

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 1905
OFFERED BY MS. ROS-LEHTINEN OF FLORIDA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Iran Threat Reduction Act of 2011”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Statement of policy.

TITLE I—IRAN ENERGY SANCTIONS

- Sec. 101. Findings.
- Sec. 102. Sense of Congress.
- Sec. 103. Declaration of policy.
- Sec. 104. Multilateral regime.
- Sec. 105. Imposition of sanctions.
- Sec. 106. Description of sanctions.
- Sec. 107. Advisory opinions.
- Sec. 108. Termination of sanctions.
- Sec. 109. Duration of sanctions.
- Sec. 110. Reports required.
- Sec. 111. Determinations not reviewable.
- Sec. 112. Definitions.
- Sec. 113. Effective date.
- Sec. 114. Repeal.

TITLE II—IRAN FREEDOM SUPPORT

- Sec. 201. Codification of sanctions.
- Sec. 202. Liability of parent companies for violations of sanctions by foreign subsidiaries.
- Sec. 203. Declaration of Congress regarding United States policy toward Iran.
- Sec. 204. Assistance to support democracy in Iran.

- Sec. 205. Imposition of sanctions on certain persons who are responsible for or complicit in human rights abuses committed against citizens of Iran or their family members after the June 12, 2009, elections in Iran.
- Sec. 206. Clarification of sensitive technologies for purposes of procurement ban.
- Sec. 207. Comprehensive strategy to promote internet freedom and access to information in Iran.

TITLE III—IRAN REGIME AND IRAN’S ISLAMIC REVOLUTIONARY GUARD CORPS ACCOUNTABILITY

- Sec. 301. Iran’s Islamic Revolutionary Guard Corps.
- Sec. 302. Additional export sanctions against Iran.
- Sec. 303. Sanctions against affiliates of Iran’s Islamic Revolutionary Guard Corps.
- Sec. 304. Measures against foreign persons or entities supporting Iran’s Islamic Revolutionary Guard Corps.
- Sec. 305. Special measures against foreign countries supporting Iran’s Islamic Revolutionary Guard Corps.
- Sec. 306. Authority of State and local governments to restrict contracts or licenses for certain sanctionable persons.
- Sec. 307. Iranian activities in Iraq and Afghanistan.
- Sec. 308. United States policy toward Iran.
- Sec. 309. Definitions.
- Sec. 310. Rule of construction.

TITLE IV—IRAN FINANCIAL SANCTIONS; DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN; AND PREVENTION OF DIVERSION OF CERTAIN GOODS, SERVICES, AND TECH- NOLOGIES TO IRAN

- Sec. 401. Iran financial sanctions.
- Sec. 402. Divestment from certain companies that invest in Iran.
- Sec. 403. Prevention of diversion of certain goods, services, and technologies to Iran.

TITLE V—SECURITIES AND EXCHANGE COMMISSION

- Sec. 501. Disclosures to the Securities and Exchange Commission relating to sanctionable activities.

TITLE VI—GENERAL PROVISIONS

- Sec. 601. Denial of visas for certain persons of the Government of Iran.
- Sec. 602. Inadmissibility of certain aliens who engage in certain activities with respect to Iran.
- Sec. 603. Amendments to civil and criminal penalties provisions under the International Emergency Economic Powers Act.
- Sec. 604. Exclusion of certain activities.
- Sec. 605. Regulatory authority.
- Sec. 606. Sunset.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

1 (1) Successive administrations have clearly
2 identified the unacceptability of the Iranian regime's
3 pursuit of nuclear weapons capabilities and the dan-
4 ger that pursuit presents to the United States, to
5 our friends and allies, and to global security.

6 (2) In May 1995, President Clinton stated that
7 "The specter of an Iran armed with weapons of
8 mass destruction and the missiles to deliver them
9 haunts not only Israel but the entire Middle East
10 and ultimately all the rest of us as well. The United
11 States and, I believe, all the Western nations have
12 an overriding interest in containing the threat posed
13 by Iran."

14 (3) In the 2006 State of the Union Address,
15 President Bush stated that "The Iranian govern-
16 ment is defying the world with its nuclear ambitions,
17 and the nations of the world must not permit the
18 Iranian regime to gain nuclear weapons. America
19 will continue to rally the world to confront these
20 threats."

21 (4) In February 2009, President Obama com-
22 mitted the Administration to "developing a strategy
23 to use all elements of American power to prevent
24 Iran from developing a nuclear weapon".

1 (5) Iran is a major threat to United States na-
2 tional security interests, not only exemplified by
3 Tehran's nuclear program but also by its material
4 assistance to armed groups in Iraq and Afghanistan,
5 to the Palestinian group Hamas, to Lebanese
6 Hezbollah, and to other extremists that seek to un-
7 dermine regional stability. These capabilities provide
8 the regime with potential asymmetric delivery vehi-
9 cles and mechanisms for nuclear or other unconven-
10 tional weapons.

11 (6) Iran's growing inventory of ballistic missile
12 and other destabilizing types of conventional weap-
13 ons provides the regime the capabilities to enhance
14 its power projection throughout the region and un-
15 dermine the national security interests of the United
16 States and its friends and allies.

17 (7) Were Iran to achieve a nuclear weapons ca-
18 pability, it would, inter alia—

19 (A) likely lead to the proliferation of such
20 weapons throughout the region, where several
21 states have already indicated interest in nuclear
22 programs, and would dramatically undercut 60
23 years of United States efforts to stop the
24 spread of nuclear weapons;

1 (B) greatly increase the threat of nuclear
2 terrorism;

3 (C) significantly expand Iran's already-
4 growing influence in the region;

5 (D) insulate the regime from international
6 pressure, giving it wider scope further to op-
7 press its citizens and pursue aggression region-
8 ally and globally;

9 (E) embolden all Iranian-supported ter-
10 rorist groups, including Hamas and Hezbollah;
11 and

12 (F) directly threaten several United States
13 friends and allies, especially Israel, whose very
14 right to exist has been denied successively by
15 every leader of the Islamic Republic of Iran and
16 which Iranian President Ahmadinejad says
17 should be "wiped off the map".

18 (8) Successive Congresses have clearly recog-
19 nized the threat that the Iranian regime and its poli-
20 cies present to the United States, to our friends and
21 allies, and to global security, and responded with
22 successive bipartisan legislative initiatives.

23 (9) The extent of the Iranian threat is greater
24 today than when the Iran and Libya Sanctions Act
25 of 1996 was signed into law in 1996, now known as

1 the Iran Sanctions Act of 1996. That landmark leg-
2 islation imposed sanctions on foreign companies in-
3 vesting in Iran’s energy infrastructure in an effort
4 to undermine the strategic threat from Iran, by cut-
5 ting off investment in its petroleum sector and
6 thereby denying the regime its economic lifeline and
7 its ability to pursue a nuclear program.

8 (10) Laws such as the Iran and Libya Sanc-
9 tions Act of 1996, which was retitled the Iran Sanc-
10 tions Act of 1996, paved the way for the enactment
11 of similar laws, such as the Iran, North Korea and
12 Syria Nonproliferation Act, the Iran-Iraq Arms Non-
13 Proliferation Act of 1992, the Iran Freedom Sup-
14 port Act, and the Comprehensive Iran Sanctions,
15 Accountability, and Divestment Act of 2010.

16 (11) United States sanctions on Iran have hin-
17 dered Iran’s ability to attract capital, material, and
18 technical support for its petroleum sector, creating
19 financial difficulties for the regime.

20 (12) In the Joint Explanatory Statement of the
21 Committee of Conference to the Comprehensive Iran
22 Sanctions, Accountability, and Divestment Act of
23 2010 (Public Law 111–195; 50 U.S.C. 1701 note)
24 issued on June 23, 2010, the Members of the Com-
25 mittee of Conference noted that “Although [the Iran

1 Sanctions Act] was enacted more than a decade ago,
2 no Administration has sanctioned a foreign entity
3 for investing \$20 million or more in Iran’s energy
4 sector, despite a number of such investments. In-
5 deed, on only one occasion, in 1998, did the Admin-
6 istration make a determination regarding a sanc-
7 tions-triggering investment, but the Administration
8 waived sanctions against the offending persons. Con-
9 ferrees believe that the lack of enforcement of rel-
10 evant enacted sanctions may have served to encour-
11 age rather than deter Iran’s efforts to pursue nu-
12 clear weapons.”.

13 (13) The Joint Explanatory Statement also
14 noted that “The effectiveness of this Act will depend
15 on its forceful implementation. The Conferees urge
16 the President to vigorously impose the sanctions pro-
17 vided for in this Act.”.

18 (14) The Comprehensive Iran Sanctions, Ac-
19 countability, and Divestment Act of 2010 mandates
20 among other provisions that the President initiate
21 investigations of potentially sanctionable activity
22 under the Iran Sanctions Act of 1996. Although
23 more than 15 months have passed since enactment
24 of this legislation, Congress has not received notice
25 of the imposition of sanctions on any entities that do

1 significant business in the United States, despite
2 multiple reports of potentially sanctionable activity
3 by such entities. Although, in accordance with the
4 Comprehensive Iran Sanctions, Accountability, and
5 Divestment Act of 2010, some potentially
6 sanctionable entities have been persuaded to wind
7 down and end their involvement in Iran, others have
8 not.

9 (15) It is unlikely that Iran can be compelled
10 to abandon its pursuit of nuclear weapons unless
11 sanctions are fully and effectively implemented.

12 **SEC. 3. STATEMENT OF POLICY.**

13 It shall be the policy of the United States to—

14 (1) prevent Iran from—

15 (A) acquiring or developing nuclear weap-
16 ons and associated delivery capabilities;

17 (B) developing its unconventional weapons
18 and ballistic missile capabilities; and

19 (C) continuing its support for foreign ter-
20 rorist organizations and other activities aimed
21 at undermining and destabilizing its neighbors
22 and other nations; and

23 (2) fully implement all multilateral and bilateral
24 sanctions against Iran in order to compel the Gov-
25 ernment of Iran to—

1 (A) abandon and verifiably dismantle its
2 nuclear capabilities;

3 (B) abandon and verifiably dismantle its
4 ballistic missile and unconventional weapons
5 programs; and

6 (C) cease all support for foreign terrorist
7 organizations and other activities aimed at un-
8 dermining and destabilizing its neighbors and
9 other nations.

10 **TITLE I—IRAN ENERGY** 11 **SANCTIONS**

12 **SEC. 101. FINDINGS.**

13 Congress makes the following findings:

14 (1) The efforts of the Government of Iran to
15 achieve nuclear weapons capability and to acquire
16 other unconventional weapons and the means to de-
17 liver them, both through ballistic missile and asym-
18 metric means, and its support for foreign terrorist
19 organizations and other extremists endanger the na-
20 tional security and foreign policy interests of the
21 United States and those countries with which the
22 United States shares common strategic and foreign
23 policy objectives.

24 (2) The objectives of preventing the prolifera-
25 tion of nuclear and other unconventional weapons

1 and countering the activities of foreign terrorist or-
2 ganizations and other extremists through existing
3 multilateral and bilateral initiatives require further
4 efforts to deny Iran the financial means to sustain
5 its nuclear, chemical, biological, and missile weapons
6 programs and its active support for terrorism.

7 (3) The Government of Iran uses its diplomatic
8 facilities and quasi-governmental institutions outside
9 of Iran to support foreign terrorist organizations
10 and other extremists, and assist its unconventional
11 weapons and missile programs, including its nuclear
12 program.

13 **SEC. 102. SENSE OF CONGRESS.**

14 It is the sense of Congress that the goal of compelling
15 Iran to abandon its pursuit of nuclear weapons and other
16 threatening activities can be achieved most effectively
17 through full implementation of all sanctions enacted into
18 law, including those sanctions set out in this title.

19 **SEC. 103. DECLARATION OF POLICY.**

20 Congress declares that it is the policy of the United
21 States to deny Iran the ability to support acts of foreign
22 terrorist organizations and extremists and develop uncon-
23 ventional weapons and ballistic missiles. A critical means
24 of achieving that goal is sanctions that limit Iran's ability
25 to develop its energy resources, including its ability to ex-

1 plore for, extract, refine, and transport by pipeline its hy-
2 drocarbon resources, in order to limit the funds Iran has
3 available for pursuing its objectionable activities.

4 **SEC. 104. MULTILATERAL REGIME.**

5 (a) MULTILATERAL NEGOTIATIONS.—In order to
6 further the objectives of section 103 of this Act, Congress
7 urges the President immediately to initiate diplomatic ef-
8 forts, both in appropriate international fora such as the
9 United Nations, and bilaterally with allies of the United
10 States, to expand the multilateral sanctions regime re-
11 garding Iran, including—

12 (1) qualitatively expanding the United Nations
13 Security Council sanctions regime against Iran;

14 (2) qualitatively expanding the range of sanc-
15 tions by the European Union, South Korea, Japan,
16 Australia, and other key United States allies;

17 (3) further efforts to limit Iran's development
18 of petroleum resources and import of refined petro-
19 leum; and

20 (4) initiatives aimed at increasing non-Iranian
21 crude oil product output for current purchasers of
22 Iranian petroleum and petroleum byproducts.

23 (b) REPORTS TO CONGRESS.—Not later than 180
24 days after the date of the enactment of this Act, and annu-
25 ally thereafter, the President shall submit to the appro-

1 p r i a t e c o n g r e s s i o n a l c o m m i t t e e s a r e p o r t o n t h e e x t e n t t o
2 w h i c h d i p l o m a t i c e f f o r t s d e s c r i b e d i n s u b s e c t i o n (a) h a v e
3 b e e n s u c c e s s f u l . E a c h r e p o r t s h a l l i n c l u d e —

4 (1) t h e c o u n t r i e s t h a t h a v e a g r e e d t o u n d e r t a k e
5 m e a s u r e s t o f u r t h e r t h e o b j e c t i v e s o f s e c t i o n 1 0 3 o f
6 t h i s A c t w i t h r e s p e c t t o I r a n , a n d a d e s c r i p t i o n o f
7 t h o s e m e a s u r e s ; a n d

8 (2) t h e c o u n t r i e s t h a t h a v e n o t a g r e e d t o m e a s -
9 u r e s d e s c r i b e d i n p a r a g r a p h (1) , a n d , w i t h r e s p e c t t o
10 t h o s e c o u n t r i e s , o t h e r m e a s u r e s t h e P r e s i d e n t r e c -
11 o m m e n d s t h a t t h e U n i t e d S t a t e s t a k e t o f u r t h e r t h e
12 o b j e c t i v e s o f s e c t i o n 1 0 3 o f t h i s A c t w i t h r e s p e c t t o
13 I r a n .

