

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515
May 3, 2019

The Honorable Steven Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Ave., N.W.
Washington, D.C. 20220

Dear Secretary Mnuchin:

On April 25, the Washington Post reported that the Trump Administration had accepted, and possibly paid, a “medical bill” or ransom demand from the North Korean government related to the kidnapping, imprisonment, and torture of American student and hostage Otto Warmbier. As a result of the severe brain injury suffered while in North Korean custody, Mr. Warmbier passed away shortly after his return to the U.S.

According to the cited administration sources, the facts are as follows:

- The U.S. envoy sent to bring Mr. Warmbier home was presented with a \$2 million “medical bill.” Mr. Warmbier, a victim of apparent North Korean torture and abuse, would not be released into U.S. custody unless the “bill” was paid – thus, this was essentially a ransom demand.
- The U.S. envoy contacted the then-Trump Administration Secretary of State, Rex Tillerson, to gain guidance or authority to pay the “bill”/ransom demand.
- Secretary Tillerson referred the question directly to President Trump who personally approved a signature for an acceptance of the “bill”/ransom demand for Mr. Warmbier’s conditioned release.
- The U.S. Department of the Treasury has been in receipt of this “bill”/ransom demand since 2017.
- It is unclear whether the “bill”/ransom demand was paid by the Treasury or by any other party acting on behalf of the U.S. government or whether the “bill”/ransom demand was otherwise used as leverage or exchange in subsequent summit negotiations.

President Trump has responded to the report by tweet, asserting that “no money” was exchanged. Despite the President calling the story “fake news,” his National Security Advisor, John Bolton, has since confirmed the details on national television.

It is outrageous that the hostile government of North Korea, which has taken U.S. hostages and tortured U.S. citizens, would have the audacity to present a “medical bill” or ransom demand for their ultimately murderous actions; President Kim and the North Korean government are responsible for Otto Warmbier’s death. The American people should know if the U.S. government accepted this “bill”/ransom demand, agreed to make such a payment, did make such a payment, made possible such payment, or used the potential for such payment as negotiating leverage. That you and your Department may have managed this process, possibly in violation of our own North Korea sanctions programs, is also concerning.

To better understand the facts of the situation, I require answers to the following questions (including supporting documentation):

1. Did the U.S. government or any agent of the U.S. accept a "medical bill" or ransom demand from any North Korean government or agent in exchange for a U.S. person?
2. Did the U.S. or any agent of the U.S. make any transfer of value - money or otherwise - in exchange for a U.S. person?
 - a. If yes, what are the details of such an exchange?

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- b. If yes, were sanctions waived or were licenses issued to allow for this activity?
- c. If no, what is the current disposition of this "bill"/ransom demand?

Please respond with answers to these questions by May 10, 2019, and include all documentation related to this request from North Korea and any associated actions taken by the Treasury Department.

Sincerely,



MAXINE WATERS

Chairwoman

cc: The Honorable Patrick McHenry, Ranking Member