

Calendar No. 189

116TH CONGRESS
1ST SESSION

S. 1151

[Report No. 116–85]

To prohibit contracting with persons that have business operations with the Maduro regime, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 11, 2019

Mr. SCOTT of Florida (for himself, Mr. RUBIO, and Mr. COTTON) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

SEPTEMBER 10, 2019

Reported by Mr. JOHNSON, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To prohibit contracting with persons that have business operations with the Maduro regime, 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 “Venezuelan Con-
5 ~~tracting Restriction Act~~”.

1 **SEC. 2. PROHIBITION ON CONTRACTING WITH PERSONS**
 2 **THAT HAVE BUSINESS OPERATIONS WITH**
 3 **THE MADURO REGIME.**

4 (a) **PROHIBITION.**—The head of an executive agency
 5 may not enter into a contract for the procurement of
 6 goods or services with any person that has business oper-
 7 ations with an authority of the government of Venezuela
 8 that is not recognized as the legitimate government of
 9 Venezuela by the United States Government.

10 (b) **DEFINITIONS.**—In this section:

11 (1) **BUSINESS OPERATIONS.**—The term “busi-
 12 ness operations” means engaging in commerce in
 13 any form, including acquiring, developing, maintain-
 14 ing, owning, selling, possessing, leasing, or operating
 15 equipment, facilities, personnel, products, services,
 16 personal property, real property, or any other appa-
 17 ratus of business or commerce.

18 (2) **EXECUTIVE AGENCY.**—The term “executive
 19 agency” has the meaning given the term in section
 20 133 of title 41, United States Code.

21 (3) **PERSON.**—The term “person” means—

22 (A) a natural person, corporation, com-
 23 pany, business association, partnership, society,
 24 trust, or any other nongovernmental entity, or-
 25 ganization, or group;

1 ~~(B)~~ any governmental entity or instrumen-
 2 tality of a government, including a multilateral
 3 development institution (as defined in section
 4 ~~1701(c)(3)~~ of the International Financial Insti-
 5 tutions Act (~~22 U.S.C. 262r(c)(3)~~); and

6 ~~(C)~~ any successor, subunit, parent entity,
 7 or subsidiary of, or any entity under common
 8 ownership or control with, any entity described
 9 in subparagraph ~~(A)~~ or ~~(B)~~.

10 ~~(e)~~ **APPLICABILITY.**—This section shall apply with re-
 11 spect to any contract entered into on or after the date
 12 of the enactment of this section.

13 **SECTION 1. SHORT TITLE.**

14 *This Act may be cited as the “Venezuelan Contracting*
 15 *Restriction Act”.*

16 **SEC. 2. PROHIBITION ON CONTRACTING WITH PERSONS**
 17 **THAT HAVE BUSINESS OPERATIONS WITH**
 18 **THE MADURO REGIME.**

19 ~~(a)~~ *PROHIBITION.*—*Except as provided in subsections*
 20 ~~(b), (c), and (d), the head of an executive agency may not~~
 21 ~~enter into a contract for the procurement of goods or services~~
 22 ~~with any person that the head of an executive agency deter-~~
 23 ~~mines, with the concurrence of the Secretary of State, know-~~
 24 ~~ingly engages in significant business operations with an au-~~
 25 ~~thority of the Government of Venezuela that is not recog-~~

1 *nized as the legitimate Government of Venezuela by the*
2 *United States.*

3 (b) *EXCEPTIONS.*—

4 (1) *IN GENERAL.*—*The prohibition under sub-*
5 *section (a) does not apply to a contract that the Sec-*
6 *retary of State determines—*

7 (A) *is necessary—*

8 (i) *for purposes of providing humani-*
9 *tarian assistance to the people of Venezuela;*

10 (ii) *for purposes of providing disaster*
11 *relief and other urgent life-saving measures;*