14 (c) I N T E R I M R E P O R T O N M U L T I L A T E R A L S A N C -
15 T I O N S ; M O N I T O R I N G . — N o t l a t e r t h a n 9 0 d a y s a f t e r t h e
16 d a t e o f t h e e n a c t m e n t o f t h i s A c t , t h e P r e s i d e n t s h a l l s u b -
17 m i t t o t h e a p p r o p r i a t e c o n g r e s s i o n a l c o m m i t t e e s a r e p o r t
18 o n —

19 (1) t h e c o u n t r i e s t h a t h a v e e s t a b l i s h e d l e g i s l a -
20 t i v e o r a d m i n i s t r a t i v e s t a n d a r d s p r o v i d i n g f o r t h e
21 i m p o s i t i o n o f t r a d e s a n c t i o n s o n p e r s o n s o r t h e i r a f -
22 f i l i a t e s t h a t c o n d u c t b u s i n e s s o r h a v e i n v e s t m e n t s i n
23 I r a n ;

24 (2) t h e e x t e n t a n d d u r a t i o n o f e a c h i n s t a n c e o f
25 t h e a p p l i c a t i o n o f s u c h s a n c t i o n s ; a n d

1 (3) the disposition of any decision with respect
2 to such sanctions by the World Trade Organization
3 or its predecessor organization.

4 (d) INVESTIGATIONS.—

5 (1) IN GENERAL.—The President shall initiate
6 an investigation into the possible imposition of sanc-
7 tions under section 105 of this Act against a person
8 upon receipt by the United States of credible infor-
9 mation indicating that such person is engaged in an
10 activity described in such section.

11 (2) DETERMINATION AND NOTIFICATION.—Not
12 later than 180 days after the date on which an in-
13 vestigation is initiated under paragraph (1), the
14 President shall (unless paragraph (6) applies) deter-
15 mine, pursuant to section 105 of this Act, if a per-
16 son has engaged in an activity described in such sec-
17 tion and shall notify the appropriate congressional
18 committees of the basis for any such determination.

19 (3) BRIEFING.—

20 (A) IN GENERAL.—Not later than 30 days
21 after the date of the enactment of this Act, and
22 at the end of every 3-month period thereafter,
23 the President, acting through the Secretary of
24 State, shall brief the appropriate congressional

1 committees regarding investigations initiated
2 under this subsection.

3 (B) FORM.—The briefings required under
4 subparagraph (A) shall be provided in unclassi-
5 fied form, but may be provided in classified
6 form.

7 (4) SUBMISSION OF INFORMATION.—

8 (A) IN GENERAL.—The Secretary of State
9 shall, in accordance with section 15(b) of the
10 State Department Basic Authorities Act of
11 1956 (22 U.S.C. 2680(b)), provide to the ap-
12 propriate congressional committees all re-
13 quested information relating to investigations or
14 reviews initiated under this title, including the
15 number, scope, and dates of such investigations
16 or reviews.

17 (B) FORM.—The information required
18 under subparagraph (A) shall be provided in
19 unclassified form, but may contain a classified
20 annex.

21 (5) TERMINATION.—Subject to paragraph (6),
22 the President may, on a case-by-case basis, termi-
23 nate an investigation of a person initiated under this
24 subsection.

25 (6) SPECIAL RULE.—

1 (A) IN GENERAL.—The President need not
2 initiate an investigation, and may terminate an
3 investigation, on a case-by-case basis under this
4 subsection if the President certifies in writing
5 to the appropriate congressional committees 15
6 days prior to the determination that—

7 (i) the person whose activity was the
8 basis for the investigation is no longer en-
9 gaging in the activity or is divesting all
10 holdings and terminating the activity with-
11 in one year from the date of the certifi-
12 cation; and

13 (ii) the President has received reliable
14 assurances that the person will not know-
15 ingly engage in an activity described in
16 section 105(a) of this Act in the future.

17 (B) APPLICATION OF SANCTIONS.—The
18 President shall apply the sanctions described in
19 section 106(a) of this Act in accordance with
20 section 105(a) of this Act to a person described
21 in subparagraph (A) if—

22 (i) the person fails to verifiably divest
23 all holdings and terminate the activity de-
24 scribed in subparagraph (A) of this para-
25 graph within one year from the date of

1 certification of the President under sub-
2 paragraph (A); or

3 (ii) the person has been previously
4 designated pursuant to section 4(e)(3) of
5 the Iran Sanctions Act of 1996, as in ef-
6 fect on the day before the date of the en-
7 actment of this Act, and fails to verifiably
8 divest all holdings and terminate the activ-
9 ity described in subparagraph (A) within
10 one year from the date of enactment of
11 this Act.

12 **SEC. 105. IMPOSITION OF SANCTIONS.**

13 (a) SANCTIONS WITH RESPECT TO THE DEVELOP-
14 MENT OF PETROLEUM RESOURCES OF IRAN, PRODUC-
15 TION OF REFINED PETROLEUM PRODUCTS IN IRAN, AND
16 EXPORTATION OF REFINED PETROLEUM PRODUCTS TO
17 IRAN.—

18 (1) DEVELOPMENT OF PETROLEUM RESOURCES
19 OF IRAN.—

20 (A) IN GENERAL.—Except as provided in
21 subsection (f), the President shall impose a ma-
22 jority of the sanctions described in section
23 106(a) of this Act with respect to a person if
24 the President determines that the person know-

1 ingly, on or after the date of the enactment of
2 this Act—

3 (i) makes an investment described in
4 subparagraph (B) of \$20,000,000 or more;

5 or

6 (ii) makes a combination of invest-
7 ments described in subparagraph (B) in a
8 12-month period if each such investment is
9 of at least \$5,000,000 and such invest-
10 ments equal or exceed \$20,000,000 in the
11 aggregate.

12 (B) INVESTMENT DESCRIBED.—An invest-
13 ment described in this subparagraph is an in-
14 vestment that directly and significantly contrib-
15 utes to the enhancement of Iran’s ability to de-
16 velop petroleum resources.

17 (2) PRODUCTION OF REFINED PETROLEUM
18 PRODUCTS.—

19 (A) IN GENERAL.—Except as provided in
20 subsection (f), the President shall impose a ma-
21 jority of the sanctions described in section
22 106(a) of this Act with respect to a person if
23 the President determines that the person know-
24 ingly, on or after the date of the enactment this
25 Act, sells, leases, or provides to Iran goods,

1 services, technology, information, or support de-
2 scribed in subparagraph (B)—

3 (i) any of which has a fair market
4 value of \$1,000,000 or more; or

5 (ii) that, during a 12-month period,
6 have an aggregate fair market value of
7 \$5,000,000 or more.

8 (B) GOODS, SERVICES, TECHNOLOGY, IN-
9 FORMATION, OR SUPPORT DESCRIBED.—Goods,
10 services, technology, information, or support de-
11 scribed in this subparagraph are goods, serv-
12 ices, technology, information, or support that
13 could directly and significantly facilitate the
14 maintenance or expansion of Iran’s domestic
15 production of refined petroleum products, in-
16 cluding any direct and significant assistance
17 with respect to the construction, modernization,
18 or repair of petroleum refineries or associated
19 infrastructure, including construction of port
20 facilities, railways, and roads, the primary use
21 of which is to support the delivery of refined pe-
22 troleum products.

23 (3) EXPORTATION OF REFINED PETROLEUM
24 PRODUCTS TO IRAN.—

1 (A) IN GENERAL.—Except as provided in
2 subsection (f), the President shall impose a ma-
3 jority of the sanctions described in section
4 106(a) of this Act with respect to a person if
5 the President determines that the person know-
6 ingly, on or after the date of the enactment of
7 this Act—

8 (i) sells or provides to Iran refined pe-
9 troleum products—

10 (I) that have a fair market value
11 of \$1,000,000 or more; or

12 (II) that, during a 12-month pe-
13 riod, have an aggregate fair market
14 value of \$5,000,000 or more; or

15 (ii) sells, leases, or provides to Iran
16 goods, services, technology, information, or
17 support described in subparagraph (B)—

18 (I) any of which has a fair mar-
19 ket value of \$1,000,000 or more; or

20 (II) that, during a 12-month pe-
21 riod, have an aggregate fair market
22 value of \$5,000,000 or more.

23 (B) GOODS, SERVICES, TECHNOLOGY, IN-
24 FORMATION, OR SUPPORT DESCRIBED.—Goods,
25 services, technology, information, or support de-

1 scribed in this subparagraph are goods, serv-
2 ices, technology, information, or support that
3 could directly and significantly contribute to the
4 enhancement of Iran's ability to import refined
5 petroleum products, including—

6 (i) except as provided in subparagraph
7 (C), underwriting or entering into a con-
8 tract to provide insurance or reinsurance
9 for the sale, lease, or provision of such
10 goods, services, service contracts, tech-
11 nology, information, or support;

12 (ii) financing or brokering such sale,
13 lease, or provision;

14 (iii) bartering or contracting by which
15 the parties exchange goods for goods, in-
16 cluding the insurance or reinsurance of
17 such exchanges;

18 (iv) purchasing, subscribing to, or fa-
19 cilitating the issuance of sovereign debt of
20 the Government of Iran, including govern-
21 mental bonds; or

22 (v) providing ships or shipping serv-
23 ices to deliver refined petroleum products
24 to Iran.

1 (C) EXCEPTION FOR UNDERWRITERS AND
2 INSURANCE PROVIDERS EXERCISING DUE DILI-
3 GENCE.—The President may not impose sanc-
4 tions under this paragraph with respect to a
5 person that provides underwriting services or
6 insurance or reinsurance if the President deter-
7 mines that the person has exercised due dili-
8 gence in establishing and enforcing official poli-
9 cies, procedures, and controls to ensure that the
10 person does not underwrite or enter into a con-
11 tract to provide insurance or reinsurance for
12 the sale, lease, or provision of goods, services,
13 technology, information, or support described in
14 subparagraph (B).

15 (4) PURCHASE, SUBSCRIPTION TO, OR FACILI-
16 TATION OF THE ISSUANCE OF IRANIAN SOVEREIGN
17 DEBT.—Except as provided in subsection (f), the
18 President shall impose a majority of the sanctions
19 described in section 106(a) of this Act with respect
20 to a person if the President determines that the per-
21 son knowingly, on or after the date of the enactment
22 of this Act, purchases, subscribes to, or facilitates
23 the issuance of—

24 (A) sovereign debt of the Government of
25 Iran, including governmental bonds; or

1 (B) debt of any entity owned or controlled
2 by the Government of Iran, including bonds.

3 (b) MANDATORY SANCTIONS WITH RESPECT TO DE-
4 VELOPMENT OF WEAPONS OF MASS DESTRUCTION OR
5 OTHER MILITARY CAPABILITIES.—

6 (1) IN GENERAL.—The President shall impose
7 a majority of the sanctions described in section
8 106(a) of this Act if the President determines that
9 a person, on or after the date of the enactment of
10 this Act, has knowingly exported, transferred, per-
11 mitted, hosted, or otherwise facilitated trans-
12 shipment that may have enabled a person to export,
13 transfer, or transship to Iran or otherwise provided
14 to Iran any goods, services, technology, or other
15 items that would contribute materially to the ability
16 of Iran to—

17 (A) acquire or develop chemical, biological,
18 or nuclear weapons or related technologies; or

19 (B) acquire or develop destabilizing num-
20 bers and types of advanced conventional weap-
21 ons.

22 (2) ADDITIONAL MANDATORY SANCTIONS RE-
23 LATING TO TRANSFER OF NUCLEAR TECHNOLOGY.—

24 (A) IN GENERAL.—Except as provided in
25 subparagraphs (B) and (C), in any case in

1 which a person is subject to sanctions under
2 paragraph (1) because of an activity described
3 in that paragraph that relates to the acquisition
4 or development of nuclear weapons or related
5 technology or of missiles or advanced conven-
6 tional weapons that are designed or modified to
7 deliver a nuclear weapon, no license may be
8 issued for the export, and no approval may be
9 given for the transfer or retransfer to the coun-
10 try the government of which has primary juris-
11 diction over the person, of any nuclear material,
12 facilities, components, or other goods, services,
13 or technology that are or would be subject to an
14 agreement for cooperation between the United
15 States and that government.

16 (B) EXCEPTION.—The sanctions described
17 in subparagraph (A) shall not apply with re-
18 spect to a country the government of which has
19 primary jurisdiction over a person that engages
20 in an activity described in that subparagraph if
21 the President determines and notifies the ap-
22 propriate congressional committees that the
23 government of the country—

24 (i) does not know or have reason to
25 know about the activity; or

1 (ii) has taken, or is taking, all reason-
2 able steps necessary to prevent a recur-
3 rence of the activity and to penalize the
4 person for the activity.

5 (C) INDIVIDUAL APPROVAL.—Notwith-
6 standing subparagraph (A), the President may,
7 on a case-by-case basis, approve the issuance of
8 a license for the export, or approve the transfer
9 or retransfer, of any nuclear material, facilities,
10 components, or other goods, services, or tech-
11 nology that are or would be subject to an agree-
12 ment for cooperation, to a person in a country
13 to which subparagraph (A) applies (other than
14 a person that is subject to the sanctions under
15 paragraph (1)) if the President—

16 (i) determines that such approval is
17 vital to the national security interests of
18 the United States; and

19 (ii) not later than 15 days before
20 issuing such license or approving such
21 transfer or retransfer, submits to the Com-
22 mittee on Foreign Affairs of the House of
23 Representatives and the Committee on
24 Foreign Relations of the Senate the jus-

1 tification for approving such license, trans-
2 fer, or retransfer.

3 (D) CONSTRUCTION.—The restrictions in
4 subparagraph (A) shall apply in addition to all
5 other applicable procedures, requirements, and
6 restrictions contained in the Atomic Energy Act
7 of 1954 and other related laws.

8 (E) DEFINITION.—In this paragraph, the
9 term “agreement for cooperation” has the
10 meaning given that term in section 11 b. of the
11 Atomic Energy Act of 1954 (42 U.S.C.
12 2014(b)).

13 (F) APPLICABILITY.—The sanctions de-
14 scribed in subparagraph (A) shall apply only in
15 a case in which a person is subject to sanctions
16 under paragraph (1) because of an activity de-
17 scribed in such paragraph in which such person
18 engages on or after the date of the enactment
19 of this Act.

20 (c) PERSONS AGAINST WHICH THE SANCTIONS ARE
21 TO BE IMPOSED.—The sanctions described in subsections
22 (a) and (b)(1) shall be imposed on—

23 (1) any person the President determines has
24 carried out the activities described in subsection (a)
25 or (b), respectively; and

1 (2) any person that—

2 (A) is a successor entity to the person re-
3 ferred to in paragraph (1);

4 (B) owns or controls the person referred to
5 in paragraph (1), if the person that owns or
6 controls the person referred to in paragraph (1)
7 had actual knowledge or should have known
8 that the person referred to in paragraph (1) en-
9 gaged in the activities referred to in that para-
10 graph; or

11 (C) is owned or controlled by, or under
12 common ownership or control with, the person
13 referred to in paragraph (1), if the person
14 owned or controlled by, or under common own-
15 ership or control with (as the case may be), the
16 person referred to in paragraph (1) knowingly
17 engaged in the activities referred to in that
18 paragraph.

