

116TH CONGRESS  
2D SESSION

# H. R. 5625

To authorize the imposition of sanctions with respect to significant actions that exacerbate climate change, to reinforce comprehensive efforts to limit global average temperature rise, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 16, 2020

Ms. ESCOBAR (for herself and Ms. VELÁZQUEZ) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on the Judiciary, Financial Services, Oversight and Reform, and Ways and Means, 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

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## A BILL

To authorize the imposition of sanctions with respect to significant actions that exacerbate climate change, to reinforce comprehensive efforts to limit global average temperature rise, 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.**

4 This Act may be cited as the “Targeting Environ-  
5 mental and Climate Recklessness Act of 2019”.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) There is strong global support for actions  
4 that limit the severity of climate change.

5 (2) On September 18, 2019, more than 200  
6 representatives of environmental groups, human  
7 rights groups, indigenous peoples, workers, and aca-  
8 demia adopted a declaration calling on governments  
9 to urgently address environmental damage, including  
10 by increasing the pressure on those most responsible  
11 for climate change.

12 (3) The United States Government has devel-  
13 oped and implements targeted measures to restrict  
14 access to the United States financial system for spe-  
15 cific individuals and entities involved in conduct in-  
16 cluding malicious cyber-enabled activity, transnation-  
17 al organized crime, narcotics trafficking, terrorism,  
18 proliferation of weapons of mass destruction, human  
19 rights abuse, and corruption. Those conduct-based  
20 measures apply globally and are not focused on any  
21 specific country.

22 (4) As of the date of the enactment of this Act,  
23 the United States Government seeks to apply exist-  
24 ing sanctions authorities against individuals and en-  
25 tities engaged in wildlife trafficking. On January 30,  
26 2018, the Office of Foreign Assets Control des-

1       ignated an organization for engaging in illicit activi-  
2       ties including the trafficking of endangered and vul-  
3       nerable animals such as black bears, pangolins, ti-  
4       gers, rhinoceroses, and elephants.

5               (5) Climate change has disproportionate impact  
6       on poorer communities and individuals in less devel-  
7       oped countries. Targeted measures against individ-  
8       uals and entities most responsible for exacerbating  
9       climate change could help ensure that efforts to ad-  
10      dress climate change do not worsen global inequal-  
11      ity.

12              (6) Development of carbon-intensive electrical  
13      power plants is continuing across the developing  
14      world through new foreign investments, despite  
15      broad awareness of the dangers.

16              (7) The current investment plans of countries  
17      likely to receive significant foreign energy invest-  
18      ments may lead to an excess build-out of fossil fuel  
19      assets and create carbon “lock-in” absent urgent ac-  
20      tion.

21              (8) Governments that are investing in or direct-  
22      ing foreign investment toward legacy fossil fuel en-  
23      ergy generation often lack the incentive to formulate  
24      more efficient or sustainable national energy policies.

1 Those governments are thus likely to default to es-  
2 tablished but harmful forms of energy generation.

3 (9) Alternatives to carbon-intensive electrical  
4 power generation are now available and technological  
5 advancements continue to strengthen the economic  
6 competitiveness of such alternatives.

7 (10) Corruption is especially harmful when indi-  
8 viduals who abuse positions of influence for personal  
9 gain can simultaneously cause great damage to the  
10 global commons by facilitating significant increases  
11 in the emission of, or decreases in the absorption of,  
12 greenhouse gases.

13 (11) Deforestation is doubly damaging because  
14 it undercuts the absorption of carbon dioxide, while  
15 also raising greenhouse gas emissions.

16 (12) According to the Intergovernmental Panel  
17 on Climate Change, most pathways to limit warming  
18 to well below 2 degrees Celsius require reduced de-  
19 forestation in concert with reforestation, afforesta-  
20 tion, and bioenergy efforts.

21 (13) From 2013 to 2019, some of the largest  
22 financial institutions in the world provided tens of  
23 billions of dollars in financing to entities either di-  
24 rectly or indirectly deforesting the largest rainforests  
25 in the world. Most financial institutions have no in-

1 ternal policy covering dealings in key forest-risk  
2 commodities.