12 *or*

13 (iii) *to carry out noncombatant evacu-*
14 *ations; or*

15 (B) *is in the national security interests of*
16 *the United States.*

17 (2) *SUPPORT FOR UNITED STATES GOVERNMENT*
18 *ACTIVITIES.*—*The prohibition in subsection (a) shall*
19 *not apply to contracts that support United States*
20 *Government activities in Venezuela, including those*
21 *necessary for the maintenance of United States Gov-*
22 *ernment facilities in Venezuela, or to contracts with*
23 *international organizations.*

24 (3) *NOTIFICATION REQUIREMENT.*—*The Sec-*
25 *retary of State shall notify the appropriate congres-*

1 sional committees of any contract entered into on the
2 basis of an exception provided for under paragraph
3 (1).

4 (c) *OFFICE OF FOREIGN ASSETS CONTROL LI-*
5 *CENSES.*—*The prohibition in subsection (a) does not apply*
6 *to a person that has a valid license to operate in Venezuela*
7 *issued by the Office of Foreign Assets Control.*

8 (d) *AMERICAN DIPLOMATIC MISSION IN VEN-*
9 *EZUELA.*—*The prohibition in subsection (a) does not apply*
10 *to contracts related to the operation and maintenance of*
11 *the United States Government’s consular offices and diplo-*
12 *matic posts in Venezuela.*

13 (e) *WAIVER.*—*The Secretary of State may waive the*
14 *requirements of subsection (a) if the Secretary of State de-*
15 *termines that to do so is in the national interest of the*
16 *United States.*

17 (f) *DEFINITIONS.*—*In this section:*

18 (1) *APPROPRIATE CONGRESSIONAL COMMIT-*
19 *TEES.*—*The term “appropriate congressional commit-*
20 *tees” means the Committee on Homeland Security*
21 *and Governmental Affairs of the Senate and the Com-*
22 *mittee on Homeland Security of the House of Rep-*
23 *resentatives.*

24 (2) *BUSINESS OPERATIONS.*—*The term “business*
25 *operations” means engaging in commerce in any*

1 *form, including acquiring, developing, maintaining,*
2 *owning, selling, possessing, leasing, or operating*
3 *equipment, facilities, personnel, products, services,*
4 *personal property, real property, or any other appa-*
5 *ratus of business or commerce.*

6 (3) *EXECUTIVE AGENCY.*—*The term “executive*
7 *agency” has the meaning given the term in section*
8 *133 of title 41, United States Code.*

9 (4) *GOVERNMENT OF VENEZUELA.*—(A) *The term*
10 *“Government of Venezuela” includes the government*
11 *of any political subdivision of Venezuela, and any*
12 *agency or instrumentality of the Government of Ven-*
13 *ezeuela.*

14 (B) *For purposes of subparagraph (A), the term*
15 *“agency or instrumentality of the Government of Ven-*
16 *ezeuela” means an agency or instrumentality of a for-*
17 *foreign state as defined in section 1603(b) of title 28,*
18 *United States Code, with each reference in such sec-*
19 *tion to “a foreign state” deemed to be a reference to*
20 *“Venezuela”.*

21 (5) *PERSON.*—*The term “person” means—*

22 (A) *a natural person, corporation, com-*
23 *pany, business association, partnership, society,*
24 *trust, or any other nongovernmental entity, or-*
25 *ganization, or group;*

1 (B) any governmental entity or instrumen-
2 tality of a government; and

3 (C) any successor, subunit, parent entity, or
4 subsidiary of, or any entity under common own-
5 ership or control with, any entity described in
6 subparagraph (A) or (B).

7 (g) *APPLICABILITY.*—This section shall apply with re-
8 spect to any contract entered into on or after the date of
9 the enactment of this section.

Calendar No. 189

116TH CONGRESS
1ST Session

S. 1151

[Report No. 116-85]

A BILL

To prohibit contracting with persons that have business operations with the Maduro regime, and for other purposes.

SEPTEMBER 10, 2019

Reported with an amendment