19 For purposes of this title, any person or entity de-
20 scribed in this subsection shall be referred to as a
21 “sanctioned person”.

22 (d) PUBLICATION IN FEDERAL REGISTER.—The
23 President shall cause to be published in the Federal Reg-
24 ister a current list of persons and entities on whom sanc-
25 tions have been imposed under this title. The removal of

1 persons or entities from, and the addition of persons and
2 entities to, the list, shall also be so published.

3 (e) PUBLICATION OF PROJECTS.—The President
4 shall cause to be published in the Federal Register a list
5 of all significant projects that have been publicly tendered
6 in the oil and gas sector in Iran.

7 (f) EXCEPTIONS.—The President shall not be re-
8 quired to apply or maintain the sanctions under subsection
9 (a) or (b)—

10 (1) in the case of procurement of defense arti-
11 cles or defense services—

12 (A) under existing contracts or sub-
13 contracts, including the exercise of options for
14 production quantities to satisfy requirements
15 essential to the national security of the United
16 States;

17 (B) if the President determines in writing
18 that the person to which the sanctions would
19 otherwise be applied is a sole source supplier of
20 the defense articles or services, that the defense
21 articles or services are essential, and that alter-
22 native sources are not readily or reasonably
23 available; or

24 (C) if the President determines in writing
25 that such articles or services are essential to the

1 national security under defense coproduction
2 agreements;

3 (2) in the case of procurement, to eligible prod-
4 ucts, as defined in section 308(4) of the Trade
5 Agreements Act of 1979 (19 U.S.C. 2518(4)), of
6 any foreign country or instrumentality designated
7 under section 301(b) of that Act (19 U.S.C.
8 2511(b));

9 (3) to products, technology, or services provided
10 under contracts entered into before the date on
11 which the President publishes in the Federal Reg-
12 ister the name of the person on whom the sanctions
13 are to be imposed;

14 (4) to—

15 (A) spare parts which are essential to
16 United States products or production;

17 (B) component parts, but not finished
18 products, essential to United States products or
19 production; or

20 (C) routine servicing and maintenance of
21 products, to the extent that alternative sources
22 are not readily or reasonably available;

23 (5) to information and technology essential to
24 United States products or production; or

1 (6) to medicines, medical supplies, or other hu-
2 manitarian items.

3 **SEC. 106. DESCRIPTION OF SANCTIONS.**

4 (a) IN GENERAL.—The sanctions to be imposed on
5 a sanctioned person under section 105 of this Act are as
6 follows:

7 (1) EXPORT-IMPORT BANK ASSISTANCE FOR
8 EXPORTS TO SANCTIONED PERSONS.—The President
9 may direct the Export-Import Bank of the United
10 States to not give approval to for the issuance of
11 any guarantee, insurance, extension of credit, or
12 participation in the extension of credit in connection
13 with the export of any goods or services to any sanc-
14 tioned person.

15 (2) EXPORT SANCTION.—The President may
16 order the United States Government not to issue
17 any specific license and not to grant any other spe-
18 cific permission or authority to export any goods or
19 technology to a sanctioned person under—

20 (A) the Export Administration Act of 1979
21 (as continued in effect pursuant to the Inter-
22 national Emergency Economic Powers Act);

23 (B) the Arms Export Control Act;

24 (C) the Atomic Energy Act of 1954; or

1 (D) any other law that requires the prior
2 review and approval of the United States Gov-
3 ernment as a condition for the export or reex-
4 port of goods or services.

5 (3) LOANS FROM UNITED STATES FINANCIAL
6 INSTITUTIONS.—The United States Government
7 may prohibit any United States financial institution
8 from making loans or providing credits to any sanc-
9 tioned person totaling more than \$10,000,000 in
10 any 12-month period unless such person is engaged
11 in activities to relieve human suffering and the loans
12 or credits are provided for such activities.

13 (4) PROHIBITIONS ON FINANCIAL INSTITU-
14 TIONS.—The following prohibitions may be imposed
15 against a sanctioned person that is a financial insti-
16 tution:

17 (A) PROHIBITION ON DESIGNATION AS
18 PRIMARY DEALER.—Neither the Board of Gov-
19 ernors of the Federal Reserve System nor the
20 Federal Reserve Bank of New York may des-
21 ignate, or permit the continuation of any prior
22 designation of, such financial institution as a
23 primary dealer in United States Government
24 debt instruments.

1 (B) PROHIBITION ON SERVICE AS A RE-
2 POSITORY OF GOVERNMENT FUNDS.—Such fi-
3 nancial institution may not serve as agent of
4 the United States Government or serve as re-
5 pository for United States Government funds.

6 The imposition of either sanction under subpara-
7 graph (A) or (B) shall be treated as one sanction for
8 purposes of section 105 of this Act, and the imposi-
9 tion of both such sanctions shall be treated as 2
10 sanctions for purposes of section 105 of this Act.

11 (5) PROCUREMENT SANCTION.—The United
12 States Government may not procure, or enter into
13 any contract for the procurement of, any goods or
14 services from a sanctioned person.

15 (6) FOREIGN EXCHANGE.—The President may
16 prohibit any transactions in foreign exchange that
17 are subject to the jurisdiction of the United States
18 and in which the sanctioned person has any interest.

19 (7) BANKING TRANSACTIONS.—The President
20 may prohibit any transfers of credit or payments be-
21 tween financial institutions or by, through, or to any
22 financial institution, to the extent that such trans-
23 fers or payments are subject to the jurisdiction of
24 the United States and involve any interest of the
25 sanctioned person.

1 (8) PROPERTY TRANSACTIONS.—The President
2 may prohibit any person from—

3 (A) acquiring, holding, withholding, using,
4 transferring, withdrawing, transporting, import-
5 ing, or exporting any property that is subject to
6 the jurisdiction of the United States and with
7 respect to which a sanctioned person has any
8 interest;

9 (B) dealing in or exercising any right,
10 power, or privilege with respect to such prop-
11 erty; or

12 (C) conducting any transaction involving
13 such property.

14 (9) GROUNDS FOR EXCLUSION.—The Secretary
15 of State may deny a visa to, and the Secretary of
16 Homeland Security may deny admission into the
17 United States to, any alien whom the Secretary of
18 State determines is an alien who, on or after the
19 date of the enactment of this Act, is a—

20 (A) corporate officer, principal, or share-
21 holder with a controlling interest of a person
22 against whom sanctions have been imposed
23 under subsection (a) or (b);

24 (B) corporate officer, principal, or share-
25 holder with a controlling interest of a successor

1 entity to or a parent or subsidiary of such a
2 sanctioned person;

3 (C) corporate officer, principal, or share-
4 holder with a controlling interest of an affiliate
5 of such a sanctioned person, if such affiliate en-
6 gaged in a sanctionable activity described in
7 subsection (a) or (b) and if such affiliate is con-
8 trolled in fact by such sanctioned person; or

9 (D) spouse, minor child, or agent of a per-
10 son inadmissible under subparagraph (A), (B),
11 or (C).

12 (10) SANCTIONS ON PRINCIPAL EXECUTIVE OF-
13 FICERS.—The President may impose on the prin-
14 cipal executive officer or officers of any sanctioned
15 person, or on persons performing similar functions
16 and with similar authorities as such officer or offi-
17 cers, any of the sanctions under this subsection. The
18 President shall include on the list published under
19 section 105(d) of this Act the name of any person
20 against whom sanctions are imposed under this
21 paragraph.

22 (11) ADDITIONAL SANCTIONS.—The President
23 shall impose sanctions, as appropriate, to restrict
24 imports with respect to a sanctioned person, in ac-

1 cordance with the International Emergency Eco-
2 nomic Powers Act (50 U.S.C. 1701 et seq.).

3 (b) ADDITIONAL MEASURE RELATING TO GOVERN-
4 MENT CONTRACTS.—

5 (1) MODIFICATION OF FEDERAL ACQUISITION
6 REGULATION.—The Federal Acquisition Regulation
7 issued pursuant to section 1303 of title 41, United
8 States Code, shall require a certification from each
9 person that is a prospective contractor that such
10 person and any person owned or controlled by the
11 person does not engage in any activity for which
12 sanctions may be imposed under section 105 or sec-
13 tion 305 of this Act.

14 (2) REMEDIES.—

15 (A) IN GENERAL.—If the head of an execu-
16 tive agency determines that a person has sub-
17 mitted a false certification under paragraph (1)
18 after the date on which the Federal Acquisition
19 Regulation is revised to implement the require-
20 ments of this subsection, the head of that execu-
21 tive agency shall terminate a contract with
22 such person or debar or suspend such person
23 from eligibility for Federal contracts for a pe-
24 riod of not less than 2 years. Any such debar-
25 ment or suspension shall be subject to the pro-

1 cedures that apply to debarment and suspen-
2 sion under the Federal Acquisition Regulation
3 under subpart 9.4 of part 9 of title 48, Code of
4 Federal Regulations.

5 (B) INCLUSION ON LIST OF PARTIES EX-
6 CLUDED FROM FEDERAL PROCUREMENT AND
7 NONPROCUREMENT PROGRAMS.—The Adminis-
8 trator of General Services shall include on the
9 List of Parties Excluded from Federal Procure-
10 ment and Nonprocurement Programs main-
11 tained by the Administrator under part 9 of the
12 Federal Acquisition Regulation issued pursuant
13 to section 1303 of title 41, United States Code,
14 each person that is debarred, suspended, or
15 proposed for debarment or suspension by the
16 head of an executive agency on the basis of a
17 determination of a false certification under sub-
18 paragraph (A).

19 (3) CLARIFICATION REGARDING CERTAIN PROD-
20 UCTS.—The remedies specified in paragraph (2)
21 shall not apply with respect to the procurement of
22 eligible products, as defined in section 308(4) of the
23 Trade Agreements Act of 1974 (19 U.S.C. 2518(4)),
24 of any foreign country or instrumentality designated

1 under section 301(b) of such Act (19 U.S.C.
2 2511(b)).

3 (4) RULE OF CONSTRUCTION.—This subsection
4 shall not be construed to limit the use of other rem-
5 edies available to the head of an executive agency or
6 any other official of the Federal Government on the
7 basis of a determination of a false certification
8 under paragraph (1).

9 (5) WAIVER.—The President may, on a case-
10 by-case basis, waive the requirement that a person
11 make a certification under paragraph (1) if the
12 President determines and certifies in writing to the
13 appropriate congressional committees that failure to
14 exercise such waiver authority would pose an un-
15 usual and extraordinary threat to the vital national
16 security interests of the United States.

17 (6) EXECUTIVE AGENCY DEFINED.—In this
18 subsection, the term “executive agency” has the
19 meaning given such term in section 133 of title 41,
20 United States Code.

21 (7) APPLICABILITY.—The revisions to the Fed-
22 eral Acquisition Regulation required under para-
23 graph (1) shall apply with respect to contracts for
24 which solicitations are issued on or after the date

1 that is 90 days after the date of the enactment of
2 this Act.

3 **SEC. 107. ADVISORY OPINIONS.**

4 The Secretary of State may, upon the request of any
5 person, issue an advisory opinion to such person as to
6 whether a proposed activity by such person would subject
7 such person to sanctions under this title. Any person who
8 relies in good faith on such an advisory opinion which
9 states that such proposed activity would not subject such
10 person to such sanctions, and any such person who there-
11 after engages in such activity, shall not be made subject
12 to such sanctions on account of such activity.

13 **SEC. 108. TERMINATION OF SANCTIONS.**

14 (a) CERTIFICATION.—The requirement under section
15 105 of this Act to impose sanctions shall no longer have
16 force or effect with respect to Iran if the President deter-
17 mines and certifies to the appropriate congressional com-
18 mittees that Iran—

19 (1) has ceased and verifiably dismantled its ef-
20 forts to design, develop, manufacture, or acquire—

21 (A) a nuclear explosive device or related
22 materials and technology;

23 (B) chemical and biological weapons; and

24 (C) ballistic missiles and ballistic missile
25 launch technology;

1 (2) no longer provides support for acts of inter-
2 national terrorism; and

3 (3) poses no threat to the national security, in-
4 terests, or allies of the United States.

5 (b) NOTIFICATION.—The President shall notify the
6 appropriate congressional committees not later than 15
7 days before making the certification described in sub-
8 section (a).

9 **SEC. 109. DURATION OF SANCTIONS.**

10 (a) DELAY OF SANCTIONS.—

11 (1) CONSULTATIONS.—If the President makes a
12 determination described in section 105 of this Act
13 with respect to a foreign person, Congress urges the
14 President to initiate consultations immediately with
15 the government with primary jurisdiction over such
16 foreign person with respect to the imposition of
17 sanctions under such section.

18 (2) ACTIONS BY GOVERNMENT OF JURISDIC-
19 TION.—In order to pursue consultations under para-
20 graph (1) with the government concerned, the Presi-
21 dent may delay for up to 90 days the imposition of
22 sanctions under section 105 of this Act. Following
23 such consultations, the President shall immediately
24 impose on the foreign person referred to in para-
25 graph (1) such sanctions unless the President deter-

1 mines and certifies to Congress that the government
2 has taken specific and effective actions, including, as
3 appropriate, the imposition of appropriate penalties
4 to terminate the involvement of the foreign person in
5 the activities that resulted in the determination by
6 the President under section 105 of this Act con-
7 cerning such foreign person and the foreign person
8 is no longer engaged in such activities.

9 (b) DURATION OF SANCTIONS.—A sanction imposed
10 under section 105 of this Act shall remain in effect—

11 (1) for a period of not less than 2 years begin-
12 ning on the date on which such sanction is imposed;
13 or

14 (2) until such time as the President determines
15 and certifies to Congress that the person whose ac-
16 tivities were the basis for imposing such sanction is
17 no longer engaging in such activities and that the
18 President has received reliable assurances that such
19 person will not knowingly engage in such activities
20 in the future, except that such sanction shall remain
21 in effect for a period of at least one year.

22 (c) WAIVER.—

23 (1) AUTHORIZATION.—

24 (A) IN GENERAL.—The President may
25 waive the requirements in section 105(a) or

1 105(b)(2) of this Act to impose a sanction or
2 sanctions, and may waive, on a case-by-case
3 basis, the continued imposition of a sanction or
4 sanctions under subsection (b) of this section, if
5 the President determines and so reports to the
6 appropriate congressional committees 15 days
7 prior to the exercise of waiver authority that
8 failure to exercise such waiver authority would
9 pose an unusual and extraordinary threat to the
10 vital national security interests of the United
11 States.

12 (B) CONTENTS OF REPORT.—Any report
13 under subparagraph (A) shall provide a specific
14 and detailed rationale for a determination made
15 pursuant to such paragraph, including—

16 (i) a description of the conduct that
17 resulted in the determination under section
18 105(a) or section 105(b)(2) of this Act, as
19 the case may be;

20 (ii) in the case of a foreign person, an
21 explanation of the efforts to secure the co-
22 operation of the government with primary
23 jurisdiction over such person to terminate
24 or, as appropriate, penalize the activities
25 that resulted in the determination under

1 section 105(a) or 105(b)(2) of this Act, as
2 the case may be;

3 (iii) an estimate of the significance of
4 the conduct of the person concerned in
5 contributing to the ability of Iran to de-
6 velop petroleum resources, produce refined
7 petroleum products, or import refined pe-
8 troleum products; and

9 (iv) a statement as to the response of
10 the United States in the event that the
11 person concerned engages in other activi-
12 ties that would be subject to a sanction or
13 sanctions under section 105(a) or
14 105(b)(2) of this Act, as the case may be.

