
3 EFIT THE GOVERNMENT OF NICARAGUA
4 FROM THE CENTRAL AMERICAN BANK FOR
5 ECONOMIC INTEGRATION.

Section 4 of the Nicaragua Investment Conditionality
Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note)
is amended—

(1) by redesignating subsection (f) as sub-
section (g); 

(2) by inserting after subsection (e) the fol-
lowing new subsection (f):

“(f) DIPLOMATIC STRATEGY TO RESTRICT INVEST-
MENT IN NICARAGUA AT THE CENTRAL AMERICAN BANK
FOR ECONOMIC INTEGRATION.—The Secretary of State,
in consultation with the Secretary of the Treasury, shall
engage in diplomatic efforts with governments of countries
that are partners of the United States and members of
the Central American Bank for Economic Integration (re-
ferred to in this section as ‘CABEI’), including the govern-
ments of Mexico, Taiwan, Argentina, Colombia, Spain,
and the Republic of Korea—

“(1) to oppose the extension by CABEI of any
loan or financial or technical assistance to the Gov-
ernment of Nicaragua for any project in Nicaragua;
“(2) to increase the scrutiny of any loan or financial or technical assistance provided by CABEI to any project in Nicaragua; and

“(3) to ensure that any loan or financial or technical assistance provided by CABEI to a project in Nicaragua is administered through an entity with full technical, administrative, and financial independence from the Government of Nicaragua.”; and

(3) in subsection (g), as so redesignated—

(A) in paragraph (4), by striking “; and” and inserting a semicolon;

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by inserting after paragraph (4) the following new paragraph (5):

“(5) a description of the results of the diplomatic strategy mandated by subsection (f); and”.

TITLE II—ADDITIONAL ECONOMIC MEASURES TO HOLD THE GOVERNMENT OF NICARAGUA ACCOUNTABLE FOR HUMAN RIGHTS ABUSES

SEC. 201. STATEMENT OF POLICY.

It is the policy of the United States to seek a resolution to the political crisis in Nicaragua that includes—
14

(1) a commitment by the Government of Nicaragua to hold free and fair elections that meet democratic standards and permit credible international electoral observation to replace the Ortega administration;

(2) the cessation of the violence perpetrated against civilians by the National Police of Nicaragua and by armed groups supported by the Government of Nicaragua; and

(3) independent investigations into the killings of protesters in Nicaragua.

SEC. 202. REVIEW OF PARTICIPATION OF NICARAGUA IN THE DOMINICAN REPUBLIC-CENTRAL AMERICA-UNITED STATES FREE TRADE AGREEMENT.

(a) Report Required.—

(1) In general.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter, the Secretary of State, in consultation with the United States Trade Representative, shall submit to the appropriate congressional committees a report on the participation of Nicaragua in CAFTA-DR, which includes—

(A) an assessment of the benefits that the Ortega regime receives from the participation of
Nicaragua in CAFTA-DR, including profits earned by Nicaraguan state-owned entities;

(B) a description of the violations of commitments made by Nicaragua under CAFTA-DR; and

(C) an assessment of whether Nicaragua qualifies as a nonmarket economy for the purposes of the Trade Act of 1974 (19 U.S.C. 2101 et seq.).

(2) Form.—The report required by paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(b) CAFTA–DR Defined.—In this section, the term “CAFTA–DR” means the Dominican Republic-Central America-United States Free Trade Agreement—

(1) entered into on August 5, 2004, with the Governments of Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua, and submitted to Congress on June 23, 2005; and

(2) approved by Congress under section 101(a)(1) of the Dominican Republic-Central American-United States Free Trade Agreement Implementation Act (19 U.S.C. 4011(a)(1)).
SEC. 203. PROHIBITION ON NEW UNITED STATES INVESTMENT IN NICARAGUA.

(a) Prohibition.—After the date of the enactment of this Act, a United States person, wherever located, may not make any investment in any sector of the economy of Nicaragua.

