

North Korea Sanctions Enforcement Act of 2013
Sectional Analysis

Section 3—Definitions.

Section 2(4). “Designated Person” means a natural person, corporation, or entity subject to sanctions, including North Korean government, its agencies and top officials, its controlled entities, any banks and businesses previously sanctioned under executive orders and U.N. Security Council resolutions, and banks and businesses found to have facilitated North Korea’s proliferation, illicit activities, luxury goods trade, and human rights abuses.

Title I—Investigations, Prohibited Conduct, and Penalties.

Section 101. This section establishes that the purpose of the legislation is to enforce sanctions against North Korea to disarm it using non-military means.

Section 102. This section requires the President to investigate sanctionable conduct involving North Korea and requires the President to designate entities that facilitate such conduct.

Section 103. This section requires regular briefings to Congress on North Korean assets and transactions, so that Congress can oversee the enforcement of sanctions and ensure that North Korea is cut off from its offshore assets and income.

Section 104. This section describes the conduct and entities subject to sanctions in greater detail. It applies the criminal and civil penalties of the International Emergency Economic Powers Act to activities that facilitate North Korea’s proliferation, smuggling, money laundering, imports of luxury goods, human rights abuses, and censorship.

Section 105. This section deposits any assets forfeited for violations of North Korea sanctions laws into a special fund for the enforcement of these sanctions, and for humanitarian purposes under the North Korean Human Rights Act of 2004.

Title II-Sanctions against North Korean proliferation, human rights abuses, and illicit activities.

Section 201. This section instructs the Secretary of the Treasury to determine whether North Korea is a primary money laundering concern, blocks North Korean banks from direct or indirect access to the U.S. financial system, and requires “special measures” against designated persons, North Korean government entities, and banks that provide financial services to entities found to have engaged in sanctionable conduct.

Section 202. This section finds that all states and jurisdictions are obligated to implement and enforce UN Security Council resolutions and provides as a sense of Congress that the President should intensify efforts to implement a diplomatic strategy to protect the global financial system from North Korean threats.

Section 203. This section re-imposes sanctions under the Export Administration Act and the Arms Export Control Act that applied to North Korea until it was removed from the list of state sponsors of terrorism in 2008.

Section 204. This section bars designated persons, their officers, and their subsidiaries from receiving U.S. government contracts.

Section 205. This section strengthens and clarifies sanctions against those who help North Korea smuggle weapons and illicit cargo. Cargo coming from ports that consistently fail to inspect North Korean cargo, as required by U.N. resolutions, may be subject to increased inspection requirements at U.S. ports. It also allows for the seizure of ships or aircraft used for smuggling.

Section 206. This section allows the President to deny the entry into the U.S. of any alien who is a designated person.

Section 207. This section provides for exclusions and waivers from sanctions for humanitarian aid, consular activities, for cooperating witnesses and banks, and when vital to the economic or national security interests of the United States.

Title III—Promotion of Human Rights.

Section 301. This section requires the President to study the feasibility of bringing unmonitored and inexpensive cellular and internet communications to the people of North Korea, to break the information blockade the regime has imposed on its own population.

Section 302. This section requires a report by the State Department on North Korea's political prison camps, which are estimated to hold up to 200,000 men, women, and children. It is meant to focus greater public attention on North Korea's grave and pervasive crimes against humanity.

Section 303. This section requires a report by the State Department that identifies severe human rights abusers in North Korea, taking into consideration the findings in the United Nations Commission of Inquiry into Human Rights in North Korea.

Title IV— General Authorities.

Section 401. This provision provides for a one-year suspension of sanctions, renewable for one consecutive year, if North Korea takes significant steps toward disarmament and reform, while preventing the premature relaxation of sanctions for false North Korean promises.

Section 402. This section terminates these sanctions if North Korea undergoes a fundamental change of governance toward an open, free, and peaceful society.

Section 403. This section authorizes the President to further delegate authorities under this Act.

Section 404. This section establishes the effective date of the provisions of this Act.