15 (2) WAIVER WITH RESPECT TO PERSONS IN
16 COUNTRIES THAT COOPERATE IN MULTILATERAL
17 EFFORTS WITH RESPECT TO IRAN.—

18 (A) IN GENERAL.—The President may, on
19 a case-by-case basis, waive for a period of not
20 more than 12 months the application of section
21 105(a) of this Act with respect to a person if
22 the President, at least 30 days before the waiv-
23 er is to take effect—

24 (i) certifies to the appropriate con-
25 gressional committees that—

1 (I) the government with primary
2 jurisdiction over the person is closely
3 cooperating with the United States in
4 multilateral efforts to prevent Iran
5 from—

6 (aa) acquiring or developing
7 chemical, biological, or nuclear
8 weapons or related technologies;
9 or

10 (bb) acquiring or developing
11 destabilizing numbers and types
12 of advanced conventional weap-
13 ons; and

14 (II) such a waiver is vital to the
15 national security interests of the
16 United States; and

17 (ii) submits to the appropriate con-
18 gressional committees a report identi-
19 fying—

20 (I) the person with respect to
21 which the President waives the appli-
22 cation of sanctions; and

23 (II) the actions taken by the gov-
24 ernment described in clause (i)(I) to

1 cooperate in multilateral efforts de-
2 scribed in that clause.

3 (B) SUBSEQUENT RENEWAL OF WAIVER.—

4 At the conclusion of the period of a waiver
5 under subparagraph (A), the President may
6 renew the waiver—

7 (i) if the President determines, in ac-
8 cordance with subparagraph (A), that the
9 waiver is appropriate; and

10 (ii) for subsequent periods of not
11 more than 12 months each.

12 **SEC. 110. REPORTS REQUIRED.**

13 (a) REPORT ON CERTAIN INTERNATIONAL INITIA-
14 TIVES.—Not later than 180 days after the date of the en-
15 actment of this Act and every 180 days thereafter, the
16 President shall transmit to the appropriate congressional
17 committees a report describing—

18 (1) the efforts of the President to mount a mul-
19 tilateral campaign to persuade all countries to pres-
20 sure Iran to cease its nuclear, chemical, biological,
21 and missile weapons programs and its support of
22 acts of international terrorism;

23 (2) the efforts of the President to persuade
24 other governments to ask Iran to reduce in the
25 countries of such governments the presence of Ira-

1 nian diplomats and representatives of other govern-
2 ment and military or quasi-governmental institutions
3 of Iran, and to withdraw any such diplomats or rep-
4 resentatives who participated in the takeover of the
5 United States Embassy in Tehran, Iran, on Novem-
6 ber 4, 1979, or the subsequent holding of United
7 States hostages for 444 days;

8 (3) the extent to which the International Atom-
9 ic Energy Agency has established regular inspections
10 of all nuclear facilities in Iran, including those facili-
11 ties presently under construction; and

12 (4) Iran's use of Iranian diplomats and rep-
13 resentatives of other government and military or
14 quasi-governmental institutions of Iran to promote
15 acts of international terrorism or to develop or sus-
16 tain Iran's nuclear, chemical, biological, or missile
17 weapons programs.

18 (b) REPORT ON EFFECTIVENESS OF ACTIONS
19 UNDER THIS ACT.—Not later than 180 days after the
20 date of the enactment of this Act and annually thereafter,
21 the President shall transmit to Congress a report that de-
22 scribes—

23 (1) the extent to which actions relating to trade
24 taken pursuant to this title have—

1 (A) been effective in achieving the policy
2 objective described in section 103 of this Act
3 and any other foreign policy or national security
4 objectives of the United States with respect to
5 Iran; and

6 (B) affected humanitarian interests in
7 Iran, the country in which a sanctioned person
8 is located, or in other countries; and

9 (2) the impact of actions relating to trade taken
10 pursuant to this title on other national security, eco-
11 nomic, and foreign policy interests of the United
12 States, including relations with countries friendly to
13 the United States, and on the United States econ-
14 omy.

15 The President may include in such reports the President's
16 recommendation on whether or not this Act should be ter-
17 minated or modified.

18 (c) OTHER REPORTS.—The President shall ensure
19 the continued transmittal to Congress of reports describ-
20 ing—

21 (1) the nuclear and other military capabilities
22 of Iran, as required under section 601(a) of the Nu-
23 clear Non-Proliferation Act of 1978 and section
24 1607 of the National Defense Authorization Act for
25 Fiscal Year 1993; and

1 (2) the support provided by Iran for acts of
2 international terrorism, as part of the Department
3 of State's annual reports on international terrorism.

4 (d) REPORTS ON GLOBAL TRADE RELATING TO
5 IRAN.—Not later than 180 days after the date of the en-
6 actment of the this Act and annually thereafter, the Presi-
7 dent shall transmit to the appropriate congressional com-
8 mittees a report, with respect to the most recent 12-month
9 period for which data are available, on the dollar value
10 amount of trade, including in the energy sector, between
11 Iran and each country maintaining membership in the
12 Group of 20 Finance Ministers and Central Bank Gov-
13 ernors.

14 **SEC. 111. DETERMINATIONS NOT REVIEWABLE.**

15 A determination to impose sanctions under this title
16 shall not be reviewable in any court.

17 **SEC. 112. DEFINITIONS.**

18 In this title:

19 (1) ACT OF INTERNATIONAL TERRORISM.—The
20 term “act of international terrorism” has the mean-
21 ing given such term in section 2331 of title 18,
22 United States Code.

23 (2) APPROPRIATE CONGRESSIONAL COMMIT-
24 TEES.—The term “appropriate congressional com-
25 mittees” means—

1 (A) the Committee on Finance, the Com-
2 mittee on Banking, Housing, and Urban Af-
3 fairs, and the Committee on Foreign Relations
4 of the Senate; and

5 (B) the Committee on Ways and Means,
6 the Committee on Banking and Financial Serv-
7 ices, the Committee on Financial Services, and
8 the Committee on Foreign Affairs of the House
9 of Representatives.

10 (3) COMPONENT PART.—The term “component
11 part” has the meaning given such term in section
12 11A(e)(1) of the Export Administration Act of 1979
13 (50 U.S.C. App. 2410a(e)(1)).

14 (4) CREDIBLE INFORMATION.—The term “cred-
15 ible information” means, with respect to a person,
16 such person’s public announcement of an investment
17 described in section 105 of this Act, Iranian govern-
18 mental announcements of such an investment, re-
19 ports to stockholders, annual reports, industry re-
20 ports, Government Accountability Office products,
21 and trade publications.

22 (5) DEVELOP AND DEVELOPMENT.—The terms
23 “develop” and “development” mean the exploration
24 for, or the extraction, refining, or transportation by
25 pipeline of, petroleum resources.

1 (6) FINANCIAL INSTITUTION.—The term “fi-
2 nancial institution” includes—

3 (A) a depository institution (as defined in
4 section 3(e)(1) of the Federal Deposit Insur-
5 ance Act), including a branch or agency of a
6 foreign bank (as defined in section 1(b)(7) of
7 the International Banking Act of 1978);

8 (B) a credit union;

9 (C) a securities firm, including a broker or
10 dealer;

11 (D) an insurance company, including an
12 agency or underwriter; and

13 (E) any other company that provides fi-
14 nancial services including joint ventures with
15 Iranian entities both inside and outside of Iran
16 and partnerships or investments with Iranian
17 government-controlled entities or affiliated enti-
18 ties.

19 (7) FINISHED PRODUCT.—The term “finished
20 product” has the meaning given such term in section
21 11A(e)(2) of the Export Administration Act of 1979
22 (50 U.S.C. App. 2410a(e)(2)).

23 (8) FOREIGN PERSON.—The term “foreign per-
24 son” means—

1 (A) an individual who is not a United
2 States person or an alien lawfully admitted for
3 permanent residence into the United States; or

4 (B) a corporation, partnership, joint ven-
5 ture, cooperative venture, or other nongovern-
6 mental entity which is not a United States per-
7 son.

8 (9) FOREIGN TERRORIST ORGANIZATION.—The
9 term “foreign terrorist organization” means an or-
10 ganization designated by the Secretary of State as a
11 foreign terrorist organization in accordance with sec-
12 tion 219(a) of the Immigration and Nationality Act
13 (8 U.S.C. 1189(a)).

14 (10) GOODS AND TECHNOLOGY.—The terms
15 “goods” and “technology” have the meanings given
16 such terms in section 16 of the Export Administra-
17 tion Act of 1979 (50 U.S.C. App. 2415).

18 (11) INVESTMENT.—The term “investment”
19 means any of the following activities if any of such
20 activities is undertaken pursuant to an agreement,
21 or pursuant to the exercise of rights under such an
22 agreement, that is entered into with the Government
23 of Iran or a nongovernmental entity in Iran, on or
24 after the date of the enactment of this Act:

1 (A) The entry into a contract that includes
2 responsibility for the development of petroleum
3 resources located in Iran, or the entry into a
4 contract providing for the general supervision
5 and guarantee of another person's performance
6 of such a contract.

7 (B) The purchase of a share of ownership,
8 including an equity interest, in the development
9 described in subparagraph (A).

10 (C) The entry into a contract providing for
11 the participation in royalties, earnings, or prof-
12 its in the development described in subpara-
13 graph (A), without regard to the form of such
14 participation.

15 (D) The provision of goods, services, or
16 technology related to petroleum resources.

17 (12) IRAN.—The term “Iran” includes any
18 agency or instrumentality of Iran.

19 (13) IRANIAN DIPLOMATS AND REPRESENTA-
20 TIVES OF OTHER GOVERNMENT AND MILITARY OR
21 QUASI-GOVERNMENTAL INSTITUTIONS OF IRAN.—
22 The term “Iranian diplomats and representatives of
23 other government and military or quasi-govern-
24 mental institutions of Iran” includes employees, rep-
25 resentatives, or affiliates of Iran's—

- 1 (A) Foreign Ministry;
- 2 (B) Ministry of Intelligence and Security;
- 3 (C) Revolutionary Guard Corps and affli-
- 4 ated entities;
- 5 (D) Crusade for Reconstruction;
- 6 (E) Qods (Jerusalem) Forces;
- 7 (F) Interior Ministry;
- 8 (G) Foundation for the Oppressed and
- 9 Disabled;
- 10 (H) Prophet's Foundation;
- 11 (I) June 5th Foundation;
- 12 (J) Martyr's Foundation;
- 13 (K) Islamic Propagation Organization; and
- 14 (L) Ministry of Islamic Guidance.

15 (14) KNOWINGLY.—The term “knowingly”,

16 with respect to conduct, a circumstance, or a result

17 means that a person has actual knowledge, or should

18 have known, of the conduct, the circumstance, or the

19 result of such conduct, circumstance, or result.

20 (15) NUCLEAR EXPLOSIVE DEVICE.—The term

21 “nuclear explosive device” means any device, wheth-

22 er assembled or disassembled, that is designed to

23 produce an instantaneous release of an amount of

24 nuclear energy from special nuclear material (as de-

25 fined in section 11(aa) of the Atomic Energy Act of

1 1954 (42 U.S.C. 2014(aa))) that is greater than the
2 amount of energy that would be released from the
3 detonation of one pound of trinitrotoluene (TNT).

4 (16) PERSON.—

5 (A) IN GENERAL.—The term “person”
6 means—

7 (i) a natural person;

8 (ii) a corporation, business associa-
9 tion, partnership, society, trust, financial
10 institution, insurer, underwriter, guar-
11 antor, or any other business organization,
12 any other nongovernmental entity, organi-
13 zation, or group, and any governmental en-
14 tity operating as a business enterprise; and

15 (iii) any successor to any entity de-
16 scribed in clause (ii).

17 (B) EXCLUSION.—The term “person” does
18 not include a government or governmental enti-
19 ty that is not operating as a business enter-
20 prise.

21 (17) PETROLEUM RESOURCES.—The term “pe-
22 troleum resources” includes petroleum and natural
23 gas resources, refined petroleum products, oil or liq-
24 uefied natural gas, oil or liquefied natural gas tank-
25 ers, and products used to construct or maintain

1 pipelines used to transport oil or liquefied natural
2 gas.

3 (18) REFINED PETROLEUM PRODUCTS.—The
4 term “refined petroleum products” means diesel,
5 gasoline, jet fuel (including naphtha-type and ker-
6 osene-type jet fuel), and aviation gasoline.

7 (19) UNITED STATES OR STATE.—The terms
8 “United States” and “State” mean the several
9 States, the District of Columbia, the Commonwealth
10 of Puerto Rico, the Commonwealth of the Northern
11 Mariana Islands, American Samoa, Guam, the
12 United States Virgin Islands, and any other terri-
13 tory or possession of the United States.

14 (20) UNITED STATES PERSON.—The term
15 “United States person” means—

16 (A) a natural person who is a citizen of the
17 United States or who owes permanent alle-
18 giance to the United States; and

19 (B) a corporation or other legal entity that
20 is organized under the laws of the United
21 States or any State if a natural person de-
22 scribed in subparagraph (A) owns more than 50
23 percent of the outstanding capital stock or
24 other beneficial interest in such corporation or
25 legal entity.

1 **SEC. 113. EFFECTIVE DATE.**

2 This title shall take effect on the date of the enact-
3 ment of this Act and shall apply with respect to an invest-
4 ment or activity described in subsection (a) or (b) of sec-
5 tion 105 of this Act that is commenced on or after such
6 date of enactment.

7 **SEC. 114. REPEAL.**

8 (a) IN GENERAL.—The Iran Sanctions Act of 1996
9 (50 U.S.C. 1701 note) is repealed.

10 (b) CONFORMING AMENDMENTS.—The Comprehen-
11 sive Iran Sanctions, Accountability, and Divestment Act
12 of 2010 (Public Law 111–195; 22 U.S.C. 8501 et seq.)
13 is amended—

14 (1) in section 103(b)(3)(E), by striking “section
15 14 of the Iran Sanctions Act of 1996 (Public Law
16 104–172; 50 U.S.C. 1701 note)” and inserting “sec-
17 tion 112 of the Iran Threat Reduction Act of 2011”;

18 (2) in section 111(a)(1), by striking “section 5
19 of the Iran Sanctions Act of 1996, as amended by
20 section 102 of this Act” and inserting “section 105
21 of the Iran Threat Reduction Act of 2011”;

22 (3) in section 112(3), by striking “Iran Sanc-
23 tions Act of 1996, as amended by section 102 of this
24 Act,” and inserting “Iran Threat Reduction Act of
25 2011”; and

1 (4) in section 201(2), by striking “section 14 of
2 the Iran Sanctions Act of 1996 (Public Law 104–
3 172; 50 U.S.C. 1701 note)” and inserting “section
4 112 of the Iran Threat Reduction Act of 2011”.