3 (14) On September 22, 2019, 130 financial in-  
4 stitutions worth \$47,000,000,000,000 collectively,  
5 representing  $\frac{1}{3}$  of the global industry, signed on to  
6 the United Nations-backed Principles for Respon-  
7 sible Banking, committing to strategically align their  
8 businesses with the goals of the agreement of the  
9 parties to the United Nations Framework Conven-  
10 tion on Climate Change, done at Paris December 12,  
11 2015, and entered into force November 4, 2016 (in  
12 this Act referred to as the “Paris Climate Agree-  
13 ment”), and the Sustainable Development Goals  
14 adopted by all United Nations member countries in  
15 2015.

16 (15) Illegal deforestation causes environmental  
17 harm while promoting criminal activity. In the Bra-  
18 zilian Amazon, criminal networks with the capacity  
19 to coordinate large-scale extraction, processing, and  
20 sale of timber deploy armed personnel to protect  
21 their interests. They regularly kill and threaten peo-  
22 ple who stand in the way of criminal activity, includ-  
23 ing members of indigenous communities and envi-  
24 ronmental enforcement officials. Perpetrators of vio-  
25 lence are rarely brought to justice.

1           (16) Between 2002 and 2017, 1,558 people in  
2           50 countries were killed for defending their environ-  
3           ments and lands. Environmental defenders currently  
4           face a wave of violence that includes threats of phys-  
5           ical harm, intimidation, and criminalization.

6           (17) Policies and measures to address climate  
7           change must also promote human rights, thereby ad-  
8           vancing equality, justice, and dignity for all, in line  
9           with the Sustainable Development Goals of the  
10          United Nations.

11 **SEC. 3. SENSE OF CONGRESS ON A COMPREHENSIVE AP-**  
12 **PROACH TO ADDRESSING CLIMATE CHANGE.**

13          It is the sense of Congress that—

14           (1) the restrictive measures described in this  
15          Act are only one component of the comprehensive  
16          approach needed to address climate change and miti-  
17          gate its effects;

18           (2) the United States Government must ensure  
19          through law and regulation that United States enti-  
20          ties are not engaged in any of the egregious behav-  
21          iors for which foreign persons may be targeted  
22          under this Act;

23           (3) the United States Government must recom-  
24          mit to the Paris Climate Agreement and commit to  
25          any successor agreement;

1           (4) the United States Government must fulfill  
2 its pledges to the Green Climate Fund and promote  
3 international efforts to support climate change adap-  
4 tation and mitigation;

5           (5) the United States Government must work  
6 proactively with foreign governments, including by  
7 offering positive incentives, to address climate  
8 change and to promote economic development in  
9 ways that do not needlessly increase carbon emis-  
10 sions or increase the risk of corruption;

11           (6) the restrictive measures described in this  
12 Act should be employed if engagement has failed to  
13 prevent significant actions that exacerbate climate  
14 change; and

15           (7) given broad international support for coun-  
16 tering climate change, the Secretary of State should  
17 encourage the governments of other countries to im-  
18 plement restrictive measures that are similar to the  
19 provisions of this Act in order to increase the effec-  
20 tiveness of actions taken by the United States to  
21 combat significant actions that exacerbate climate  
22 change, including related corruption and human  
23 rights violations.

1 **SEC. 4. SENSE OF CONGRESS ON ENGAGEMENT WITH THE**  
2 **PEOPLE'S REPUBLIC OF CHINA.**

3 It is the sense of Congress that—

4 (1) the United States Government should en-  
5 courage the People's Republic of China to follow  
6 through on its stated intentions to reduce the nega-  
7 tive environmental impacts of Chinese foreign invest-  
8 ment, including investments provided through the  
9 Belt and Road Initiative;

10 (2) the United States Government should nego-  
11 tiate a binding agreement to end fossil fuel subsidies  
12 with major economies including the People's Repub-  
13 lic of China;

14 (3) the United States Government should build  
15 on the successes of existing engagement with the  
16 People's Republic of China through the United  
17 States-China Clean Energy Research Center and  
18 other initiatives to launch new cooperative efforts;

19 (4) the United States Government should en-  
20 gage in expanded dialogue with the People's Repub-  
21 lic of China to ensure that development finance in-  
22 stitutions do not undermine global decarbonization  
23 efforts; and

24 (5) the United States Government should work  
25 with the People's Republic of China to develop and  
26 adopt safeguards to promote low-carbon, climate-re-



1       slient investments over high-carbon, climate risk-in-  
2       ducing investments, particularly in emerging and de-  
3       veloping economies in the Indo-Pacific, Africa, and  
4       Latin America.