(b) Implementation.—The President may exercise all authorities provided to the President under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C. 1702 and 1704) to carry out this section.

(c) Penalties.—A person that violates, attempts to violate, conspires to violate, or causes a violation of this section or any regulation, license, or order issued to carry out this section shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section.

(d) Exceptions.—

(1) Exception for intelligence activities.—This section shall not apply with respect to activities subject to the reporting requirements under title V of the National Security Act of 1947 (50 U.S.C. 3091 et seq.) or any authorized intelligence activities of the United States.
(2) **Humanitarian Exception.**—The prohibition under subsection (a) does not apply with respect to any person for conducting or facilitating a transaction for the sale of agricultural commodities, food, medicine, or medical devices to Nicaragua, or for the provision of humanitarian assistance to the people of Nicaragua.

(e) **National Security Waiver.**—The President may waive the application of the prohibition under subsection (a) with respect to a person if the President—

(1) determines that such a waiver is in the national security interests of the United States; and

(2) submits to the appropriate congressional committees a notification of the waiver and the reasons for the waiver.

**Sec. 204. Termination.**

The provisions of this title shall cease to have effect upon certification by the President to the appropriate congressional committees that a resolution to the political crisis in Nicaragua as described in section 201 has been reached.
TITLE III—PROMOTING THE HUMAN RIGHTS OF NICARAGUANS

SEC. 301. SUPPORT FOR HUMAN RIGHTS AND DEMOCRACY PROGRAMS.

(a) Grants.—

(1) In general.—The President may provide grants to private, nonprofit organizations to support programs that promote human rights, democracy, and the rule of law in Nicaragua, including programs that document human rights abuses committed by the Ortega regime since April 2018.

(2) Administration of programs.—Any program that receives a grant under paragraph (1) shall be administered in consultation with members of the Nicaraguan opposition, including individuals in exile in Costa Rica and the United States.

(3) Funding limitation.—Any entity owned, controlled, or otherwise affiliated with the Ortega regime is not eligible to receive a grant under this section.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter through fiscal year 2028, the Secretary of State, in consultation with the heads of other appropriate Federal
agencies, shall submit to the appropriate congressional committees a report on actions taken pursuant to this section.

SEC. 302. SUPPORT FOR NICARAGUAN HUMAN RIGHTS AT THE UNITED NATIONS.

(a) Support to Extend Mandate of the Group of Human Rights Experts on Nicaragua.—The President shall direct the United States Permanent Representative to the United Nations to use the voice, vote, and influence of the United States in the United Nations Human Rights Council and the United Nations General Assembly—

(1) to seek to extend the mandate of the Group of Human Rights Experts on Nicaragua under Human Rights Council Resolution 49/3 (2022) until a peaceful solution to the current political crisis in Nicaragua is reached, including—

(A) a commitment to hold elections that meet democratic standards and permit credible international electoral observation;

(B) the cessation of the violence perpetrated against civilians by the National Police of Nicaragua and by armed groups supported by the Government of Nicaragua; and
(C) independent investigations into the killings of protesters;

(2) to encourage international support to empower the Group of Human Rights Experts on Nicaragua to fulfil its mission to conduct thorough and independent investigations into all alleged human rights violations and abuses committed in Nicaragua since April 2018; and

(3) to provide investigative and technical assistance to the Group of Human Rights Experts on Nicaragua as requested and as permitted under United Nations rules and regulations and United States law.

(b) SUPPORT FOR FURTHER ACTION.—The President may direct the United States Permanent Representative to the United Nations to use the voice, vote, and influence of the United States to urge the United Nations to provide greater action with respect to human rights violations in Nicaragua by—

(1) urging the United Nations General Assembly to consider a resolution, consistent with prior United Nations resolutions, condemning the exile of political prisoners and attacks on religious freedom by the Ortega regime; and
(2) assisting efforts by the relevant United Nations Special Envoys and Special Rapporteurs to promote respect for human rights and encourage dialogue towards a peaceful and democratic transfer of power in Nicaragua.