5 (c) REFERENCES.—Any reference in a law, regula-
6 tion, document, or other record of the United States to
7 the Iran Sanctions Act of 1996 shall be deemed to be a
8 reference to this title.

9 (d) FEDERAL ACQUISITION REGULATION.—Notwith-
10 standing the repeal made by subsection (a), the modifica-
11 tion to the Federal Acquisition Regulation made pursuant
12 to section 6(b)(1) of the Iran Sanctions Act of 1996 shall
13 continue in effect until the modification to such Regula-
14 tion that is made pursuant to section 106(b)(1) of this
15 Act takes effect.

16 **TITLE II—IRAN FREEDOM** 17 **SUPPORT**

18 **SEC. 201. CODIFICATION OF SANCTIONS.**

19 United States sanctions with respect to Iran imposed
20 pursuant to—

21 (1) sections 1 and 3 of Executive Order 12957,

22 (2) sections 1(e), 1(g), and 3 of Executive
23 Order 12959,

24 (3) sections 2, 3, and 5 of Executive Order
25 13059,

1 (4) sections 1, 5, 6, 7, and 8 of Executive
2 Order 13553, or

3 (5) sections 1, 2, and 5 of Executive Order
4 13574,

5 as in effect on September 1, 2011, shall remain in effect
6 until the President certifies to the appropriate congres-
7 sional committees, at least 90 days before the removal of
8 such sanctions, that the Government of Iran has verifiably
9 dismantled its nuclear weapons program, its biological and
10 chemical weapons programs, its ballistic missile develop-
11 ment programs, and ceased its support for international
12 terrorism.

13 **SEC. 202. LIABILITY OF PARENT COMPANIES FOR VIOLA-**
14 **TIONS OF SANCTIONS BY FOREIGN SUBSIDI-**
15 **ARIES.**

16 (a) DEFINITIONS.—In this section:

17 (1) ENTITY.—The term “entity” means a part-
18 nership, association, trust, joint venture, corpora-
19 tion, or other organization.

20 (2) OWN OR CONTROL.—The term “own or con-
21 trol” means, with respect to an entity—

22 (A) to hold more than 50 percent of the
23 equity interest by vote or value in the entity;

24 (B) to hold a majority of seats on the
25 board of directors of the entity; or

1 (C) to otherwise control the actions, poli-
2 cies, or personnel decisions of the entity.

3 (3) SUBSIDIARY.—The term “subsidiary”
4 means an entity that is owned or controlled by a
5 United States person.

6 (4) UNITED STATES PERSON.—The term
7 “United States person” means—

8 (A) a natural person who is a citizen, resi-
9 dent, or national of the United States; and

10 (B) an entity that is organized under the
11 laws of the United States, any State or terri-
12 tory thereof, or the District of Columbia, if nat-
13 ural persons described in subparagraph (A) own
14 or control the entity.

15 (b) IN GENERAL.—A United States person shall be
16 subject to a penalty for a violation of the provisions of
17 Executive Order 12959 (50 U.S.C. 1701 note) or Execu-
18 tive Order 13059 (50 U.S.C. 1701 note), or any other pro-
19 hibition on transactions with respect to Iran imposed
20 under the authority of the International Emergency Eco-
21 nomic Powers Act (50 U.S.C. 1701 et seq.), if the Presi-
22 dent determines that a subsidiary of the United States
23 person that is established or maintained outside the
24 United States engages in an act that, if committed in the

1 United States or by a United States person, would violate
2 such provisions.

3 (c) EFFECTIVE DATE.—

4 (1) IN GENERAL.—Subsection (b) shall take ef-
5 fect on the date of the enactment of this Act and
6 apply with respect to acts described in subsection
7 (b)(2) that are—

8 (A) commenced on or after the date of the
9 enactment of this Act; or

10 (B) except as provided in paragraph (2),
11 commenced before such date of enactment, if
12 such acts continue on or after such date of en-
13 actment.

14 (2) EXCEPTION.—Subsection (b) shall not
15 apply with respect to an act described in paragraph
16 (1)(B) by a subsidiary owned or controlled by a
17 United States person if the United States person di-
18 vests or terminates its business with the subsidiary
19 not later than 90 days after the date of the enact-
20 ment of this Act.

21 **SEC. 203. DECLARATION OF CONGRESS REGARDING**
22 **UNITED STATES POLICY TOWARD IRAN.**

23 It shall be the policy of the United States to support
24 those individuals in Iran seeking a free, democratic gov-

1 ernment that respects the rule of law and protects the
2 rights of all citizens.

3 **SEC. 204. ASSISTANCE TO SUPPORT DEMOCRACY IN IRAN.**

4 (a) ASSISTANCE AUTHORIZED.—The President is au-
5 thorized to provide financial and political assistance (in-
6 cluding the award of grants) to foreign and domestic indi-
7 viduals, organizations, and entities that support democ-
8 racy and the promotion of democracy in Iran. Such assist-
9 ance may include the award of grants to eligible inde-
10 pendent prodemocracy broadcasting organizations and
11 new media that broadcast into Iran.

12 (b) ELIGIBILITY FOR ASSISTANCE.—Financial and
13 political assistance authorized under this section shall be
14 provided only to an individual, organization, or entity
15 that—

16 (1) officially opposes the use of violence and
17 terrorism and has not been designated as a foreign
18 terrorist organization under section 219(a) of the
19 Immigration and Nationality Act (8 U.S.C. 1189(a))
20 at any time during the preceding 4 years;

21 (2) advocates the adherence by Iran to non-
22 proliferation regimes for nuclear, chemical, and bio-
23 logical weapons and materiel;

1 (3) is dedicated to democratic values and sup-
2 ports the adoption of a democratic form of Govern-
3 ment in Iran;

4 (4) is dedicated to respect for human rights, in-
5 cluding the fundamental equality of women;

6 (5) works to establish equality of opportunity
7 for all people; and

8 (6) supports freedom of the press, freedom of
9 speech, freedom of association, and freedom of reli-
10 gion.

11 (c) FUNDING.—Financial and political assistance au-
12 thorized under this section may only be provided using
13 funds available to the Middle East Partnership Initiative
14 (MEPI), the Broader Middle East and North Africa Ini-
15 tiative, the Human Rights and Democracy Fund, and the
16 Near East Regional Democracy Fund.

17 (d) NOTIFICATION.—Not later than 15 days before
18 each obligation of assistance under this section, and in ac-
19 cordance with the procedures under section 634A of the
20 Foreign Assistance Act of 1961 (22 U.S.C. 2394–l), the
21 President shall notify the Committee on Foreign Affairs
22 and the Committee on Appropriations of the House of
23 Representatives and the Committee on Foreign Relations
24 and the Committee on Appropriations of the Senate of
25 such obligation of assistance. Such notification shall in-

1 clude, as practicable, a description of the types of pro-
2 grams supported by such assistance and an identification
3 of the recipients of such assistance.

4 (e) SENSE OF CONGRESS REGARDING DIPLOMATIC
5 ASSISTANCE.—It is the sense of Congress that—

6 (1) contacts should be expanded with opposition
7 groups in Iran that meet the criteria for eligibility
8 for assistance under subsection (b);

9 (2) support for those individuals seeking democ-
10 racy in Iran should be expressed by United States
11 representatives and officials in all appropriate inter-
12 national fora; and

13 (3) officials and representatives of the United
14 States should—

15 (A) strongly and unequivocally support in-
16 digenous efforts in Iran calling for free, trans-
17 parent, and democratic elections; and

18 (B) draw international attention to viola-
19 tions by the Government of Iran of human
20 rights, freedom of religion, freedom of assem-
21 bly, and freedom of the press.

1 **SEC. 205. IMPOSITION OF SANCTIONS ON CERTAIN PER-**
2 **SONS WHO ARE RESPONSIBLE FOR OR**
3 **COMPLICIT IN HUMAN RIGHTS ABUSES COM-**
4 **MITTED AGAINST CITIZENS OF IRAN OR**
5 **THEIR FAMILY MEMBERS AFTER THE JUNE**
6 **12, 2009, ELECTIONS IN IRAN.**

7 (a) LIST OF PERSONS WHO ARE RESPONSIBLE FOR
8 OR COMPLICIT IN CERTAIN HUMAN RIGHTS ABUSES;
9 SANCTIONS ON SUCH PERSONS.—

10 (1) IN GENERAL.—Not later than 90 days after
11 the date of the enactment of this Act, the President
12 shall transmit to the appropriate congressional com-
13 mittees a list of all persons who are senior officials
14 of the Government of Iran, including the Supreme
15 Leader, the President, Members of the Cabinet,
16 Members of the Assembly of Experts, Members of
17 the Ministry of Intelligence Services, or any Member
18 of the Iranian Revolutionary Guard Corps with the
19 rank of brigadier general and above, including mem-
20 bers of paramilitary organizations such as Ansar-e-
21 Hezbollah and Basij-e Mostaz'afin.

22 (2) CERTIFICATION.—The President shall im-
23 pose on the persons specified in the list under para-
24 graph (1) the sanctions described in subsection (b).
25 The President shall exempt any such person from
26 such imposition if the President determines and cer-

1 tifies to the appropriate congressional committees
2 that such person, based on credible evidence, is not
3 responsible for or complicit in, or responsible for or-
4 dering, controlling, or otherwise directing, the com-
5 mission of serious human rights abuses against citi-
6 zens of Iran or their family members on or after
7 June 12, 2009, regardless of whether such abuses
8 occurred in Iran.

9 (3) UPDATES OF LIST.—The President shall
10 transmit to the appropriate congressional commit-
11 tees an updated list under paragraph (1)—

12 (A) not later than every 60 days beginning
13 after the date of the initial transmittal under
14 such paragraph; and

15 (B) as new information becomes available.

16 (4) FORM OF REPORT; PUBLIC AVAILABILITY.—

17 (A) FORM.—The list required under para-
18 graph (1) shall be submitted in unclassified
19 form but may contain a classified annex.

20 (B) PUBLIC AVAILABILITY.—The unclassi-
21 fied portion of the list required under para-
22 graph (1) shall be made available to the public
23 and posted on the Web sites of the Department
24 of the Treasury and the Department of State.

1 (5) CONSIDERATION OF DATA FROM OTHER
2 COUNTRIES AND NONGOVERNMENTAL ORGANIZA-
3 TIONS.—In preparing the list required under para-
4 graph (1), the President shall consider credible data
5 already obtained by other countries and nongovern-
6 mental organizations, including organizations in
7 Iran, that monitor the human rights abuses of the
8 Government of Iran.

9 (b) SANCTIONS DESCRIBED.—The sanctions de-
10 scribed in this subsection are ineligibility for a visa to
11 enter the United States and sanctions pursuant to the
12 International Emergency Economic Powers Act (50
13 U.S.C. 1701 et seq.), including blocking of property and
14 restrictions or prohibitions on financial transactions and
15 the exportation and importation of property, subject to
16 such regulations as the President may prescribe, including
17 regulatory exceptions to permit the United States to com-
18 ply with the Agreement between the United Nations and
19 the United States of America regarding the Headquarters
20 of the United Nations, signed June 26, 1947, and entered
21 into force November 21, 1947, and other applicable inter-
22 national obligations.

23 (c) TERMINATION OF SANCTIONS.—The provisions of
24 this section shall terminate on the date on which the Presi-

1 dent determines and certifies to the appropriate congres-
2 sional committees that the Government of Iran—

3 (1) has unconditionally released all political
4 prisoners, including the citizens of Iran detained in
5 the aftermath of the June 12, 2009, presidential
6 election in Iran;

7 (2) has ceased its practices of violence, unlawful
8 detention, torture, and abuse of citizens of Iran
9 while engaging in peaceful political activity;

10 (3) has conducted a transparent investigation
11 into the killings, arrests, and abuse of peaceful polit-
12 ical activists that occurred in the aftermath of the
13 June 12, 2009, presidential election in Iran and
14 prosecuted the individuals responsible for such
15 killings, arrests, and abuse; and

16 (4) has—

17 (A) established an independent judiciary;
18 and

19 (B) is respecting the human rights and
20 basic freedoms recognized in the Universal Dec-
21 laration of Human Rights.

22 **SEC. 206. CLARIFICATION OF SENSITIVE TECHNOLOGIES**
23 **FOR PURPOSES OF PROCUREMENT BAN.**

24 The Secretary of State shall—

1 (1) not later than 90 days after the date of the
2 enactment of this Act, issue guidelines to further de-
3 scribe the goods, services, and technologies that will
4 be considered “sensitive technologies” for purposes
5 of section 106 of the Comprehensive Iran Sanctions,
6 Accountability, and Divestment Act of 2010 (22
7 U.S.C. 8515), and publish those guidelines in the
8 Federal Register;

9 (2) determine the types of goods, services, and
10 technologies that enable any indigenous capabilities
11 that Iran has to disrupt and monitor information
12 and communications in that country, and consider
13 adding descriptions of those items to the guidelines;
14 and

15 (3) periodically review, but in no case less than
16 once each year, the guidelines and, if necessary,
17 amend the guidelines on the basis of technological
18 developments and new information regarding trans-
19 fers of goods, services, and technologies to Iran and
20 the development of Iran’s indigenous capabilities to
21 disrupt and monitor information and communica-
22 tions in Iran.

1 **SEC. 207. COMPREHENSIVE STRATEGY TO PROMOTE**
2 **INTERNET FREEDOM AND ACCESS TO INFOR-**
3 **MATION IN IRAN.**

4 (a) IN GENERAL.—Not later than 90 days after the
5 date of the enactment of this Act and annually thereafter,
6 the Secretary of State shall submit to the Committee on
7 Foreign Affairs and the Committee on Appropriations of
8 the House of Representatives and the Committee on For-
9 eign Relations and the Committee on Appropriations of
10 the Senate a comprehensive strategy to—

11 (1) help the people of Iran produce, access, and
12 share information freely and safely via the Internet,
13 including in Farsi and regional languages;

14 (2) support the development of counter-censor-
15 ship technologies that enable the citizens of Iran to
16 undertake Internet activities without interference
17 from the Government of Iran;

18 (3) increase the capabilities and availability of
19 secure mobile communications among human rights
20 and democracy activists in Iran;

21 (4) provide resources for digital safety training
22 for media, unions, and academic and civil society or-
23 ganizations in Iran;

24 (5) increase the amount of accurate Internet
25 content in local languages in Iran;

1 (6) increase emergency resources for the most
2 vulnerable human rights advocates seeking to orga-
3 nize, share information, and support human rights
4 in Iran;

5 (7) expand surrogate radio, television, live
6 stream, and social network communications inside
7 Iran;

8 (8) expand activities to safely assist and train
9 human rights, civil society, and union activists in
10 Iran to operate effectively and securely;

11 (9) defeat all attempts by the Government of
12 Iran to jam or otherwise deny international satellite
13 broadcasting signals;

14 (10) expand worldwide United States embassy
15 and consulate programming for and outreach to Ira-
16 nian dissident communities;

17 (11) expand access to proxy servers for democ-
18 racy activists in Iran; and

19 (12) discourage telecommunication and soft-
20 ware companies from facilitating Internet censorship
21 by the Government of Iran.