5 **SEC. 5. STATEMENT OF POLICY ON APPLICATION OF GLOB-**  
6                   **AL MAGNITSKY SANCTIONS TO CLIMATE-**  
7                   **LINKED CORRUPTION AND HUMAN RIGHTS**  
8                   **ABUSES.**

9       (a) IN GENERAL.—It is the policy of the United  
10 States to consider—

11           (1) any act of corruption related to a covered  
12       activity (as defined in section 6(h)) to be corruption,  
13       as that term is used in Executive Order 13818 (50  
14       U.S.C. 1701 note; relating to blocking the property  
15       of persons involved in serious human rights abuse or  
16       corruption); and

17           (2) any violation of internationally recognized  
18       human rights committed against an individual de-  
19       scribed in subsection (b) to be a serious human  
20       rights abuse, as that term is used in that Executive  
21       Order 13818.

22       (b) INDIVIDUALS DESCRIBED.—An individual de-  
23       scribed in this subsection is an individual—

24           (1) seeking to protect the environment, public  
25       health, or community land rights;

1           (2) seeking to expose, or raise awareness of, en-  
2           vironmental damage; or

3           (3) obliged to leave the individual's habitual  
4           home due, in whole or in part, to sudden or progres-  
5           sive change in the environment that adversely affects  
6           the individual's life or living conditions.

7 **SEC. 6. IMPOSITION OF SANCTIONS WITH RESPECT TO SIG-**  
8                           **NIFICANT ACTIONS THAT EXACERBATE CLI-**  
9                           **MATE CHANGE.**

10           (a) SENSE OF CONGRESS.—It is the sense of Con-  
11           gress that the President should employ the authorities  
12           provided by this section to prioritize action against, and  
13           deterrence of, egregious behaviors that undermine efforts  
14           to limit the increase in global average temperature to 1.5  
15           degrees Celsius above pre-industrial levels.

16           (b) IN GENERAL.—The President may impose one or  
17           more of the sanctions described in subsection (c) with re-  
18           spect to any foreign person the President determines,  
19           based on credible information—

20                   (1) to be responsible for or complicit in, or to  
21           have directly or indirectly engaged in, a covered ac-  
22           tivity, including a government official who approves  
23           or implements policies or acts that serve to promote  
24           a covered activity;

1           (2) to have acted or purported to act for or on  
2           behalf of, directly or indirectly, any foreign person in  
3           a matter relating to a covered activity, including for  
4           or on behalf of a government official described in  
5           paragraph (1);

6           (3) to have materially assisted, sponsored, or  
7           provided financial, material, or technological support  
8           for, or goods or services to or in support of, a cov-  
9           ered activity; or

10          (4) to be owned or controlled by a foreign per-  
11          son described in paragraph (1).

12          (c) SANCTIONS DESCRIBED.—The sanctions that  
13          may be imposed with respect to a foreign person under  
14          subsection (b) are the following:

15               (1) INADMISSIBILITY TO UNITED STATES.—In  
16               the case of a foreign person who is an individual—

17                       (A) ineligibility to receive a visa to enter  
18                       the United States or to be admitted to the  
19                       United States; or

20                       (B) if the individual has been issued a visa  
21                       or other documentation, revocation, in accord-  
22                       ance with section 221(i) of the Immigration and  
23                       Nationality Act (8 U.S.C. 1201(i)), of the visa  
24                       or other documentation.

25               (2) BLOCKING OF PROPERTY.—

1 (A) IN GENERAL.—The blocking, in ac-  
2 cordance with the International Emergency  
3 Economic Powers Act (50 U.S.C. 1701 et seq.),  
4 of all transactions in all property and interests  
5 in property of the foreign person if such prop-  
6 erty and interests in property are in the United  
7 States, come within the United States, or are or  
8 come within the possession or control of a  
9 United States person.

10 (B) INAPPLICABILITY OF NATIONAL EMER-  
11 GENCY REQUIREMENT.—The requirements of  
12 section 202 of the International Emergency  
13 Economic Powers Act (50 U.S.C. 1701) shall  
14 not apply for purposes of this paragraph.

