119TH CONGRESS
2D SESSION

S. _____

To reauthorize and expand the imposition of sanctions under the Nicaragua Investment Conditionality Act of 2018, and for other purposes.

IN THE SENATE OF THE UNITED STATES

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

A BILL

To reauthorize and expand the imposition of sanctions under the Nicaragua Investment Conditionality Act of 2018, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Restoring Electoral Fairness and Opposition Rights through Mandates for Accountability Act of 2026''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The Government of Nicaragua, under the leadership of Daniel Ortega and Rosario Murillo,

has engaged in systematic corruption, undermined democratic institutions, eroded the rule of law, and committed widespread human rights abuses, including state-sponsored violence against Nicaraguan citizens, contributing to regional instability, forced migration, transnational repression, and national security concerns.

(2) The 2021 Nicaraguan presidential election, which resulted in the consolidation of authoritarian rule led by Daniel Ortega and Rosario Murillo, was preceded by—

(A) the arrest, disqualification, and forced exile of opposition candidates;

(B) the annulment of political parties;

(C) crackdowns on civil society; and

(D) restrictions on the press.

(3) Since 2018, the Murillo-Ortega regime has revoked the legal registration of hundreds of nonprofit and faith-based organizations as part of its broader campaign to suppress civil society and religious institutions.

(4) On November 30, 2022, pursuant to section 402(b)(1)(A) of the International Religious Freedom Act of 1998 (22 U.S.C. 6442(b)(1)(A)), the Secretary of State designated Nicaragua as a country of

particular concern for religious freedom for having engaged in or tolerated particularly severe violations of religious freedom.

(5) On December 18, 2023, the Murillo-Ortega regime arrested 11 Nicaraguan pastors and ministry workers affiliated with the organization Mountain Gateway and issued arrest warrants for 3 United States citizens affiliated with the organization on politically motivated charges.

(6) On July 20, 2026, Daniel Ortega publicly announced that Nicaragua would no longer hold competitive elections, marking the abandonment of elections and further consolidating authoritarian governance.

(7) Nicaragua does not meet minimum democratic standards under the Inter-American Democratic Charter.

(8) The policies of the United States Government should support the people of Nicaragua in restoring peace and democracy, protecting human rights, and promoting free, fair and internationally observed elections.

SEC. 3. STATEMENT OF POLICY.

It is the policy of the United States—

(1) to seek a resolution to the political crisis in Nicaragua that includes—

(A) a commitment by the Government of Nicaragua to hold competitive, free, and fair elections that meet democratic standards and permit credible international observation of elections;

(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 in Nicaragua; and

(2) to support diplomatic engagement in order to advance a negotiated and peaceful solution to the political crisis in Nicaragua.

SEC. 4. RENEWAL AND TERMINATION OF NICARAGUA INVESTMENT CONDITIONALITY ACT OF 2018.

Section 10 of the Nicaragua Investment Conditionality Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note) is amended to read as follows:

"SEC. 10. EFFECTIVE PERIOD.

''(a) EFFECTIVE DATE.—The provisions of this Act shall be in effect on and after the date of the enactment

of the Restoring Electoral Fairness and Opposition Rights through Mandates for Accountability Act of 2026.

''(b) TERMINATION.—The provisions of this Act, and any sanctions imposed under this Act, shall terminate on the earlier of—

''(1) December 31, 2035; or

''(2) the date that is 90 days after the President certifies to the appropriate congressional committees that a resolution to the political crisis in Nicaragua has been reached that includes—

''(A) a commitment by the Government of Nicaragua to hold competitive, free, and fair elections that meet democratic standards and permit credible international observation of elections;

''(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 in Nicaragua.''.

SEC. 5. IMPOSITION OF SANCTIONS WITH RESPECT TO GOLD SECTOR OF ECONOMY OF NICARAGUA.

Section 5(a) of the Nicaragua 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'' and inserting a semicolon;

(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—

''(A) the gold sector of the economy of Nicaragua; or

''(B) any other sector of the economy of Nicaragua identified by the Secretary of State, in consultation with the Secretary of the Treasury, for the purposes of this paragraph.''.

SEC. 6. EXPANSION OF LIST OF ACTIVITIES SUBJECT TO SANCTIONS WITH RESPECT TO NICARAGUA.

Section 5(b) of the Nicaragua 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, volunteer, or employee of the Catholic Church or a Protestant

Church, because of the legitimate exercise by that person of the freedom of religion.

''(6) The conviction and sentencing of a person who is a democratic political actor or a member of an independent civil society organization for politically motivated charges.

''(7) The provision of significant goods, services, or technology to or from Nicaragua, or by persons operating or having operated in Nicaragua, that support—

''(A) the Government of the Russian Federation on or after February 24, 2022; or

''(B) the Government of the Islamic Republic of Iran on or after February 11, 1979.''.

SEC. 7. ADDITION TO LIST OF PRIORITY SANCTIONS TARGETS.

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 by inserting after clause (ix) the following:

''(x) Officials of the Instituto de Prevision Social Militar (IPSM), commonly known as the Military Institute of Social Security of Nicaragua.''.

SEC. 8. REPORT ON IMPLEMENTATION OF SANCTIONS.

Not later than 90 days after the date of the enactment of this Act, and annually thereafter for a period of 3 years, the Secretary of State, in consultation with the Secretary of the Treasury, shall submit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report on the implementation of section 5 of the Reinforcing Nicaragua's Adherence to the Conditions for Electoral Reform Act of 2021 (Public Law 117–54; 50 U.S.C. 1701 note), which shall include—

(1) an update on the status of efforts to implement a coordinated strategy on the use of targeted sanctions under section 5(a)(1) of that Act;

(2) a detailed description of concrete steps that have been taken under section 5(b)(1) of that Act to prioritize the implementation of the targeted sanctions required under section 5 of the Nicaragua Investment Conditionality Act of 2018 (Public Law 115–335; 50 U.S.C. 1701 note); and

(3) a detailed description of the results of the review of sanctionable targets required under section 5(b)(2) of the Reinforcing Nicaragua's Adherence to the Conditions for Electoral Reform Act of 2021 (Public Law 117–54;50 U.S.C. 1701 note).

SEC. 9. ASSESSMENT OF CONDITIONS NECESSARY FOR DEMOCRATIC TRANSITION.

(a) ASSESSMENT.—The Secretary of State, in consultation with the heads of other relevant Federal agencies, shall conduct an assessment of the conditions necessary for an eventual democratic transition in Nicaragua, including the conditions necessary for—

(1) the establishment of an impartial elections administration body;

(2) the establishment of judicial independence;

(3) police reform;

(4) strengthening government institutions;

(5) the provision of humanitarian assistance; and

(6) the inclusion of Nicaraguan dissidents and opposition leaders in the transition.

(b) REPORT REQUIRED.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit a report on the assessment conducted under subsection (a) to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

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