22 (b) **ELIGIBILITY FOR ASSISTANCE.**—Assistance au-
23 thorized under the comprehensive strategy required under
24 subsection (a) shall be provided only to an individual, or-
25 ganization, or entity that meets the eligibility criteria in

1 section 204(b) of this Act for financial and political assist-
2 ance authorized under section section 204(a) of this Act.

3 (c) FORM.—The comprehensive strategy required
4 under subsection (a) shall be submitted in unclassified
5 form and may include a classified annex.

6 **TITLE III—IRAN REGIME AND**
7 **IRAN’S ISLAMIC REVOLU-**
8 **TIONARY GUARD CORPS AC-**
9 **COUNTABILITY**

10 **SEC. 301. IRAN’S ISLAMIC REVOLUTIONARY GUARD CORPS.**

11 (a) TRANSACTIONS WITH IRAN’S ISLAMIC REVOLU-
12 TIONARY GUARD CORPS.—No United States person shall
13 knowingly conduct any commercial transaction or financial
14 transaction with, or make any investment in—

15 (1) any person or entity owned or controlled by
16 Iran’s Islamic Revolutionary Guard Corps;

17 (2) any instrumentality, subsidiary, affiliate, or
18 agent of Iran’s Islamic Revolutionary Guard Corps;
19 or

20 (3) any project, activity, or business owned or
21 controlled by Iran’s Islamic Revolutionary Guard
22 Corps.

23 (b) TRANSACTIONS WITH CERTAIN FOREIGN PER-
24 SONS.—No United States person shall knowingly conduct
25 any commercial transaction or financial transaction with,

1 or make any investment in, any foreign person or foreign
2 entity that conducts any transaction with or makes any
3 investment with Iran's Islamic Revolutionary Guard
4 Corps, which, if conducted or made by a United States
5 person, would constitute a violation of subsection (a).

6 (c) PENALTIES.—Any United States person who vio-
7 lates subsection (a) or (b) shall be subject to 1 or more
8 of the criminal penalties under the authority of section
9 206(c) of the International Emergency Economic Powers
10 Act (50 U.S.C. 1705).

11 (d) WAIVER.—The President is authorized to waive
12 the restrictions in subsection (a) or (b) on a case-by-case
13 basis if the President determines and notifies the appro-
14 priate congressional committees that failure to exercise
15 such waiver authority would pose an unusual and extraor-
16 dinary threat to the national security interests of the
17 United States.

18 (e) AMENDMENTS TO CODE OF FEDERAL REGULA-
19 TIONS.—Not later than 30 days after the date of the en-
20 actment of this Act, the President shall amend part 544
21 of title 31, Code of Federal Regulations (“Weapons of
22 Mass Destruction Proliferators Sanctions Regulations”),
23 to incorporate the provisions of this section.

1 (f) DEFINITIONS.—In this section, the terms “foreign
2 person”, “knowingly”, and “United States person” have
3 the meanings given such terms in section 112 of this Act.

4 **SEC. 302. ADDITIONAL EXPORT SANCTIONS AGAINST IRAN.**

5 Notwithstanding section 103(b)(2)(B)(iv) of the
6 Comprehensive Iran Sanctions, Accountability, and Di-
7 vestment Act of 2010 (Public Law 111–195; 22 U.S.C.
8 8512(b)(2)(B)(iv)) or section 1606 of the Iran-Iraq Arms
9 Non-Proliferation Act of 1992 (Public Law 102–484; 50
10 U.S.C. 1701 note) or any other provision of law, effective
11 on the date of the enactment of this Act—

12 (1) licenses to export or reexport goods, serv-
13 ices, or technology relating to civil aviation of United
14 States origin to Iran may not be issued, and any
15 such license issued before such date of enactment is
16 no longer valid; and

17 (2) goods, services, or technology described in
18 paragraph (1) may not be exported or reexported.

19 **SEC. 303. SANCTIONS AGAINST AFFILIATES OF IRAN’S IS-**
20 **LAMIC REVOLUTIONARY GUARD CORPS.**

21 (a) IN GENERAL.—Not later than 90 days after the
22 date of the enactment of this Act, and as appropriate
23 thereafter, the President shall identify in, and, in the case
24 of a foreign person or foreign entity not already so des-
25 ignated, shall designate for inclusion in the Annex to Ex-

1 executive Order 13382 (70 Fed. Reg. 38567; relating to
2 blocking property of weapons of mass destruction
3 proliferators and their supporters) and shall apply all ap-
4 plicable sanctions of the United States pursuant to Execu-
5 tive Order 13382 to each foreign person or foreign entity
6 for which there is a reasonable basis for determining that
7 the person or entity is as an agent, alias, front, instrumen-
8 tality, official, or affiliate of Iran's Islamic Revolutionary
9 Guard Corps or is an individual serving as a representa-
10 tive of Iran's Islamic Revolutionary Guard Corps.

11 (b) PRIORITY FOR INVESTIGATION.—In carrying out
12 this section, the President shall give priority to inves-
13 tigating foreign persons and foreign entities identified
14 under section 560.304 of title 31, Code of Federal Regula-
15 tions (relating to the definition of the Government of Iran)
16 and foreign persons and foreign entities for which there
17 is a reasonable basis to suspect that the person or entity
18 has conducted or attempted to conduct one or more sen-
19 sitive transactions or activities described in subsection (c).

20 (c) SENSITIVE TRANSACTION OR ACTIVITY.—A sen-
21 sitive transaction or activity referred to in subsection (b)
22 is—

23 (1) a transaction to facilitate the manufacture,
24 import, export, or transfer of items needed for the
25 development of nuclear, chemical, biological, or ad-

1 vanced conventional weapons, including ballistic mis-
2 siles;

3 (2) an attempt to interfere in the internal af-
4 fairs of Iraq or Afghanistan, or equip or train, or
5 encourage violence by, individuals or groups opposed
6 to the governments of those countries;

7 (3) a transaction relating to the manufacture,
8 procurement, or sale of goods, services, and tech-
9 nology relating to Iran's energy sector, including the
10 development of the energy resources of Iran, export
11 of petroleum products, and import of refined petro-
12 leum and refining capacity available to Iran;

13 (4) a transaction relating to the procurement of
14 sensitive technologies (as defined in section 106(c) of
15 the Comprehensive Iran Sanctions, Accountability,
16 and Divestment Act of 2010 (Public Law 111-195;
17 22 U.S.C. 8515(c)); or

18 (5) a financial transaction or series of trans-
19 actions valued at more than \$1,000,000 in the ag-
20 gregate in any 12-month period involving a non-Ira-
21 nian financial institution.

22 (d) INADMISSIBILITY TO UNITED STATES.—The Sec-
23 retary of State shall deny a visa to, and the Secretary of
24 Homeland Security shall deny admission into the United
25 States to, any alien who, on or after the date of the enact-

1 ment of this Act, is a foreign person designated for inclu-
2 sion in the Annex to Executive Order 13382 pursuant to
3 subsection (a).

4 (e) **RULE OF CONSTRUCTION.**—Nothing in this sec-
5 tion shall be construed to remove any sanction of the
6 United States in force against Iran’s Islamic Revolu-
7 tionary Guard Corps as of the date of the enactment of
8 this Act by reason of the fact that Iran’s Islamic Revolu-
9 tionary Guard Corps is an entity of the Government of
10 Iran.

11 **SEC. 304. MEASURES AGAINST FOREIGN PERSONS OR ENTI-**
12 **TIES SUPPORTING IRAN’S ISLAMIC REVOLU-**
13 **TIONARY GUARD CORPS.**

14 (a) **IDENTIFICATION AND NOTIFICATION.**—The
15 President shall notify the appropriate congressional com-
16 mittees in any case in which the President determines that
17 there is credible information indicating that a foreign per-
18 son or foreign entity, on or after the date of the enactment
19 of this Act, knowingly—

20 (1) provides material support to Iran’s Islamic
21 Revolutionary Guard Corps or any person or entity
22 that identified pursuant to section 201(a) of this Act
23 as an agent, alias, front, instrumentality, official, or
24 affiliate of Iran’s Islamic Revolutionary Guard Corps

1 or an individual serving as a representative of Iran's
2 Islamic Revolutionary Guard Corps; or

3 (2) conducts any commercial transaction or fi-
4 nancial transaction with Iran's Islamic Revolu-
5 tionary Guard Corps or any such person or entity.

6 (b) WAIVER.—

7 (1) IN GENERAL.—Notwithstanding any other
8 provision of this title and subject to paragraph (2),
9 the President is not required to make any identifica-
10 tion or designation of or determination with respect
11 to a foreign person or foreign entity for purposes of
12 this title if doing so would cause damage to the na-
13 tional security of the United States through the di-
14 vulgence of sources and methods of intelligence or
15 other critical classified information.

16 (2) NOTICE TO CONGRESS.—The President
17 shall notify Congress of any exercise of the authority
18 of paragraph (1) and shall include in the notification
19 an identification of the foreign person or foreign en-
20 tity, including a description of the activity or trans-
21 action that would have caused the identification, des-
22 ignation, or determination for purposes of this title.

23 (c) SANCTIONS.—

24 (1) IN GENERAL.—The President shall apply to
25 each foreign person or foreign entity identified in a

1 notice under subsection (a) for a period determined
2 by the President a majority of the sanctions de-
3 scribed in section 106(a) of this Act.

4 (2) TERMINATION.—The President may termi-
5 nate the sanctions applied to a foreign person or for-
6 eign entity pursuant to paragraph (1) if the Presi-
7 dent determines that the person or entity no longer
8 engages in the activity or activities for which the
9 sanctions were imposed and has provided assurances
10 to the United States Government that it will not en-
11 gage in the activity or activities in the future.

12 (d) IEEPA SANCTIONS.—The President may exer-
13 cise the authorities provided under section 203(a) of the
14 International Emergency Economic Powers Act (50
15 U.S.C. 1702(a)) to impose additional sanctions on each
16 foreign person or foreign entity identified pursuant to sub-
17 section (a), for such time as the President may determine,
18 without regard to section 202 of that Act.

19 (e) WAIVER.—The President may waive the applica-
20 tion of any measure described in subsection (c) with re-
21 spect to a foreign person or foreign entity if the Presi-
22 dent—

23 (1)(A) determines that the person or entity has
24 ceased the activity that resulted in the notification
25 under subsection (a) with respect to the person or

1 entity (as the case may be) and has taken measures
2 to prevent its recurrence; or

3 (B) determines and so reports to the appro-
4 appropriate congressional committees 15 days prior to the
5 exercise of waiver authority that failure to exercise
6 such waiver authority would pose an unusual and ex-
7 traordinary threat to the vital national security in-
8 terests of the United States; and

9 (2) submits to the appropriate congressional
10 committees a report that contains the reasons for
11 the determination.

12 (f) FOREIGN PERSON DEFINED.—In this section, the
13 term “foreign person” has the meaning given the term in
14 section 112 of this Act.

15 **SEC. 305. SPECIAL MEASURES AGAINST FOREIGN COUN-**
16 **TRIES SUPPORTING IRAN’S ISLAMIC REVOLU-**
17 **TIONARY GUARD CORPS.**

18 (a) SANCTIONS.—With respect to any foreign entity
19 identified pursuant to section 304(a) of this Act that is
20 an agency of the government of a foreign country, the
21 President shall, in addition to applying to the entity the
22 sanctions described in section 304(c) of this Act, apply
23 to the agency of the government of the foreign country
24 the following measures:

1 (1) No assistance shall be provided to the agen-
2 cy of the government of the foreign country under
3 the Foreign Assistance Act of 1961, or any suc-
4 cessor Act, or the Arms Export Control Act, or any
5 successor Act, other than assistance that is intended
6 to benefit the people of the foreign country directly
7 and that is not provided through governmental agen-
8 cies or entities of the foreign country.

9 (2) The United States shall oppose any loan or
10 financial or technical assistance to the agency of the
11 government of the foreign country by international
12 financial institutions in accordance with section 701
13 of the International Financial Institutions Act (22
14 U.S.C. 262d).

15 (3) The United States shall deny to the agency
16 of the government of the foreign country any credit
17 or financial assistance by any department, agency,
18 or instrumentality of the United States Government.

19 (4) The United States Government shall not
20 approve the sale to the agency of the government of
21 the foreign country any defense articles or defense
22 services or issue any license for the export of items
23 on the United States Munitions List.

24 (5) No exports to the agency of the government
25 of the foreign country shall be permitted of any

1 goods or technologies controlled for national security
2 reasons under the Export Administration Regula-
3 tions.

4 (6) Restrictions shall be imposed on the impor-
5 tation into the United States of articles that are the
6 growth, product, or manufacture of the agency of
7 the government of the foreign country.

8 (7) At the earliest practicable date, the Sec-
9 retary of State shall terminate, in a manner con-
10 sistent with international law, the authority of any
11 air carrier that is controlled in fact by the agency
12 of the government of the foreign country to engage
13 in air transportation (as defined in section 40102(5)
14 of title 49, United States Code).

15 (b) TERMINATION.—The President may terminate
16 the sanctions applied to an entity or government of a for-
17 eign country pursuant to subsection (a) if the President
18 determines that the entity or government, as the case may
19 be, no longer engages in the activity or activities for which
20 the sanctions were imposed and has provided assurances
21 to the United States Government that it will not engage
22 in the activity or activities in the future.

23 (c) WAIVER.—The President may waive the applica-
24 tion of any measure described in subsection (a) with re-

1 spect to an entity or government of a foreign country if
2 the President—

3 (1)(A) determines that the entity or govern-
4 ment, as the case may be, has ceased the activity
5 that resulted in the notification under section 304(a)
6 of this Act with respect to the entity or government
7 and has taken measures to prevent its recurrence; or

8 (B) determines and so reports to the appro-
9 priate congressional committees 15 days prior to the
10 exercise of waiver authority that failure to exercise
11 such waiver authority would pose an unusual and ex-
12 traordinary threat to the vital national security in-
13 terests of the United States; and

14 (2) submits to the appropriate congressional
15 committees a report that contains the reasons for
16 the determination.

17 **SEC. 306. AUTHORITY OF STATE AND LOCAL GOVERN-**
18 **MENTS TO RESTRICT CONTRACTS OR LI-**
19 **CENSES FOR CERTAIN SANCTIONABLE PER-**
20 **SONS.**

21 Notwithstanding any other provision of law, a State
22 or local government may adopt and enforce measures to
23 prohibit the State or local government, as the case may
24 be, from entering into or renewing any contract with, or
25 granting to or renewing any license for persons that con-

1 duct business operations in Iran described in section 310
2 of this Act.