15 (3) OTHER SANCTIONS OPTIONS.—Any of the  
16 sanctions described in section 235 of the Countering  
17 America’s Adversaries Through Sanctions Act (22  
18 U.S.C. 9529).

19 (d) CONSIDERATION OF CERTAIN INFORMATION IN  
20 IMPOSING SANCTIONS.—In determining whether to im-  
21 pose sanctions under subsection (b), the President shall  
22 consider—

23 (1) information provided jointly by the chair-  
24 person and ranking member of each of the appro-  
25 priate congressional committees; and

1           (2) credible information obtained by other coun-  
2 tries and nongovernmental organizations that mon-  
3 itor environmental harm or violations of human  
4 rights.

5           (e) REQUESTS BY APPROPRIATE CONGRESSIONAL  
6 COMMITTEES.—

7           (1) IN GENERAL.—Not later than 120 days  
8 after receiving a request that meets the require-  
9 ments of paragraph (2) with respect to whether a  
10 foreign person has engaged in an action described in  
11 subsection (a), the President shall—

12                   (A) determine if that person has engaged  
13 in such an action; and

14                   (B) submit a classified or unclassified re-  
15 port to the chairperson and ranking member of  
16 the committee or committees that submitted the  
17 request with respect to that determination that  
18 includes—

19                           (i) a statement of whether or not the  
20 President imposed or intends to impose  
21 sanctions with respect to the person; and

22                           (ii) if the President imposed or in-  
23 tends to impose sanctions, a description of  
24 those sanctions.

1           (2) REQUIREMENTS.—A request under para-  
2 graph (1) with respect to whether a foreign person  
3 has engaged in an action described in subsection (b)  
4 shall be submitted to the President in writing jointly  
5 by the chairperson and ranking member of one of  
6 the appropriate congressional committees.

7 (f) EXCEPTIONS.—

8           (1) INTELLIGENCE AND LAW ENFORCEMENT  
9 ACTIVITIES.—Sanctions under this section shall not  
10 apply with respect to—

11                   (A) any activity subject to the reporting  
12 requirements under title V of the National Se-  
13 curity Act of 1947 (50 U.S.C. 3091 et seq.); or

14                   (B) any authorized intelligence or law en-  
15 forcement activities of the United States.

16           (2) COMPLIANCE WITH UNITED NATIONS HEAD-  
17 QUARTERS AGREEMENT.—This section shall not  
18 apply with respect to the admission of an individual  
19 to the United States if the admission of the indi-  
20 vidual is necessary to comply with United States ob-  
21 ligations under the Agreement between the United  
22 Nations and the United States of America regarding  
23 the Headquarters of the United Nations, signed at  
24 Lake Success June 26, 1947, and entered into force  
25 November 21, 1947, under the Convention on Con-

1 sular Relations, done at Vienna April 24, 1963, and  
2 entered into force March 19, 1967, or under other  
3 international obligations of the United States.

4 (3) EXCEPTION RELATING TO IMPORTATION OF  
5 GOODS.—

6 (A) IN GENERAL.—The authority to block  
7 and prohibit all transactions in all property and  
8 interests in property under this section shall not  
9 include the authority to impose sanctions on the  
10 importation of goods.

11 (B) GOOD DEFINED.—In this paragraph,  
12 the term “good” means any article, natural or  
13 man-made substance, material, supply or manu-  
14 factured product, including inspection and test  
15 equipment, and excluding technical data.

16 (g) IMPLEMENTATION; PENALTIES.—

17 (1) IMPLEMENTATION.—The President may ex-  
18 ercise all authorities provided under sections 203  
19 and 205 of the International Emergency Economic  
20 Powers Act (50 U.S.C. 1702 and 1704) to carry out  
21 this section.

22 (2) PENALTIES.—A person that violates, at-  
23 tempts to violate, conspires to violate, or causes a  
24 violation of this section or any regulation, license, or  
25 order issued to carry out this section shall be subject

1 to the penalties set forth in subsections (b) and (c)  
2 of section 206 of the International Emergency Eco-  
3 nomic Powers Act (50 U.S.C. 1705) to the same ex-  
4 tent as a person that commits an unlawful act de-  
5 scribed in subsection (a) of that section.

