

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 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.

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 “Restoring Electoral
5 Fairness and Opposition Rights through Mandates for Ac-
6 countability Act of 2026”.

7 **SEC. 2. FINDINGS.**

8 Congress makes the following findings:

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

1 has engaged in systematic corruption, undermined
2 democratic institutions, eroded the rule of law, and
3 committed widespread human rights abuses, includ-
4 ing state-sponsored violence against Nicaraguan citi-
5 zens, contributing to regional instability, forced mi-
6 gration, transnational repression, and national secu-
7 rity concerns.

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

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

14 (B) the annulment of political parties;

15 (C) crackdowns on civil society; and

16 (D) restrictions on the press.

17 (3) Since 2018, the Murillo-Ortega regime has
18 revoked the legal registration of hundreds of non-
19 profit and faith-based organizations as part of its
20 broader campaign to suppress civil society and reli-
21 gious institutions.

22 (4) On November 30, 2022, pursuant to section
23 402(b)(1)(A) of the International Religious Freedom
24 Act of 1998 (22 U.S.C. 6442(b)(1)(A)), the Sec-
25 retary of State designated Nicaragua as a country of

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

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

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

15 (7) Nicaragua does not meet minimum demo-
16 cratic standards under the Inter-American Demo-
17 cratic Charter.

18 (8) The policies of the United States Govern-
19 ment should support the people of Nicaragua in re-
20 storing peace and democracy, protecting human
21 rights, and promoting free, fair and internationally
22 observed elections.

23 **SEC. 3. STATEMENT OF POLICY.**

24 It is the policy of the United States—

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

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

8 (B) the cessation of the violence per-
9 petrated against civilians by the National Police
10 of Nicaragua and by armed groups supported
11 by the Government of Nicaragua; and

12 (C) independent investigations into the
13 killings of protesters in Nicaragua; and

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

17 **SEC. 4. RENEWAL AND TERMINATION OF NICARAGUA IN-**
18 **VESTMENT CONDITIONALITY ACT OF 2018.**

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

22 **“SEC. 10. EFFECTIVE PERIOD.**

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

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

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

6 “(1) December 31, 2035; or

7 “(2) the date that is 90 days after the Presi-
8 dent certifies to the appropriate congressional com-
9 mittees that a resolution to the political crisis in
10 Nicaragua has been reached that includes—

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

16 “(B) the cessation of the violence per-
17 petrated against civilians by the National Police
18 of Nicaragua and by armed groups supported
19 by the Government of Nicaragua; and

20 “(C) independent investigations into the
21 killings of protesters in Nicaragua.”.

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

3 Section 5(a) of the Nicaragua Investment Condition-
4 ality Act of 2018 (Public Law 115–335; 50 U.S.C. 1701
5 note) is amended—

6 (1) in paragraph (3)(B), by striking “; or” and
7 inserting a semicolon;

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

10 (3) by adding at the end the following:

11 “(5) to operate or have operated in—

12 “(A) the gold sector of the economy of
13 Nicaragua; or

14 “(B) any other sector of the economy of
15 Nicaragua identified by the Secretary of State,
16 in consultation with the Secretary of the Treas-
17 ury, for the purposes of this paragraph.”.

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

20 Section 5(b) of the Nicaragua Investment Condition-
21 ality Act of 2018 (Public Law 115–335; 50 U.S.C. 1701
22 note) is amended by adding at the end the following:

23 “(5) The arrest or prosecution of a person, in-
24 cluding a person who is a member, volunteer, or em-
25 ployee of the Catholic Church or a Protestant

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

3 “(6) The conviction and sentencing of a person
4 who is a democratic political actor or a member of
5 an independent civil society organization for politi-
6 cally motivated charges.

7 “(7) The provision of significant goods, serv-
8 ices, or technology to or from Nicaragua, or by per-
9 sons operating or having operated in Nicaragua,
10 that support—

11 “(A) the Government of the Russian Fed-
12 eration on or after February 24, 2022; or

13 “(B) the Government of the Islamic Re-
14 public of Iran on or after February 11, 1979.”.

15 **SEC. 7. ADDITION TO LIST OF PRIORITY SANCTIONS TAR-**
16 **GETS.**

17 Section 5(b)(2)(B) of the Reinforcing Nicaragua’s
18 Adherence to Conditions for Electoral Reform Act of 2021
19 (Public Law 117–54; 50 U.S.C. 1701 note) is amended
20 by inserting after clause (ix) the following:

21 “(x) Officials of the Instituto de Pre-
22 vision Social Militar (IPSM), commonly
23 known as the Military Institute of Social
24 Security of Nicaragua.”.

1 **SEC. 8. REPORT ON IMPLEMENTATION OF SANCTIONS.**

2 Not later than 90 days after the date of the enact-
3 ment of this Act, and annually thereafter for a period of
4 3 years, the Secretary of State, in consultation with the
5 Secretary of the Treasury, shall submit to the Committee
6 on Foreign Relations of the Senate and the Committee
7 on Foreign Affairs of the House of Representatives a re-
8 port on the implementation of section 5 of the Reinforcing
9 Nicaragua’s Adherence to the Conditions for Electoral Re-
10 form Act of 2021 (Public Law 117–54; 50 U.S.C. 1701
11 note), which shall include—

12 (1) an update on the status of efforts to imple-
13 ment a coordinated strategy on the use of targeted
14 sanctions under section 5(a)(1) of that Act;

15 (2) a detailed description of concrete steps that
16 have been taken under section 5(b)(1) of that Act to
17 prioritize the implementation of the targeted sanc-
18 tions required under section 5 of the Nicaragua In-
19 vestment Conditionality Act of 2018 (Public Law
20 115–335; 50 U.S.C. 1701 note); and

21 (3) a detailed description of the results of the
22 review of sanctionable targets required under section
23 5(b)(2) of the Reinforcing Nicaragua’s Adherence to
24 the Conditions for Electoral Reform Act of 2021
25 (Public Law 117–54; 50 U.S.C. 1701 note).

1 **SEC. 9. ASSESSMENT OF CONDITIONS NECESSARY FOR**
2 **DEMOCRATIC TRANSITION.**

3 (a) ASSESSMENT.—The Secretary of State, in con-
4 sultation with the heads of other relevant Federal agen-
5 cies, shall conduct an assessment of the conditions nec-
6 essary for an eventual democratic transition in Nicaragua,
7 including the conditions necessary for—

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

10 (2) the establishment of judicial independence;

11 (3) police reform;

12 (4) strengthening government institutions;

13 (5) the provision of humanitarian assistance;

14 and

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

17 (b) REPORT REQUIRED.—

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

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