3 **SEC. 307. IRANIAN ACTIVITIES IN IRAQ AND AFGHANISTAN.**

4 (a) FREEZING OF ASSETS.—In accordance with sub-
5 section (b), all property and interests in property of the
6 foreign persons described in Executive Orders 13382 and
7 13224, or their affiliates, that are in the United States,
8 that on or after the date of the enactment of this Act come
9 within the United States, or that on or after the date of
10 the enactment of this Act come within the possession or
11 control of United States persons, are blocked and may not
12 be transferred, paid, exported, withdrawn, or otherwise
13 dealt in with respect to any such person determined by
14 the Secretary of State, in consultation with the Secretary
15 of the Treasury and the Secretary of Defense to—

16 (1) have committed, or to pose a significant
17 risk of committing, an act or acts of violence that
18 have the purpose or effect of threatening United
19 States efforts to promote security and stability in
20 Iraq and Afghanistan;

21 (2) have knowingly and materially assisted,
22 sponsored, or provided financial, material, logistical,
23 or technical support for, or goods or services in sup-
24 port of, such an act or acts of violence or any person

1 or entity whose property and interests in property
2 are blocked pursuant this subsection; or

3 (3) be owned or controlled by, or to have acted
4 or purported to act for or on behalf of any person
5 whose property and interests in property are blocked
6 pursuant to this subsection.

7 (b) DESCRIPTION OF PROHIBITIONS.—The prohibi-
8 tions described in subsection (a) include—

9 (1) the making of any contribution or provision
10 of funds, goods, or services by, to, or for the benefit
11 of any person whose property and interests in prop-
12 erty are blocked; and

13 (2) the receipt of any contribution or provision
14 of funds, goods, or services from any such person.

15 (c) STATEMENT OF POLICY.—An increase in both the
16 quantity and quality of Iranian arms shipments and tech-
17 nological expertise to the Iraqi insurgents, the Taliban,
18 other terrorist organizations, and criminal elements has
19 the potential to significantly change the battlefield in both
20 Iraq and Afghanistan, and lead to a large increase in
21 United States, International Security Assistance Force,
22 Coalition, and Iraqi and Afghan casualties.

23 (d) DEFINITIONS.—In this section, the terms “for-
24 eign person” and “United States person” have the mean-
25 ings given such terms in section 112 of this Act.

1 **SEC. 308. UNITED STATES POLICY TOWARD IRAN.**

2 (a) NATIONAL STRATEGY REQUIRED.—The Presi-
3 dent shall develop a strategy, to be known as the “Na-
4 tional Strategy to Counter Iran”, that provides strategic
5 guidance for activities that support the objective of ad-
6 dressing, countering, and containing the threats posed by
7 Iran.

8 (b) ANNUAL REPORT.—

9 (1) IN GENERAL.—Not later than January 30
10 of each year, the President shall transmit to the ap-
11 propriate congressional committees a report on the
12 current and future strategy of the United States to-
13 ward Iran, and the implementation of the National
14 Strategy to Counter Iran required under subsection
15 (a).

16 (2) FORM.—If the President considers it appro-
17 priate, the report required under this subsection, or
18 appropriate parts thereof, may be transmitted in
19 classified form.

20 (c) MATTERS TO BE INCLUDED.—The report re-
21 quired under subsection (b) shall include a description of
22 the security posture and objectives of Iran, including at
23 least the following:

24 (1) A description and assessment of Iranian
25 grand strategy and security strategy, including—

1 (A) the goals of Iran's grand strategy and
2 security strategy, and strategic objectives; and

3 (B) Iranian strategy to achieve such objec-
4 tives in the Middle East, Europe, Africa, West-
5 ern Hemisphere, and Asia.

6 (2) An assessment of the capabilities of Iran's
7 conventional forces and Iran's unconventional forces,
8 including—

9 (A) the size and capabilities of Iran's con-
10 ventional forces and Iran's unconventional
11 forces;

12 (B) an analysis of the formal and informal
13 national command authority for Iran's conven-
14 tional forces and Iran's unconventional forces;

15 (C) the size and capability of Iranian for-
16 eign and domestic intelligence and special oper-
17 ations units, including the Iranian Revolu-
18 tionary Guard Corps-Quds Force;

19 (D) a description and analysis of Iranian
20 military doctrine;

21 (E) the types and amount of support, in-
22 cluding funding, lethal and nonlethal supplies,
23 and training, provided to groups designated by
24 the United States as foreign terrorist organiza-
25 tions and regional militant groups; and

1 (F) an estimate of the levels of funding
2 and funding and procurement sources by Iran
3 to develop and support Iran's conventional
4 forces and Iran's unconventional forces.

5 (3) An assessment of Iranian strategy and ca-
6 pabilities related to nuclear, unconventional, and
7 missile forces development, including—

8 (A) a summary and analysis of nuclear
9 weapons capabilities;

10 (B) an estimate of the amount and sources
11 of funding expended by, and an analysis of pro-
12 curement networks utilized by, Iran to develop
13 its nuclear weapons capabilities;

14 (C) a summary of the capabilities of Iran's
15 unconventional weapons and Iran's ballistic
16 missile forces and Iran's cruise missile forces,
17 including developments in the preceding year,
18 the size of Iran's ballistic missile forces and
19 Iran's cruise missile forces, and the locations of
20 missile launch sites;

21 (D) a detailed analysis of the effectiveness
22 of Iran's unconventional weapons and Iran's
23 ballistic missile forces and Iran's cruise missile
24 forces; and

1 (E) an estimate of the amount and sources
2 of funding expended by, and an analysis of pro-
3 curement networks utilized by, Iran on pro-
4 grams to develop a capability to develop uncon-
5 ventional weapons and Iran's ballistic missile
6 forces and Iran's cruise missile forces.

7 (4) The Government of Iran's economic strat-
8 egy, including—

9 (A) sources of funding for the activities of
10 the Government of Iran described in this sec-
11 tion;

12 (B) the role of the Government of Iran in
13 the formal and informal sector of the domestic
14 Iranian economy;

15 (C) evasive and other efforts by the Gov-
16 ernment of Iran to circumvent international
17 and bilateral sanctions regimes;

18 (D) the effect of bilateral and multilateral
19 sanctions on the ability of Iran to implement its
20 grand strategy and security strategy described
21 in paragraph (1); and

22 (E) Iran's strategy and efforts to leverage
23 economic and political influence, cooperation,
24 and activities in the Middle East Europe, Afri-
25 ca, Western Hemisphere, and Asia.

1 (5) Key vulnerabilities identified in paragraph
2 (1), and an implementation plan for the National
3 Strategy to Counter Iran required under subsection
4 (a).

5 (6) The United States strategy to—

6 (A) address and counter the capabilities of
7 Iran’s conventional forces and Iran’s unconven-
8 tional forces;

9 (B) disrupt and deny Iranian efforts to de-
10 velop or augment capabilities related to nuclear,
11 unconventional, and missile forces development;

12 (C) address the Government of Iran’s eco-
13 nomic strategy to enable the objectives de-
14 scribed in this subsection; and

15 (D) exploit key vulnerabilities identified in
16 this subsection.

17 (7) An implementation plan for United States
18 strategy described in under paragraph (6).

19 (d) **CLASSIFIED ANNEX.**—The reports required
20 under subsection (b) shall be in unclassified form to the
21 greatest extent possible, and may include a classified
22 annex where necessary.

23 **SEC. 309. DEFINITIONS.**

24 In this title:

1 (1) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term “appropriate congressional com-
3 mittees” means—

4 (A) the Committee on Foreign Affairs, the
5 Committee on Armed Services, the Committee
6 on Appropriations, and the Permanent Select
7 Committee on Intelligence of the House of Rep-
8 resentatives; and

9 (B) the Committee on Foreign Relations,
10 the Committee on Armed Services, the Com-
11 mittee on Appropriations, and the Permanent
12 Select Committee on Intelligence of the Senate.

13 (2) IRAN’S BALLISTIC MISSILE FORCES.—The
14 term “Iran’s ballistic missile forces” includes bal-
15 listic missiles, goods, and associated equipment and
16 those elements of the Government of Iran that em-
17 ploy such ballistic missiles, goods, and associated
18 equipment.

19 (3) IRAN’S BALLISTIC MISSILE AND UNCONVEN-
20 TIONAL WEAPONS.—The term “Iran’s ballistic mis-
21 sile and unconventional weapons” means Iran’s bal-
22 listic missile forces and chemical, biological, and ra-
23 diological weapons programs.

24 (4) IRAN’S CRUISE MISSILE FORCES.—The term
25 “Iran’s cruise missile forces” includes cruise missile

1 forces, goods, and associated equipment and those
2 elements of the Government of Iran that employ
3 such cruise missiles capable of flights less than 500
4 kilometers, goods, and associated equipment.

5 (5) IRAN'S CONVENTIONAL FORCES.—The term
6 “Iran's conventional forces”—

7 (A) means military forces of Iran designed
8 to conduct operations on sea, air, or land, other
9 than Iran's unconventional forces and Iran's
10 ballistic missile forces and Iran's cruise missile
11 forces; and

12 (B) includes Iran's Army, Air Force, Navy,
13 domestic law enforcement, and elements of the
14 Iran's Islamic Revolutionary Guard Corps,
15 other than Iran's Islamic Revolutionary Guard
16 Corps-Quds Force.

17 (6) IRAN'S UNCONVENTIONAL FORCES.—The
18 term “Iran's unconventional forces”—

19 (A) means forces of Iran that carry out
20 missions typically associated with special oper-
21 ations forces; and

22 (B) includes—

23 (i) the Iran's Islamic Revolutionary
24 Guard Corps-Quds Force;

25 (ii) paramilitary organizations;

1 (iii) formal and informal intelligence
2 agencies and entities; and

3 (iv) any organization that—

4 (I) has been designated as a for-
5 eign terrorist organization under sec-
6 tion 219(a) of the Immigration and
7 Nationality Act (8 U.S.C. 1189(a));

8 (II) receives assistance from
9 Iran; and

10 (III) is assessed—

11 (aa) as being willing in some
12 or all cases of carrying out at-
13 tacks on behalf of Iran; or

14 (bb) as likely to carry out
15 attacks in response to an attack
16 by another country on Iran or its
17 interests.

18 (7) AFFILIATE.—The term “affiliate” means
19 any individual or entity that controls, is controlled
20 by, or is under common control with, the company,
21 including without limitation direct and indirect sub-
22 sidiaries of the company.

23 (8) BUSINESS OPERATIONS.—The term “busi-
24 ness operations” means—

1 (A) carrying out any of the activities de-
2 scribed in section 105(a) and (b) of this Act
3 that are sanctionable under such section;

4 (B) providing sensitive technology (as de-
5 fined in section 106(c) of the Comprehensive
6 Iran Sanctions, Accountability, and Divestment
7 Act of 2010 (Public Law 111–195; 22 U.S.C.
8 8515(c))) to the Government of Iran; and

9 (C) carrying out any of the activities de-
10 scribed in section 304(a) of this Act .

11 (9) COMPANY.—The term “company” means—

12 (A) a sole proprietorship, organization, as-
13 sociation, corporation, partnership, limited li-
14 ability company, venture, or other entity, its
15 subsidiary or affiliate; and

16 (B) includes a company owned or con-
17 trolled by the government of a foreign country,
18 that is established or organized under the laws
19 of, or has its principal place of business in,
20 such foreign country and includes United States
21 subsidiaries of the same.

22 (10) ENTITY.—The term “entity” means a sole
23 proprietorship, a partnership, limited liability cor-
24 poration, association, trust, joint venture, corpora-
25 tion, or other organization.

1 (11) EXECUTIVE AGENCY.—The term “execu-
2 tive agency” has the meaning given the term in sec-
3 tion 133 of title 41, United States Code.

4 (12) FEDERAL FUNDS.—The term “Federal
5 funds” means a sum of money or other resources de-
6 rived from United States taxpayers, which the
7 United States Government may provide to compa-
8 nies through government grants or loans, or through
9 the terms of a contract with the Federal Govern-
10 ment, or through the Emergency Economic Sta-
11 bilization Act of 2008 “Troubled Asset Relief Pro-
12 gram” or other similar and related transaction vehi-
13 cles, including a grant, loan, or loan guarantee, the
14 provision of insurance or reinsurance, or the provi-
15 sion of technical assistance.

16 (13) GOVERNMENT OF IRAN.—The term “Gov-
17 ernment of Iran” includes the Government of Iran,
18 any political subdivision, agency, or instrumentality
19 thereof, and any person owned or controlled by, or
20 acting for or on behalf of, the Government of Iran.

21 (14) PETROLEUM RESOURCES.—The term “pe-
22 troleum resources” has the meaning given the term
23 in section 112 of this Act.

24 (15) SENSITIVE TECHNOLOGY.—The term
25 “sensitive technology” has the meaning given the

1 term in section 106(c) of the Comprehensive Iran
2 Sanctions, Accountability, and Divestment Act of
3 2010 (Public Law 111–195; 22 U.S.C. 8515(e)).

4 **SEC. 310. RULE OF CONSTRUCTION.**

5 Nothing in this title shall be construed to limit the
6 authority of the President to otherwise designate foreign
7 persons or foreign entities for inclusion in the Annex to
8 Executive Order 13382 (70 Fed. Reg. 38567; relating to
9 blocking property of weapons of mass destruction
10 proliferators and their supporters).

11 **TITLE IV—IRAN FINANCIAL**
12 **SANCTIONS; DIVESTMENT**
13 **FROM CERTAIN COMPANIES**
14 **THAT INVEST IN IRAN; AND**
15 **PREVENTION OF DIVERSION**
16 **OF CERTAIN GOODS, SERV-**
17 **ICES, AND TECHNOLOGIES TO**
18 **IRAN**

19 **SEC. 401. IRAN FINANCIAL SANCTIONS.**

20 (a) FINANCIAL INSTITUTION CERTIFICATION.—Sec-
21 tion 104(e) of the Comprehensive Iran Sanctions, Ac-
22 countability, and Divestment Act of 2010 (Public Law
23 111–195; 22 U.S.C. 8513(e)) is amended by adding at
24 the end the following new paragraph:

1 “(3) CERTIFICATION.—Not later than 90 days
2 after the date of the enactment of this paragraph,
3 the Secretary of the Treasury shall prescribe regula-
4 tions to require any person owned or controlled by
5 a domestic financial institution to provide positive
6 certification to the Secretary that such person is not
7 engaged in corresponding relations or business activ-
8 ity with a foreign person or financial institution that
9 facilitates transactions from persons and domestic fi-
10 nancial institutions described in subsection (d).”.