6 (h) REPORT REQUIRED.—Not later than one year  
7 after the date of the enactment of this Act, and annually  
8 thereafter, the Secretary of Energy, in consultation with  
9 the Secretary of State and the Administrator of the Envi-  
10 ronmental Protection Agency, shall submit to the appro-  
11 priate congressional committees a report that includes a  
12 list of each activity in a foreign country that—

13 (1) is initiated or negotiated in the year pre-  
14 ceding submission of the report; and

15 (2) the Secretary determines is a covered activ-  
16 ity, regardless of whether sanctions have been im-  
17 posed with respect to the activity.

18 (i) DEFINITIONS.—In this section:

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

22 (A) the Committee on Environment and  
23 Public Works and the Committee on Foreign  
24 Relations of the Senate; and



1 (B) the Committee on Energy and Com-  
2 merce and the Committee on Foreign Affairs of  
3 the House of Representatives.

4 (2) CARBON SINK.—The term “carbon sink”  
5 means a feature or process that absorbs more car-  
6 bon from the atmosphere than it releases.

7 (3) COVERED ACTIVITY.—The term “covered  
8 activity” means any activity in a foreign country  
9 that, on or after the date of the enactment of this  
10 Act—

11 (A) causes, or is likely to cause, significant  
12 excess greenhouse gas emissions associated with  
13 electrical power generation, including—

14 (i) construction, importation, or ex-  
15 portation of subcritical coal-fired power  
16 plants; or

17 (ii) any action that significantly un-  
18 dermines, as a result of timing or mag-  
19 nitude, adoption in the country of high-ef-  
20 ficiency, low-carbon, or renewable energy  
21 technology or infrastructure;

22 (B) causes, or is likely to cause, significant  
23 or illegal deforestation or loss of natural carbon  
24 sinks, including—

1 (i) establishment of incentives for, or  
2 promotion of, systematic deforestation;

3 (ii) engagement in, or failure to com-  
4 bat, illegal logging, mining, or ranching; or

5 (iii) unjust actions that limit or cir-  
6 cumvent opposition to deforestation by in-  
7 dividuals seeking to protect the environ-  
8 ment, public health, or community land  
9 rights; or

10 (C) knowingly misrepresents the environ-  
11 mental impact of a project, investment, or prod-  
12 uct, including misrepresenting the amount of  
13 greenhouse gas emissions associated with the  
14 project, investment, or product, in the context  
15 of—

16 (i) assessments conducted by multilat-  
17 eral organizations, national governments,  
18 or investors; or

19 (ii) public efforts to gain market ad-  
20 vantage based on purported environmental  
21 advantages of a product.

22 (4) KNOWINGLY.—The term “knowingly”, with  
23 respect to conduct, a circumstance, or a result,  
24 means that a person has actual knowledge, or should

1 have known, of the conduct, the circumstance, or the  
2 result.

3 (5) FOREIGN PERSON.—The term “foreign per-  
4 son” means a person that is not a United States  
5 person.

6 (6) SUBCRITICAL COAL-FIRED POWER PLANT.—  
7 The term “subcritical coal-fired power plant” means  
8 a coal-fired power plant with carbon intensity equal  
9 to or greater than 880 kilograms of carbon dioxide  
10 per megawatt-hour.

11 (7) UNITED STATES PERSON.—The term  
12 “United States person” means—

13 (A) a United States citizen or an alien law-  
14 fully admitted for permanent residence to the  
15 United States; or

16 (B) an entity organized under the laws of  
17 the United States or of any jurisdiction within  
18 the United States, including a foreign branch of  
19 such an entity.

20 **SEC. 7. ADDITIONAL RESOURCES FOR THE OFFICE OF FOR-**  
21 **EIGN ASSETS CONTROL.**

22 There are authorized to be appropriated to the Sec-  
23 retary of the Treasury such sums as may be necessary  
24 to support the targeting by the Office of Foreign Assets  
25 Control of persons under this Act and to enhance the abil-

1 ity of that Office to target persons for the imposition of  
2 sanctions under the Global Magnitsky Human Rights Ac-  
3 countability Act (subtitle F of title XII of Public Law  
4 114–328; 22 U.S.C. 2656 note).

○