

Union Calendar No. 218

118TH CONGRESS
1ST SESSION

H. R. 5961

[Report No. 118–270, Part I]

To freeze certain Iranian funds involved in the 2023 hostage deal between the United States and Iran, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 2023

Mr. MCCAUL (for himself, Mr. SCALISE, Ms. STEFANIK, Mr. WILSON of South Carolina, Mrs. RODGERS of Washington, Mr. BARR, Mr. BURCHETT, Mrs. WAGNER, Ms. SALAZAR, Mr. KEAN of New Jersey, Mr. BAIRD, Mr. SMITH of New Jersey, Mr. ISSA, Mr. MORAN, Mr. JAMES, Mr. WALTZ, Mr. SELF, Mrs. RADEWAGEN, Mr. MAST, Mr. MCCORMICK, Mrs. KIM of California, Mr. BUCK, Mr. MILLS, Mr. HUIZENGA, Mr. JACKSON of Texas, and Mr. LAWLER) introduced the following bill

OCTOBER 25, 2023

Referred to the Committee on Foreign Affairs

NOVEMBER 9, 2023

Additional sponsors: Mrs. GONZÁLEZ-COLÓN, Mr. GREEN of Tennessee, Mr. JOHNSON of South Dakota, Mr. KILEY, Mr. MOOLENAAR, Mr. FITZPATRICK, Ms. DE LA CRUZ, Mrs. HOUCHIN, and Mr. GUTHRIE

NOVEMBER 9, 2023

Reported with an amendment and referred to the Committee on Financial Services for a period ending not later than November 9, 2023, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(h) of rule X

[Insert the part printed in italic]

NOVEMBER 9, 2023

Committee on Financial Services discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To freeze certain Iranian funds involved in the 2023 hostage deal between the United States and Iran, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “No Funds for Iranian
5 Terrorism Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) On October 7, 2023, Iran-backed Hamas
9 terrorists launched a massive, unprovoked war on
10 Israel by air, land, and sea, in which they engaged
11 in the brutal murder of over 1,300 people and kid-
12 napped 130 people who are now being held hostage.

13 (2) Hamas, Palestinian Islamic Jihad, and
14 Hezbollah have all been designated by the United
15 States as Foreign Terrorist Organizations pursuant
16 to section 219 of the Immigration and Nationality
17 Act (8 U.S.C. 1189).

18 (3) According to an unclassified United States
19 government assessment, “Iran has historically pro-
20 vided up to \$100 million annually in combined sup-
21 port to Palestinian terrorist groups, including
22 Hamas, Palestinian Islamic Jihad (PIJ), and the
23 Popular Front for the Liberation of Palestine-Gen-
24 eral Command.”.

1 (4) As National Security Advisor Jake Sullivan
2 stated on October 10, 2023, “Iran is complicit in
3 this attack in a broad sense because they have pro-
4 vided the lion’s share of the funding for the military
5 wing of Hamas, they have provided training, they
6 have provided capabilities, they have provided sup-
7 port, and they have provided engagement and con-
8 tact with Hamas over years and years.”.

9 (5) *President Biden reached an agreement with*
10 *the Iranian regime to bring home Siamak Namazi,*
11 *Morad Tahbaz, Emad Shargi, and two additional*
12 *American hostages all of whom were wrongfully de-*
13 *tained in Iran.*

14 **SEC. 3. IMPOSITION OF SANCTIONS WITH RESPECT TO COV-**
15 **ERED IRANIAN ASSETS.**

16 (a) IN GENERAL.—On and after the date of the en-
17 actment of this Act, the President shall impose the sanc-
18 tion described in subsection (c) with respect to each for-
19 eign financial institution and each international financial
20 institution that the President determines engages in an
21 activity described in subsection (b).

22 (b) ACTIVITIES DESCRIBED.—A foreign financial in-
23 stitution or international financial institution engages in
24 an activity described in this subsection if the institution

1 processes, participates in, or facilitates a transaction using
2 or involving covered Iranian funds.