11 (b) REPORT ON THE ACTIVITIES OF THE CENTRAL
12 BANK OF IRAN.—Section 104 of the Comprehensive Iran
13 Sanctions, Accountability, and Divestment Act of 2010 is
14 amended—

15 (1) by redesignating subsection (i) as subsection
16 (j); and

17 (2) by inserting after subsection (h) the fol-
18 lowing new subsection:

19 “(i) REPORT ON THE ACTIVITIES OF THE CENTRAL
20 BANK OF IRAN.—

21 “(1) IN GENERAL.—Not later than 90 days
22 after the date of the enactment of this subsection
23 and annually thereafter, the Secretary of State, in
24 consultation with the Secretary of the Treasury,
25 shall submit to Congress a report on how the activi-

1 ties of the Central Bank of Iran facilitate Iran’s ef-
2 forts to acquire nuclear weapons capabilities, uncon-
3 ventional weapons and ballistic and cruise missile
4 development, and activities as a designated state
5 sponsor of terrorism.

6 “(2) FORM.—The reports required under this
7 subsection shall be submitted in unclassified form
8 and may contain a classified annex.”.

9 (c) CONTINUATION IN EFFECT.—Sections 104, 106,
10 107, 108, 109, 110, 111, and 115 of the Comprehensive
11 Iran Sanctions, Accountability, and Divestment Act of
12 2010 shall remain in effect until the President makes the
13 certification described in section 606(a) of this Act.

14 **SEC. 402. DIVESTMENT FROM CERTAIN COMPANIES THAT**
15 **INVEST IN IRAN.**

16 Title II of the Comprehensive Iran Sanctions, Ac-
17 countability, and Divestment Act of 2010 shall remain in
18 effect until the President makes the certification described
19 in section 606(a) of this Act.

20 **SEC. 403. PREVENTION OF DIVERSION OF CERTAIN GOODS,**
21 **SERVICES, AND TECHNOLOGIES TO IRAN.**

22 Title III of the Comprehensive Iran Sanctions, Ac-
23 countability, and Divestment Act of 2010 shall remain in
24 effect until the President makes the certification described
25 in section 606(a) of this Act.

1 **TITLE V—SECURITIES AND**
2 **EXCHANGE COMMISSION**

3 **SEC. 501. DISCLOSURES TO THE SECURITIES AND EX-**
4 **CHANGE COMMISSION RELATING TO**
5 **SANCTIONABLE ACTIVITIES.**

6 (a) IN GENERAL.—Section 13 of the Securities Ex-
7 change Act of 1934 (15 U.S.C. 78m) is amended by add-
8 ing at the end the following new subsection:

9 “(r) DISCLOSURE OF CERTAIN ACTIVITIES RELAT-
10 ING TO IRAN, TERRORISM, AND THE PROLIFERATION OF
11 WEAPONS OF MASS DESTRUCTION.—

12 “(1) GENERAL DISCLOSURE REQUIRED.—Each
13 issuer required to file an annual or quarterly report
14 under subsection (a) shall include with such report
15 a statement of whether, during the period since the
16 issuer made the last such report, the issuer or any
17 affiliate of the issuer—

18 “(A) engaged in an activity described in
19 section 105 of the Iran Threat Reduction Act
20 of 2011;

21 “(B) knowingly engaged in an activity de-
22 scribed in subsection (c)(2) of section 104 of
23 the Comprehensive Iran Sanctions, Account-
24 ability, and Divestment Act of 2010 (Public
25 Law 111–195; 22 U.S.C. 8513) or knowingly

1 violated regulations prescribed under subsection
2 (d)(1) or (e)(1) of such section 104; or

3 “(C) knowingly conducted any transaction
4 or dealing with—

5 “(i) any person the property and in-
6 terests in property of which are blocked
7 pursuant to Executive Order 13224 (66
8 Fed. Reg. 49079; relating to blocking
9 property and prohibiting transacting with
10 persons who commit, threaten to commit,
11 or support terrorism);

12 “(ii) any person the property and in-
13 terests in property of which are blocked
14 pursuant to Executive Order 13382 (70
15 Fed. Reg. 38567; relating to blocking of
16 property of weapons of mass destruction
17 proliferators and their supporters); or

18 “(iii) any person on the list contained
19 in Appendix A to part 560 of title 31,
20 Code of Federal Regulations (commonly
21 known as the ‘Iranian Transactions Regu-
22 lations’).

23 “(2) SPECIFIC DISCLOSURE REQUIRED.—If an
24 issuer reports under paragraph (1) that the issuer or
25 an affiliate of the issuer has engaged in any activity

1 described in that paragraph, the issuer shall include
2 with the statement required under that paragraph a
3 detailed description of each such activity, includ-
4 ing—

5 “(A) the nature and extent of the activity;

6 “(B) the revenues and profits, if any, at-
7 tributable to the activity; and

8 “(C) whether the issuer or the affiliate of
9 the issuer (as the case may be) intends to con-
10 tinue the activity.

11 “(3) INVESTIGATION OF DISCLOSURES.—When
12 the Commission receives a report under paragraph
13 (1) from an issuer that the issuer or an affiliate of
14 the issuer has engaged in any activity described in
15 that paragraph, the President shall—

16 “(A) initiate an investigation into the pos-
17 sible imposition of sanctions under the Iran
18 Threat Reduction Act of 2011, section 104 of
19 the Comprehensive Iran Sanctions, Account-
20 ability, and Divestment Act of 2010 (22 U.S.C.
21 8513), the Executive Orders or regulations
22 specified in paragraph (1)(C), or any other pro-
23 vision of law; and

24 “(B) not later than 180 days after initi-
25 ating such an investigation, make a determina-

1 tion with respect to whether sanctions should be
2 imposed with respect to the issuer or the affil-
3 iate of the issuer (as the case may be).

4 “(4) PUBLIC DISCLOSURE OF INFORMATION.—
5 The Commission shall promptly—

6 “(A) make the information provided to the
7 Commission under paragraphs (1) and (2)
8 available to the public by posting the informa-
9 tion on the Internet Web site of the Commis-
10 sion; and

11 “(B) provide a copy of that information
12 to—

13 “(i) the President;

14 “(ii) the Committee on Foreign Af-
15 fairs and the Committee on Financial
16 Services of the House of Representatives;
17 and

18 “(iii) the Committee on Foreign Rela-
19 tions and the Committee on Banking,
20 Housing, and Urban Affairs of the Senate.

21 “(5) SUNSET.—The provisions of this sub-
22 section shall terminate on the date that is 30 days
23 after the date on which the President makes the cer-
24 tification described in section 401(a) of the Com-

1 Assistance Act of 1961 (22 U.S.C. 2371), including a per-
2 son who is a senior official of the Government of Iran who
3 is specified in the list under section 205(a)(1), if the Sec-
4 retary determines that such person—

5 (1) is an agent, instrumentality, or official of,
6 is affiliated with, or is serving as a representative of
7 the Government of Iran; and

8 (2) presents a threat to the United States or is
9 affiliated with terrorist organizations.

10 (b) RESTRICTION ON MOVEMENT.—The Secretary of
11 State shall restrict in Washington, D.C., and at the
12 United Nations in New York City, the travel to only within
13 a 25-mile radius of Washington, D.C., or the United Na-
14 tions headquarters building, respectively, of any person
15 identified in subsection (a).

16 (c) RESTRICTION ON CONTACT.—No person em-
17 ployed with the United States Government may contact
18 in an official or unofficial capacity any person that—

19 (1) is an agent, instrumentality, or official of,
20 is affiliated with, or is serving as a representative of
21 the Government of Iran; and

22 (2) presents a threat to the United States or is
23 affiliated with terrorist organizations.

24 (d) WAIVER.—The President may waive the require-
25 ments of subsection (c) if the President determines and

1 so reports to the appropriate congressional committees 15
2 days prior to the exercise of waiver authority that failure
3 to exercise such waiver authority would pose an unusual
4 and extraordinary threat to the vital national security in-
5 terests of the United States.

6 **SEC. 602. INADMISSIBILITY OF CERTAIN ALIENS WHO EN-**
7 **GAGE IN CERTAIN ACTIVITIES WITH RESPECT**
8 **TO IRAN.**

9 (a) IN GENERAL.—Section 212(a)(3) of the Immi-
10 gration and Nationality Act (8 U.S.C. 1182(a)(3)) is
11 amended by adding at the end the following:

12 “(H) INDIVIDUALS WHO ENGAGE IN CER-
13 TAIN ACTIVITIES WITH RESPECT TO IRAN.—

14 “(i) IN GENERAL.—Subject to clause
15 (iii), any alien described in clause (ii) is in-
16 admissible.

17 “(ii) ALIENS DESCRIBED.—An alien
18 described in this clause is an alien who the
19 Secretary of State determines—

20 “(I) engages in—

21 “(aa) an activity for which
22 sanctions may be imposed pursu-
23 ant to section 105(a) of the Iran
24 Threat Reduction Act of 2011;

25 “(bb) an activity—

1 “(AA) relating to the
2 proliferation by Iran of
3 weapons of mass destruction
4 or the means of delivery of
5 such weapons; and

6 “(BB) for which sanc-
7 tions may be imposed pursu-
8 ant to Executive Order
9 13382 (70 Fed. Reg. 38567)
10 (or any successor thereto);

11 “(cc) an activity—

12 “(AA) relating to sup-
13 port for international ter-
14 rorism by the Government of
15 Iran; and

16 “(BB) for which sanc-
17 tions may be imposed pursu-
18 ant to Executive Order
19 13224 (66 Fed. Reg. 49079)
20 (or any successor thereto);

21 or

22 “(dd) any other activity with
23 respect to Iran for which sanc-
24 tions may be imposed pursuant
25 to any other provision of law;

1 “(II) is the chief executive offi-
2 cer, president, or other individual in
3 charge of overall management of, a
4 member of the board of directors of,
5 or a shareholder with a controlling in-
6 terest in, an entity that engages in an
7 activity described in subclause (I); or

8 “(III) is a spouse or minor child
9 of—

10 “(aa) an alien who engages
11 in an activity described in sub-
12 clause (I); or

13 “(bb) the chief executive of-
14 ficer, president, or other indi-
15 vidual in charge of overall man-
16 agement of, a member of the
17 board of directors of, or a share-
18 holder with a controlling interest
19 in, an entity that engages in an
20 activity described in subclause
21 (I).

22 “(iii) NOTICE; WAIVER WITH RESPECT
23 TO CERTAIN ENTITIES.—

24 “(I) NOTICE.—The Secretary of
25 State may notify an alien the Sec-

1 retary determines may be inadmissible
2 under this subparagraph—

3 “(aa) that the alien may be
4 inadmissible; and

5 “(bb) of the reason for the
6 inadmissibility of the alien.

7 “(II) WAIVER.—The President
8 may waive the application of this sub-
9 paragraph and admit an alien to the
10 United States if—

11 “(aa) the alien is described
12 in subelause (II) or (III)(bb) of
13 clause (ii);

14 “(bb) the entity that en-
15 gaged in the activity that would
16 otherwise result in the inadmis-
17 sibility of the alien under this
18 subparagraph is no longer engag-
19 ing the activity or has taken sig-
20 nificant steps toward stopping
21 the activity; and

22 “(cc) the President has re-
23 ceived reliable assurances that
24 the entity will not knowingly en-

1 gage in an activity described in
2 clause (ii)(I) again.”.

3 (b) REGULATIONS.—Section 428 of the Homeland
4 Security Act of 2002 (6 U.S.C. 236) is amended by adding
5 at the end the following:

6 “(j) REGULATIONS WITH RESPECT TO INADMIS-
7 SIBILITY OF ALIENS WHO ENGAGE IN CERTAIN TRANS-
8 ACTIONS WITH IRAN.—Not later than 180 days after the
9 date of the enactment of this subsection, the Secretary
10 shall issue regulations and guidelines for interpreting and
11 enforcing the prohibition under subparagraph (H) of sec-
12 tion 212(a)(3) of the Immigration and Nationality Act (8
13 U.S.C. 1182(a)(3)) on the admissibility of aliens who en-
14 gage in certain sanctionable activities with respect to
15 Iran.”.

16 **SEC. 603. AMENDMENTS TO CIVIL AND CRIMINAL PEN-**
17 **ALTIES PROVISIONS UNDER THE INTER-**
18 **NATIONAL EMERGENCY ECONOMIC POWERS**
19 **ACT.**

20 (a) IN GENERAL.—Section 206 of the International
21 Emergency Economic Powers Act (50 U.S.C. 1705) is
22 amended—

23 (1) in subsection (a), by striking “attempt to
24 violate, conspire to violate” and inserting “attempt
25 or conspire to violate”;

1 (2) in subsection (b), by striking “not to ex-
2 ceed” and all that follows and inserting “that is
3 twice the value of the transaction that is the basis
4 of the violation.”; and

5 (3) in subsection (c) to read as follows:

6 “(c) **CRIMINAL PENALTIES.**—A person who willfully
7 commits, attempts or conspires to commit, or aids or abets
8 in the commission of, an unlawful act described in sub-
9 section (a) shall be fined not less than \$1,000,000, impris-
10 oned for not more than 20 years, or both. A person other
11 than a natural person shall be fined in an amount not
12 less than the greater of half of the value of the transaction
13 that is the basis of the violation or \$10,000,000.”.

14 (b) **EFFECTIVE DATE.**—The amendments made by
15 this section take effect on the date of the enactment of
16 this Act and apply with respect to any violation of section
17 206(a) of the International Emergency Economic Powers
18 Act (50 U.S.C. 1705(a)) that occurs on or after such date
19 of enactment.

20 **SEC. 604. EXCLUSION OF CERTAIN ACTIVITIES.**

21 Nothing in this Act or any amendment made by this
22 Act shall apply to any activities subject to the reporting
23 requirements of title V of the National Security Act of
24 1947.

1 **SEC. 605. REGULATORY AUTHORITY.**

2 (a) IN GENERAL.—The President shall, not later
3 than 90 days after the date of the enactment of this Act,
4 promulgate regulations as necessary for the implementa-
5 tion of this Act and the amendments made by this Act.

6 (b) CONSULTATION WITH CONGRESS.—Not less than
7 10 days prior to the promulgation of regulations under
8 subsection (a), the President shall notify the appropriate
9 congressional committees of the proposed regulations and
10 the provisions of this Act and the amendments made by
11 this Act that the regulations are implementing.

12 **SEC. 606. SUNSET.**

13 (a) SUNSET.—The provisions of this Act and the
14 amendments made by this Act shall terminate, and shall
15 cease to be effective, on the date that is 30 days after
16 the date on which the President certifies to Congress that
17 Iran—

18 (1) has ceased and verifiably dismantled its ef-
19 forts to design, develop, manufacture, or acquire—

20 (A) a nuclear explosive device or related
21 materials and technology;

22 (B) chemical and biological weapons; and

23 (C) ballistic missiles and ballistic missile
24 launch technology;

25 (2) no longer provides support for acts of inter-
26 national terrorism; and

1 (3) poses no threat to United States national
2 security, interests, or allies.

3 (b) NOTIFICATION.—The President shall notify the
4 Committee on Foreign Affairs of the House of Representa-
5 tives and the Committee on Foreign Relations of the Sen-
6 ate not later than 15 days before making a certification
7 described in subsection (a).