3 (c) BLOCKING OF PROPERTY.—The sanction de-
4 scribed in this subsection is the exercise of all of the pow-
5 ers granted to the President under the International
6 Emergency Economic Powers Act (50 U.S.C. 1701 et
7 seq.) to the extent necessary to block and prohibit all
8 transactions in property and interests in property of a for-
9 eign financial institution or international financial institu-
10 tion described in subsection (a) if such property and inter-
11 ests in property are in the United States, come within the
12 United States, or are or come within the possession or
13 control of a United States person.

14 (d) PENALTIES.—The penalties provided for in sub-
15 sections (b) and (c) of section 206 of the International
16 Emergency Economic Powers Act (50 U.S.C. 1705) shall
17 apply to a person that violates, attempts to violate, con-
18 spires to violate, or causes a violation of this section or
19 any regulations promulgated to carry out this section to
20 the same extent that such penalties apply to a person that
21 commits an unlawful act described in section 206(a) of
22 that Act.

23 (e) TERMINATION OF SANCTIONS.—The President
24 shall not be required to impose sanctions under this sec-
25 tion with respect to a foreign financial institution or inter-

1 national financial institution described in subsection (a)
2 if the President certifies in writing to the appropriate con-
3 gressional committees that the Government of Iran—

4 (1) no longer repeatedly provides support for
5 international terrorism as determined by the Sec-
6 retary of State pursuant to—

7 (A) section 1754(e)(1)(A) of the Export
8 Control Reform Act of 2018 (50 U.S.C.
9 4318(c)(1)(A));

10 (B) section 620A of the Foreign Assistance
11 Act of 1961 (22 U.S.C. 2371);

12 (C) section 40 of the Arms Export Control
13 Act (22 U.S.C. 2780); or

14 (D) any other provision of law; and

15 (2) has ceased the pursuit, acquisition, and de-
16 velopment of, and verifiably dismantled its, nuclear,
17 biological, and chemical weapons and ballistic mis-
18 siles and ballistic missile launch technology.

19 **SEC. 4. DEFINITIONS.**

20 In this Act:

21 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**
22 **TEES.**—The term “appropriate congressional com-
23 mittees” means—

1 (A) the Committee on Foreign Affairs and
2 the Committee on Financial Services of the
3 House of Representatives; and

4 (B) the Committee on Foreign Relations
5 and the Committee on Banking, Housing, and
6 Urban Affairs of the Senate.

7 (2) COVERED IRANIAN FUNDS.—The term “cov-
8 ered Iranian funds” means any funds transferred
9 from accounts in the Republic of Korea to Qatar
10 pursuant to or under the authority or guaranty of
11 a waiver, license, assurance letter, or other guidance
12 issued pursuant to or in furtherance of the waiver
13 determination made pursuant to sections 1244(i)
14 (22 U.S.C. 8803(i)) and 1247(f) of the Iran Free-
15 dom and Counter-Proliferation Act of 2012 (22
16 U.S.C. 8806(f)) and section 1245(d)(5) of the Na-
17 tional Defense Authorization Act for Fiscal Year
18 2012 (22 U.S.C. 8513a(d)(5)) that is the subject of
19 the document entitled “Waiver of Sanctions with Re-
20 spect to the Transfer of Funds from the Republic of
21 Korea to Qatar” and was transmitted to Congress in
22 September 2023.

23 (3) FOREIGN FINANCIAL INSTITUTION.—The
24 term “foreign financial institution” has the meaning

1 given such term under section 561.308 of title 31,
2 Code of Federal Regulations.

3 (4) INTERNATIONAL FINANCIAL INSTITU-
4 TION.—The term “international financial institu-
5 tion” has the meaning given such term in section
6 1701(c) of the International Financial Institutions
7 Act (22 U.S.C. 262r(e)).

Union Calendar No. 218

118TH CONGRESS
1ST Session

H. R. 5961

[Report No. 118-270, Part I]

A BILL

To freeze certain Iranian funds involved in the 2023 hostage deal between the United States and Iran, and for other purposes.

NOVEMBER 9, 2023

Reported with an amendment and referred to the Committee on Financial Services for a period ending not later than November 9, 2023, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(h) of rule X

NOVEMBER 9, 2023

Committee on Financial Services discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed