

115TH CONGRESS  
1ST SESSION

# H. R. 808

To impose nonnuclear sanctions with respect to Iran, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 1, 2017

Mr. ROSKAM (for himself, Mr. LANCE, Mr. ZELDIN, and Mr. LAMBORN) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, Ways and Means, the Judiciary, Intelligence (Permanent Select), and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To impose nonnuclear sanctions with respect to 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Iran Nonnuclear Sanctions Act of 2017”.

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

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

Sec. 4. Statement of policy.

TITLE I—SANCTIONS WITH RESPECT TO ENTITIES OWNED BY  
IRAN'S REVOLUTIONARY GUARD CORPS

Subtitle A—Iran's Revolutionary Guard Corps Sanctions, Watch List, and  
Report

- Sec. 101. Findings.
- Sec. 102. Imposition of sanctions with respect to the IRGC.
- Sec. 103. Imposition of sanctions against entities owned in whole or in part by the IRGC.
- Sec. 104. IRGC watch list and report.
- Sec. 105. Imposition of sanctions against Mahan Air.
- Sec. 106. Additional measures on Mahan Air.
- Sec. 107. Modification and extension of reporting requirements on the use of certain Iranian seaports by foreign vessels and use of foreign airports by sanctioned Iranian air carriers.

Subtitle B—Other Provisions

- Sec. 111. Authority of States and local governments to divest from persons that engage in investment or business activities with Iran's Revolutionary Guard Corps.
- Sec. 112. Safe harbor for changes in investment policies by asset managers.

Subtitle C—Termination

- Sec. 121. Termination.

TITLE II—SANCTIONS RELATING TO HUMAN RIGHTS ABUSES IN  
IRAN

- Sec. 201. Findings.
- Sec. 202. Expansion of list of persons involved in human rights abuses in Iran.
- Sec. 203. Identification of, and imposition of sanctions with respect to, certain Iranian individuals.
- Sec. 204. Imposition of sanctions with respect to persons who conduct transactions with or on behalf of certain Iranian individuals.
- Sec. 205. Mandatory sanctions with respect to financial institutions that engage in certain transactions on behalf of persons involved in human rights abuses or that export sensitive technology to Iran.
- Sec. 206. United States support for the people of Iran.
- Sec. 207. United States Special Coordinator on Human Rights and Democracy in Iran.
- Sec. 208. Broadcasting to Iran.
- Sec. 209. Report on United States citizens detained by Iran.
- Sec. 210. Sense of Congress on establishment of multilateral mechanism to promote human rights in Iran.
- Sec. 211. Sense of Congress on role of the United Nations in promoting human rights in Iran.

TITLE III—SANCTIONS WITH RESPECT TO THE BALLISTIC  
MISSILE PROGRAM OF IRAN

- Sec. 301. Findings.
- Sec. 302. Sense of Congress.

- Sec. 303. Expansion of sanctions with respect to efforts by Iran to acquire ballistic missile and related technology.
- Sec. 304. Imposition of sanctions with respect to ballistic missile program of Iran.
- Sec. 305. Expansion of mandatory sanctions with respect to financial institutions that engage in certain transactions relating to ballistic missile capabilities of Iran.
- Sec. 306. Disclosure to the Securities and Exchange Commission of activities with certain sectors of Iran that support the ballistic missile program of Iran.
- Sec. 307. Regulations.

#### TITLE IV—SANCTIONS WITH RESPECT TO CERTAIN IRANIAN TRANSACTIONS

##### Subtitle A—Sanctions Relating to Iran’s Support of Terrorism

- Sec. 401. Findings.
- Sec. 402. Special measures with respect to Iran relating to its designation as a jurisdiction of primary money laundering concern.

##### Subtitle B—Prohibition on and Other Sanctions Relating to Transactions With Iran

- Sec. 411. Prohibition on facilitation of certain transactions involving the Government of Iran or Iranian persons.
- Sec. 412. Reports on, and authorization of imposition of sanctions with respect to, offshore United States dollar clearing for transactions involving the Government of Iran or Iranian persons.
- Sec. 413. Clarification that freezing of assets of Iranian financial institutions includes assets in possession or control of a United States person pursuant to a U-turn transaction.

#### TITLE V—MISCELLANEOUS

- Sec. 501. Modification of requirements relating to state sponsors of terrorism.

### 1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) **ENTITY.**—The term “entity” means a cor-  
 4 poration, business association, partnership, trust, so-  
 5 ciety, or any other entity.

6 (2) **FOREIGN PERSON.**—The term “foreign per-  
 7 son” means a person that is not a United States  
 8 person.

1           (3) IRGC.—The term “IRGC” means Iran’s  
2 Revolutionary Guard Corps.

3           (4) PERSON.—The term “person” means an in-  
4 dividual or entity.

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

7           (A) a United States citizen or an alien law-  
8 fully admitted for permanent residence to the  
9 United States; or

10           (B) an entity organized under the laws of  
11 the United States or of any jurisdiction within  
12 the United States, including a foreign branch of  
13 such an entity.

14 **SEC. 3. FINDINGS.**

15 Congress makes the following findings:

16           (1) Secretary of State John Kerry stated on  
17 July 23, 2015, “We will not violate the [Joint Com-  
18 prehensive Plan of Action (JCPOA)] if we use our  
19 authorities to impose sanctions on Iran for ter-  
20 rorism, human rights, missiles, or other nonnuclear  
21 reasons. And the JCPOA does not provide Iran any  
22 relief from United States sanctions under any of  
23 those authorities or other authorities.”.

24           (2) President Barack Obama stated on April 2,  
25 2015, “Other American sanctions on Iran for its

1 support for terrorism, its human rights abuses, its  
2 ballistic missile program, will continue to be fully en-  
3 forced.”.

4 (3) Director of National Intelligence James  
5 Clapper wrote on February 9, 2016, “[T]he Islamic  
6 Republic of Iran presents an enduring threat to U.S.  
7 national interests because of its support to regional  
8 terrorist and militant groups and the Assad regime,  
9 as well as its development of advanced military capa-  
10 bilities. Tehran views itself as leading the ‘axis of re-  
11 sistance’ which includes the Assad regime and sub-  
12 national groups aligned with Iran, especially Leba-  
13 nese Hezbollah and Iraqi Shia militants . . . Tehran  
14 might even use American citizens detained when en-  
15 tering Iranian territories as bargaining pieces to  
16 achieve financial or political concessions in line with  
17 their strategic intentions.”.

18 (4) Director of National Intelligence James  
19 Clapper wrote on June 3, 2015, “The United States  
20 Intelligence Community continues to assess that  
21 Iran and Hezbollah directly threaten the interests of  
22 the United States and our allies and that Hezbollah  
23 remains a global terrorist threat. Iran remains the  
24 foremost state sponsor of terrorism and is increasing  
25 its ability to influence regional crises and conduct

1 terrorism. Iran is doing this largely through the Is-  
2 lamic Revolutionary Guard Corps-Qods Force  
3 (IRGC-QF) and Lebanese Hezbollah, as well as the  
4 support and use of sectarian political and militant  
5 proxies closely aligned with the IRGC-QF and its  
6 anti-Western ideology.”.

7 (5) Secretary of the Treasury Jacob Lew stated  
8 on July 14, 2015, “We harbor no illusions about the  
9 Iranian government’s nefarious activities beyond its  
10 nuclear program. Make no mistake: We will continue  
11 to impose and aggressively enforce sanctions to com-  
12 bat Iran’s support for terrorist groups, its fomenting  
13 of violence in the region, and its perpetration of  
14 human rights abuses.”.

15 (6) Jake Sullivan, at the time Deputy Assistant  
16 to President Obama and National Security Advisor  
17 to Vice President Biden, stated on May 1, 2014,  
18 “The wording of the Joint Plan of Action . . .  
19 speaks to the issue of nuclear-related sanctions. And  
20 that word was chosen very carefully, nuclear-related,  
21 because we have made clear that sanctions relating  
22 to terrorism and sanctions relating to human rights  
23 violations are not covered by the discussions that we  
24 are having on the nuclear file and that we are pre-  
25 pared to continue to follow through on that . . . I

1 can tell you, as a matter of policy, this administra-  
2 tion is committed to continuing to enforce and follow  
3 through on that set of sanctions.”.

4 (7) Jake Sullivan further stated on May 1,  
5 2014, “We must continue to speak out against the  
6 gross violations of human rights and fundamental  
7 freedoms in Iran and the hateful anti-Semitic rhet-  
8 oric from some of its leaders, and we must keep pro-  
9 viding support and assistance to those brave Ira-  
10 nians seeking to have their voices heard . . . we’ve  
11 got to stand up for our values, and we need to stand  
12 against the human rights abuses and violations of  
13 fundamental freedom, including religious freedom,  
14 happening in Iran. And we have to provide real sup-  
15 port to those voices on the ground who want to be  
16 heard, who want to push for a better future . . .  
17 this is an important line of effort that has to con-  
18 tinue regardless of what is happening on the nuclear  
19 file or on any other issue.”.

20 (8) Iranian Foreign Minister Mohammad Javad  
21 Zarif stated on February 4, 2016, “Rebuilding the  
22 confidence of the banks that the United States will  
23 not re-intervene in their relations with Iran may re-  
24 quire some further assurance from the United  
25 States.”.

1 **SEC. 4. STATEMENT OF POLICY.**

2 It is the policy of the United States—

3 (1) to continue to impose pressure on the Gov-  
4 ernment of Iran for its role as the foremost state  
5 sponsor of terrorism, its continued development of  
6 ballistic missiles, its ongoing human rights abuses  
7 against the citizens of Iran and other peoples, and  
8 its unjust detention of United States citizens;

9 (2) to continue to use sanctions as an element  
10 of that pressure and to discourage financial institu-  
11 tions and entities from engaging in business and  
12 commerce with Iranian entities tied to Iran’s Revolu-  
13 tionary Guard Corps and to Iranian officials in-  
14 volved in human rights abuses;

15 (3) not to encourage any foreign financial insti-  
16 tution or other foreign entity to do business in Iran;  
17 and

18 (4) not to provide any assurances regarding  
19 protections from United States law or penalties to  
20 those foreign entities that decide to engage or re-  
21 engage in business and commerce with Iran.



1 **TITLE I—SANCTIONS WITH RE-**  
2 **SPECT TO ENTITIES OWNED**  
3 **BY IRAN’S REVOLUTIONARY**  
4 **GUARD CORPS**

5 **Subtitle A—Iran’s Revolutionary**  
6 **Guard Corps Sanctions, Watch**  
7 **List, and Report**

8 **SEC. 101. FINDINGS.**

9 Congress finds the following:

10 (1) The IRGC threatens the national security of  
11 the United States and United States allies.

12 (2) The IRGC is the key entity carrying out the  
13 efforts of the Government of Iran to sow chaos and  
14 instability throughout the Middle East, including  
15 threatening activities against the United States,  
16 Israel, and other allies and partners of the United  
17 States in the region.

18 (3) The IRGC provides direct sponsorship and  
19 support to numerous foreign terrorist organizations,  
20 including Hamas, Hezbollah, and Palestinian Islamic  
21 Jihad.

22 (4) According to General Joseph Dunford,  
23 Chairman of the Joint Chiefs of Staff, the IRGC is  
24 responsible for the deaths of more than 500 mem-  
25 bers of the United States Armed Forces in Afghani-

1 stan and Iraq, including through the provision of ex-  
2 plosive materials to Shia militias in Iraq.

3 (5) The IRGC is complicit in the ongoing  
4 slaughter of the people of Syria as it maintains sup-  
5 port for, and seeks to preserve, the regime of Bashar  
6 al-Assad, which is responsible for hundreds of thou-  
7 sands of deaths and millions of displaced citizens of  
8 Syria.

9 (6) The Government of Iran and the IRGC  
10 have been responsible for the repeated testing of ille-  
11 gal ballistic missiles capable of carrying a nuclear  
12 device, including observed tests in October and No-  
13 vember 2015 and March 2016 that violated United  
14 Nations Security Council resolutions.

15 (7) The United States holds the IRGC respon-  
16 sible for severe and continuing human rights viola-  
17 tions against the people of Iran, including unlawful  
18 arrests, torture, and harassment.

19 (8) The United States upholds sanctions  
20 against the IRGC for its proliferation-related activi-  
21 ties and human rights abuses, and also against  
22 Iran's Revolutionary Guard Corps-Qods Force for its  
23 support of terrorism.

24 (9) The Office of Foreign Assets Control of the  
25 Department of the Treasury includes the IRGC on

1 the list of specially designated nationals and blocked  
2 persons (in this section referred to as the “SDN  
3 list”).

4 (10) Pursuant to section 561.405 of title 31,  
5 Code of Federal Regulations, entities owned by the  
6 IRGC, directly or indirectly, with 50 percent or  
7 greater interest are subject to sanctions and may be  
8 listed by the Office of Foreign Assets Control on the  
9 SDN list. Such entities’ property and interest in  
10 property are blocked regardless of whether such enti-  
11 ties are included on the SDN List. That regulation,  
12 commonly termed the “50 percent rule”, is the  
13 standard used by the Office of Foreign Assets Con-  
14 trol when determining ownership of entities by  
15 blocked or sanctioned persons.

16 (11) Under section 218 of the Iran Threat Re-  
17 duction and Syria Human Rights Act of 2012 (22  
18 U.S.C. 8725), the term “own or control”, with re-  
19 spect to an entity, means—

20 (A) holding more than 50 percent of the  
21 equity interest by vote or value in the entity;

22 (B) holding a majority of seats on the  
23 board of directors of the entity; or

24 (C) otherwise controlling the actions, poli-  
25 cies, or personnel decisions of the entity.

1           (12) The IRGC maintains a powerful and ex-  
2           pansive presence throughout Iran’s financial, com-  
3           mercial, and oil and energy sectors, owning, control-  
4           ling, operating, and influencing Iranian entities  
5           while producing revenues estimated in the billions of  
6           dollars. According to the Department of the Treas-  
7           ury, “The IRGC has a growing presence in Iran’s fi-  
8           nancial and commercial sectors and extensive eco-  
9           nomic interests in the defense production, construc-  
10          tion, and oil industries, controlling billions of dollars  
11          in corporate business.”.

12          (13) The IRGC has continuously engaged in  
13          sanctions evasion and deceptive business practices to  
14          conceal its ownership or control of Iranian entities,  
15          owning numerous Iranian entities that are not sub-  
16          ject to sanctions because the IRGC has less than a  
17          50-percent ownership interest, leaving such entities  
18          unsanctioned and open to business.

19          (14) As sanctions are lifted pursuant to the  
20          Joint Comprehensive Plan of Action and Iran be-  
21          comes more open to international commerce, the  
22          international community must be aware of any and  
23          all entities that are owned, controlled, operated, or  
24          influenced by the IRGC or its agents or affiliates,

1 including those entities that do not make the thresh-  
2 old to be covered by the “50 percent rule”.

3 (15) There is no prohibition in section 219 of  
4 the Immigration and Nationality Act (8 U.S.C.  
5 1189) that prevents the Secretary of State from des-  
6 ignating entities affiliated with the government of a  
7 foreign country as a foreign terrorist organization.

8 (16) The Financial Crimes Enforcement Net-  
9 work of the Department of the Treasury issued a  
10 notice of proposed rulemaking on August 4, 2014  
11 (79 Fed. Reg. 45151; relating to customer due dili-  
12 gence requirements for financial institutions), pro-  
13 posing to amend chapter X of title 31, Code of Fed-  
14 eral Regulations, to provide greater transparency to  
15 allow the identification of persons that own, control,  
16 and profit from entities to which banks and other fi-  
17 nancial institutions provide services. The proposed  
18 rule, known also as the “beneficial ownership re-  
19 quirement”, would require financial institutions to  
20 identify and verify any individual who owns 25 per-  
21 cent or more of an entity that is a customer and an  
22 individual who controls such an entity.

23 (17) David Cohen, at the time Under Secretary  
24 of the Treasury for Terrorism and Financial Intel-  
25 ligence, stated on July 30, 2014, “The beneficial

1 ownership requirement is intended to provide us  
2 with an important new tool to track down the real  
3 people behind companies that abuse our financial  
4 system to secretly move and launder their illicit  
5 gains. Along with meeting our international commit-  
6 ments, this rule would make our financial system  
7 more transparent by exposing the activities of illicit  
8 actors who will no longer be able to hide behind  
9 their anonymity.”.

10 (18) On October 12, 2011, the Department of  
11 the Treasury imposed sanctions on Mahan Air for  
12 providing financial, material, and technological sup-  
13 port to Iran’s Revolutionary Guards Corps-Qods  
14 Force. The Department of the Treasury noted that  
15 Mahan Air also provides transportation, funds trans-  
16 fers, and personal travel services to Iran’s Revolu-  
17 tionary Guards Corps-Qods Force. The Department  
18 of the Treasury further noted that Mahan Air pro-  
19 vides transportation services to Hezbollah, which  
20 was designated as a Specially Designated Global  
21 Terrorist under Executive Order 13224 (50 U.S.C.  
22 1701 note; relating to blocking property and prohib-  
23 iting transactions with persons who commit, threat-  
24 en to commit, or support terrorism) in October

1 2001, and Mahan Air has transported personnel,  
2 weapons, and goods on behalf of Hezbollah.

3 (19) David Cohen, at the time Under Secretary  
4 of the Treasury for Terrorism and Financial Intel-  
5 ligence, stated on October 12, 2011, “Mahan Air’s  
6 close coordination with [Iran’s Revolutionary Guards  
7 Corps-Qods Force (IRGC-QF)]—secretly ferrying  
8 operatives, weapons and funds on its flights—reveals  
9 yet another facet of the IRGC’s extensive infiltration  
10 of Iran’s commercial sector to facilitate its support  
11 for terrorism. Following the revelation about the  
12 IRGC-QF’s use of the international financial system  
13 to fund its murder-for-hire plot, today’s action high-  
14 lights further the undeniable risks of doing business  
15 with Iran.”.

16 **SEC. 102. IMPOSITION OF SANCTIONS WITH RESPECT TO**  
17 **THE IRGC.**

18 (a) **IN GENERAL.**—Beginning on the date that is 90  
19 days after the date of the enactment of this Act, the Presi-  
20 dent shall impose the sanctions described in subsection (b)  
21 with respect to the IRGC and foreign persons that are  
22 officials, agents, or affiliates of the IRGC.

23 (b) **SANCTIONS DESCRIBED.**—The sanctions de-  
24 scribed in this subsection are the following:

1 (1) Sanctions applicable with respect to a for-  
2 eign person pursuant to Executive Order 13224 (50  
3 U.S.C. 1701 note; relating to blocking property and  
4 prohibiting transactions with persons who commit,  
5 threaten to commit, or support terrorism).

6 (2) Sanctions applicable with respect to an enti-  
7 ty that is designated as a foreign terrorist organiza-  
8 tion under section 219 of the Immigration and Na-  
9 tionality Act (8 U.S.C. 1189).

10 **SEC. 103. IMPOSITION OF SANCTIONS AGAINST ENTITIES**

11 **OWNED IN WHOLE OR IN PART BY THE IRGC.**

12 (a) IN GENERAL.—The President shall impose the  
13 sanctions described in subsection (b) with respect to—

14 (1) an entity, regardless of whether the entity  
15 is included on the list of specially designated nation-  
16 als and blocked persons maintained by the Office of  
17 Foreign Assets Control of the Department of the  
18 Treasury, that is owned, directly or indirectly, by a  
19 25 percent or greater interest—

20 (A) by the IRGC or an agent or affiliate  
21 of the IRGC; or

22 (B) collectively by a group of individuals  
23 that are members of the IRGC or an agent or  
24 affiliate of the IRGC, even if none of such indi-



1           viduals hold a 25 percent or greater interest in  
2           the entity;

3           (2) a person that controls, manages, or directs  
4           an entity described in paragraph (1); or

5           (3) an individual who is on the board of direc-  
6           tors of an entity described in paragraph (1).

7           (b) SANCTIONS DESCRIBED.—

8           (1) BLOCKING OF PROPERTY.—The President  
9           shall block, in accordance with the International  
10          Emergency Economic Powers Act (50 U.S.C. 1701  
11          et seq.), all transactions in all property and interests  
12          in property of any person subject to subsection (a)  
13          if such property and interests in property are in the  
14          United States, come within the United States, or are  
15          or come within the possession or control of a United  
16          States person.

17          (2) EXCLUSION FROM UNITED STATES.—The  
18          Secretary of State shall deny a visa to, and the Sec-  
19          retary of Homeland Security shall exclude from the  
20          United States, any person subject to subsection (a)  
21          that is an alien.

22          (c) EXCEPTIONS AND SPECIAL RULES.—

23          (1) INAPPLICABILITY OF NATIONAL EMER-  
24          GENCY REQUIREMENT.—The requirements of section  
25          202 of the International Emergency Economic Pow-

1       ers Act (50 U.S.C. 1701) shall not apply for pur-  
2       poses of subsection (b)(1).

3           (2) COMPLIANCE WITH UNITED NATIONS HEAD-  
4       QUARTERS AGREEMENT.—Subsection (b)(2) shall  
5       not apply to the head of state of Iran, or necessary  
6       staff of that head of state, if admission to the  
7       United States is necessary to permit the United  
8       States to comply with the Agreement regarding the  
9       Headquarters of the United Nations, signed at Lake  
10      Success June 26, 1947, and entered into force No-  
11      vember 21, 1947, between the United Nations and  
12      the United States.

13      (d) APPLICABILITY OF ADDITIONAL SANCTIONS.—A  
14      person with respect to which the President imposes sanc-  
15      tions under subsection (a) shall be considered an agent  
16      or affiliate of the IRGC for purposes of sections 104 and  
17      104A of the Comprehensive Iran Sanctions, Account-  
18      ability, and Divestment Act of 2010 (22 U.S.C. 8513 and  
19      8513b).

20      **SEC. 104. IRGC WATCH LIST AND REPORT.**

21      (a) IN GENERAL.—The Secretary of the Treasury  
22      shall establish, maintain, and publish in the Federal Reg-  
23      ister a list (to be known as the “IRGC Watch List”) of—

1           (1) each entity in which the IRGC or an agent  
2 or affiliate of the IRGC has an ownership interest  
3 of less than 25 percent;

4           (2) each entity in which the IRGC does not  
5 have an ownership interest if the IRGC or an agent  
6 or affiliate of the IRGC maintains a presence on the  
7 board of directors of the entity or otherwise influ-  
8 ences the actions, policies, or personnel decisions of  
9 the entity; and

10          (3) each person that controls, manages, or di-  
11 rects an entity described in paragraph (1) or (2).

12 (b) REPORTS REQUIRED.—

13           (1) TREASURY REPORT.—

14           (A) IN GENERAL.—Not later than 90 days  
15 after the date of the enactment of this Act, and  
16 annually thereafter, the Secretary of the Treas-  
17 ury shall submit to Congress a report that in-  
18 cludes—

19                   (i) the list required by subsection (a)  
20 and, in the case of any report submitted  
21 under this subparagraph after the first  
22 such report, any changes to the list since  
23 the submission of the preceding such re-  
24 port; and

1 (ii) an assessment of the role of the  
2 IRGC and its agents and affiliates in, and  
3 its penetration into, the economy of Iran.

4 (B) FORM OF REPORT.—Each report re-  
5 quired by subparagraph (A) shall be submitted  
6 in unclassified form, but may include a classi-  
7 fied annex if necessary.

8 (2) GOVERNMENT ACCOUNTABILITY OFFICE RE-  
9 PORT.—

10 (A) IN GENERAL.—The Comptroller Gen-  
11 eral of the United States shall—

12 (i) conduct a review of the list re-  
13 quired by subsection (a); and

14 (ii) not later than 60 days after each  
15 report required by paragraph (1) is sub-  
16 mitted to Congress, submit to Congress a  
17 report—

18 (I) on the review conducted  
19 under clause (i); and

20 (II) that includes a list of per-  
21 sons not included in the list required  
22 by subsection (a) that qualify for in-  
23 clusion in that list.

24 (B) CONSULTATIONS.—In preparing the  
25 report required by subparagraph (A)(ii), the

1 Comptroller General shall consult with non-  
2 governmental organizations.

3 **SEC. 105. IMPOSITION OF SANCTIONS AGAINST MAHAN AIR.**

4 (a) IN GENERAL.—The President shall impose the  
5 sanctions described in subsection (b) with respect to—

6 (1) a person that provides, directly or indi-  
7 rectly, goods, services, technology, or financial serv-  
8 ices, including the sale or provision of aircraft or air-  
9 craft parts, fuel, ramp assistance, baggage and  
10 cargo handling, catering, refueling, ticketing, check-  
11 in services, crew handling, or other services related  
12 to flight operations, to Mahan Air or its agents or  
13 affiliates, or for aircraft of Mahan Air or its agents  
14 or affiliates;

15 (2) a person that controls, manages, or directs  
16 Mahan Air or any of its agents or affiliates;

17 (3) an individual who is on the board of direc-  
18 tors of Mahan Air or any of its agents or affiliates;  
19 or

20 (4) an entity in which Mahan Air or an agent  
21 or affiliate of Mahan Air that owns, directly or indi-  
22 rectly, a 25 percent or greater interest, regardless of  
23 whether the entity is included on the list of specially  
24 designated nationals and blocked persons maintained

1 by the Office of Foreign Assets Control of the De-  
2 partment of the Treasury.

3 (b) SANCTIONS DESCRIBED.—

4 (1) BLOCKING OF PROPERTY.—The President  
5 shall block, in accordance with the International  
6 Emergency Economic Powers Act (50 U.S.C. 1701  
7 et seq.), all transactions in all property and interests  
8 in property of any person subject to subsection (a)  
9 if such property and interests in property are in the  
10 United States, come within the United States, or are  
11 or come within the possession or control of a United  
12 States person.

13 (2) EXCLUSION FROM UNITED STATES.—The  
14 Secretary of State shall deny a visa to, and the Sec-  
15 retary of Homeland Security shall exclude from the  
16 United States, any person subject to subsection (a)  
17 that is an alien.

18 (c) EXCEPTIONS AND SPECIAL RULES.—

19 (1) INAPPLICABILITY OF NATIONAL EMER-  
20 GENCY REQUIREMENT.—The requirements of section  
21 202 of the International Emergency Economic Pow-  
22 ers Act (50 U.S.C. 1701) shall not apply for pur-  
23 poses of subsection (b)(1).

24 (2) COMPLIANCE WITH UNITED NATIONS HEAD-  
25 QUARTERS AGREEMENT.—Subsection (b)(2) shall

1 not apply to the head of state of Iran, or necessary  
2 staff of that head of state, if admission to the  
3 United States is necessary to permit the United  
4 States to comply with the Agreement regarding the  
5 Headquarters of the United Nations, signed at Lake  
6 Success June 26, 1947, and entered into force No-  
7 vember 21, 1947, between the United Nations and  
8 the United States.

9 (d) APPLICABILITY OF ADDITIONAL SANCTIONS.—A  
10 person with respect to which the President imposes sanc-  
11 tions under subsection (a) shall be considered an agent  
12 or affiliate of the IRGC for purposes of sections 104 and  
13 104A of the Comprehensive Iran Sanctions, Account-  
14 ability, and Divestment Act of 2010 (22 U.S.C. 8513 and  
15 8513b).

16 **SEC. 106. ADDITIONAL MEASURES ON MAHAN AIR.**

17 (a) IN GENERAL.—The President shall require each  
18 covered person to provide a certification to the President  
19 that the person does not conduct transactions with any  
20 entity that provides, directly or indirectly, goods, services,  
21 technology, or financial services, including the sale or pro-  
22 vision of aircraft or aircraft parts, fuel, ramp assistance,  
23 baggage or cargo handling, catering, refueling, ticketing,  
24 check-in services, crew handling, or other services related  
25 to flight operations—

- 1 (1) to Mahan Air or its agents or affiliates;
- 2 (2) for aircraft owned or operated by Mahan
- 3 Air or its agents or affiliates; or
- 4 (3) to a person described in section 105(a).

5 (b) REPORTS REQUIRED.—

6 (1) DNI LIST.—

7 (A) IN GENERAL.—Not later than 90 days  
8 after the date of the enactment of the Act, and  
9 annually thereafter, the Director of National  
10 Intelligence, in consultation with the Secretary  
11 of the Treasury, shall submit to Congress a list  
12 of each entity described in subsection (a).

13 (B) FORM OF LIST.—Each list required by  
14 subparagraph (A) shall be submitted in unclas-  
15 sified form, but may include a classified annex  
16 if necessary.

17 (2) REPORT.—

18 (A) IN GENERAL.—Not later than 90 days  
19 after the date of the enactment of the Act, and  
20 annually thereafter, the President shall submit  
21 to Congress a report that includes—

22 (i) a list of countries where aircraft of  
23 Mahan Air or its agents or affiliates land;

24 (ii) a description of the efforts of the  
25 President to encourage countries to pro-



1           hibit aircraft of Mahan Air or its agents or  
2           affiliates from landing in the territory of  
3           those countries; and

4                   (iii) if the President has not imposed  
5           sanctions under section 105(a) with re-  
6           spect to any entity described in subsection  
7           (a), an explanation for why the President  
8           has not imposed such sanctions.

9           (B) FORM OF REPORT.—Each report re-  
10          quired by subparagraph (A) shall be submitted  
11          in unclassified form, but may include a classi-  
12          fied annex if necessary.

13          (3) GOVERNMENT ACCOUNTABILITY OFFICE RE-  
14          PORT.—

15                   (A) IN GENERAL.—The Comptroller Gen-  
16          eral of the United States shall—

17                           (i) conduct a review of the certifi-  
18                           cations required by subsection (a), the lists  
19                           required by paragraph (1), and the reports  
20                           required by paragraph (2); and

21                           (ii) not later than 60 days after the  
22                           submission of each list required by para-  
23                           graph (1) and each report required by  
24                           paragraph (2), submit to Congress a re-  
25                           port—

1 (I) on the review conducted  
2 under clause (i); and

3 (II) assessing the implementation  
4 of section 105.

5 (B) CONSULTATIONS.—In preparing the  
6 report required by subparagraph (A)(ii), the  
7 Comptroller General shall consult with non-  
8 governmental organizations.

9 (c) COVERED PERSON DEFINED.—In this section,  
10 the term “covered person” means—

11 (1) an air carrier or foreign air carrier, as those  
12 terms are defined in section 40102 of title 49,  
13 United States Code; or

14 (2) a United States person that exports aircraft  
15 or components for aircraft.

16 **SEC. 107. MODIFICATION AND EXTENSION OF REPORTING**  
17 **REQUIREMENTS ON THE USE OF CERTAIN**  
18 **IRANIAN SEAPORTS BY FOREIGN VESSELS**  
19 **AND USE OF FOREIGN AIRPORTS BY SANC-**  
20 **TIONED IRANIAN AIR CARRIERS.**

21 (a) IN GENERAL.—Section 1252(a) of the Iran Free-  
22 dom and Counter-Proliferation Act of 2012 (22 U.S.C.  
23 8808(a)) is amended—

24 (1) in the matter preceding paragraph (1), by  
25 striking “2016” and inserting “2019”;

1 (2) in paragraph (1), by striking “and” at the  
2 end;

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

5 (4) by adding at the end the following:

6 “(3) a description of all efforts the Department  
7 of State has made to encourage other countries to  
8 prohibit the use of air space and airports by Iranian  
9 air carriers described in paragraph (2) during the  
10 period specified in subsection (b).”.

11 (b) **EFFECTIVE DATE.**—The amendments made by  
12 subsection (a) take effect on the date of the enactment  
13 of this Act and apply with respect to reports required to  
14 be submitted under section 1252(a) of the Iran Freedom  
15 and Counter-Proliferation Act of 2012 on or after such  
16 date of enactment.

## 17 **Subtitle B—Other Provisions**

### 18 **SEC. 111. AUTHORITY OF STATES AND LOCAL GOVERN-** 19 **MENTS TO DIVEST FROM PERSONS THAT EN-** 20 **GAGE IN INVESTMENT OR BUSINESS ACTIVI-** 21 **TIES WITH IRAN’S REVOLUTIONARY GUARD** 22 **CORPS.**

23 (a) **IN GENERAL.**—Subtitle B of title III of the Iran  
24 Threat Reduction and Syria Human Rights Act of 2012

1 (Public Law 112–158; 126 Stat. 1247) is amended by  
2 adding at the end the following:

3 **“SEC. 313. AUTHORITY OF STATES AND LOCAL GOVERN-**  
4 **MENTS TO DIVEST FROM PERSONS THAT EN-**  
5 **GAGE IN INVESTMENT OR BUSINESS ACTIVI-**  
6 **TIES WITH IRAN’S REVOLUTIONARY GUARD**  
7 **CORPS.**

8 “(a) SENSE OF CONGRESS.—It is the sense of Con-  
9 gress that the United States should support the decision  
10 of any State or local government that for moral, pruden-  
11 tial, or reputational reasons divests from, or prohibits the  
12 investment of assets of the State or local government in,  
13 a person that engages in investment or business activities  
14 with Iran’s Revolutionary Guard Corps or a person de-  
15 scribed in subsection (c), as long as Iran’s Revolutionary  
16 Guard Corps is subject to economic sanctions imposed by  
17 the United States.

18 “(b) AUTHORITY TO DIVEST.—Notwithstanding any  
19 other provision of law, a State or local government may  
20 adopt and enforce measures that meet the requirements  
21 of subsection (e) to divest the assets of the State or local  
22 government from, or prohibit investment of the assets of  
23 the State or local government in, any person that the  
24 State or local government determines, using credible infor-  
25 mation available to the public, engages in investment or

1 business activities described in subsection (d) with Iran’s  
2 Revolutionary Guard Corps or a person described in sub-  
3 section (c).

4 “(c) PERSONS DESCRIBED.—A person described in  
5 this subsection is—

6 “(1) an entity, regardless of whether the entity  
7 is included on the list of specially designated nation-  
8 als and blocked persons maintained by the Office of  
9 Foreign Assets Control of the Department of the  
10 Treasury, that is owned, directly or indirectly, by a  
11 25 percent or greater interest—

12 “(A) by Iran’s Revolutionary Guard Corps  
13 or an agent or affiliate of Iran’s Revolutionary  
14 Guard Corps; or

15 “(B) collectively by a group of individuals  
16 that are members of Iran’s Revolutionary  
17 Guard Corps or an agent or affiliate of Iran’s  
18 Revolutionary Guard Corps, even if none of  
19 such individuals hold a 25 percent or greater  
20 interest in the entity;

21 “(2) a person that controls, manages, or directs  
22 an entity described in paragraph (1);

23 “(3) an individual who is on the board of direc-  
24 tors of an entity described in paragraph (1); or

1           “(4) a person on the IRGC Watch List required  
2           by section 104 of the Iran Nonnuclear Sanctions Act  
3           of 2017.

4           “(d) INVESTMENT OR BUSINESS ACTIVITIES DE-  
5           SCRIBED.—A person engages in investment or business ac-  
6           tivities with Iran’s Revolutionary Guard Corps or a person  
7           described in subsection (c) if the person—

8           “(1) has a financial investment in Iran’s Revo-  
9           lutionary Guard Corps or such a person;

10           “(2) owns, in whole or in part, such a person;  
11           or

12           “(3) is a financial institution that extends cred-  
13           it or financing to another person, for 45 days or  
14           more, if that person will use the credit or financing  
15           for investment in a person described in subsection  
16           (c).

17           “(e) REQUIREMENTS.—Any measure taken by a  
18           State or local government under subsection (b) shall meet  
19           the following requirements:

20           “(1) NOTICE.—The State or local government  
21           shall provide written notice to each person to which  
22           a measure is to be applied.

23           “(2) TIMING.—The measure shall apply to a  
24           person not earlier than the date that is 90 days

1 after the date on which written notice is provided to  
2 the person under paragraph (1).

3 “(3) OPPORTUNITY FOR HEARING.—The State  
4 or local government shall provide an opportunity to  
5 comment in writing to each person to which a meas-  
6 ure is to be applied. If the person demonstrates to  
7 the State or local government that the person does  
8 not engage in investment or business activities de-  
9 scribed in subsection (d) with Iran’s Revolutionary  
10 Guard Corps or a person described in subsection (c),  
11 the measure shall not apply to the person.

12 “(4) SENSE OF CONGRESS ON AVOIDING ERRO-  
13 NEOUS TARGETING.—It is the sense of Congress  
14 that a State or local government should not adopt  
15 a measure under subsection (b) with respect to a  
16 person unless the State or local government has  
17 made every effort to avoid erroneously targeting the  
18 person and has verified that the person engages in  
19 investment or business activities described in sub-  
20 section (d) with Iran’s Revolutionary Guard Corps  
21 or a person described in subsection (c).

22 “(f) NOTICE TO DEPARTMENT OF JUSTICE.—Not  
23 later than 30 days after adopting a measure pursuant to  
24 subsection (b), a State or local government shall submit

1 written notice to the Attorney General describing the  
2 measure.

3 “(g) NONPREEMPTION.—A measure of a State or  
4 local government authorized under subsection (b) or (i)  
5 is not preempted by any Federal law or regulation.

6 “(h) EFFECTIVE DATE.—

7 “(1) IN GENERAL.—Except as provided in para-  
8 graph (2) or subsection (i), this section applies to  
9 measures adopted by a State or local government be-  
10 fore, on, or after the date of the enactment of the  
11 Iran Nonnuclear Sanctions Act of 2017.

12 “(2) NOTICE REQUIREMENTS.—Except as pro-  
13 vided in subsection (i), subsections (e) and (f) apply  
14 to measures adopted by a State or local government  
15 on or after the date of the enactment of the Iran  
16 Nonnuclear Sanctions Act of 2017.

17 “(i) AUTHORIZATION FOR PRIOR ENACTED MEAS-  
18 URES.—

19 “(1) IN GENERAL.—Notwithstanding any other  
20 provision of this section or any other provision of  
21 law, a State or local government may enforce a  
22 measure (without regard to the requirements of sub-  
23 section (e), except as provided in paragraph (2))  
24 adopted by the State or local government before the  
25 date of the enactment of the Iran Nonnuclear Sanc-



1 tions Act of 2017 that provides for the divestment  
2 of assets of the State or local government from, or  
3 prohibits the investment of the assets of the State  
4 or local government in, any person that the State or  
5 local government determines, using credible informa-  
6 tion available to the public, engages in investment or  
7 business activities with Iran’s Revolutionary Guard  
8 Corps or a person described in subsection (c) (deter-  
9 mined without regard to subsection (d)) or other  
10 business or investment activities that are identified  
11 in the measure.

12 “(2) APPLICATION OF NOTICE REQUIRE-  
13 MENTS.—A measure described in paragraph (1)  
14 shall be subject to the requirements of paragraphs  
15 (1) and (2) and the first sentence of paragraph (3)  
16 of subsection (e) on and after the date that is 2  
17 years after the date of the enactment of the Iran  
18 Nonnuclear Sanctions Act of 2017.

19 “(j) RULE OF CONSTRUCTION.—Nothing in this sec-  
20 tion or any other provision of law authorizing sanctions  
21 with respect to Iran shall be construed to abridge the au-  
22 thority of a State to issue and enforce rules governing the  
23 safety, soundness, and solvency of a financial institution  
24 subject to its jurisdiction or the business of insurance pur-

1 suant to the Act of March 9, 1945 (15 U.S.C. 1011 et  
2 seq.) (commonly known as the ‘McCarran-Ferguson Act’).

3 “(k) DEFINITIONS.—In this section:

4 “(1) ASSETS.—

5 “(A) IN GENERAL.—Except as provided in  
6 subparagraph (B), the term ‘assets’ refers to  
7 public monies and includes any pension, retire-  
8 ment, annuity, or endowment fund, or similar  
9 instrument, that is controlled by a State or  
10 local government.

11 “(B) EXCEPTION.—The term ‘assets’ does  
12 not include employee benefit plans covered by  
13 title I of the Employee Retirement Income Se-  
14 curity Act of 1974 (29 U.S.C. 1001 et seq.).

15 “(2) INVESTMENT.—The ‘investment’ in-  
16 cludes—

17 “(A) a commitment or contribution of  
18 funds or property;

19 “(B) a loan or other extension of credit;  
20 and

21 “(C) the entry into or renewal of a con-  
22 tract for goods or services.”.

23 (b) CLERICAL AMENDMENT.—The table of contents  
24 for the Iran Threat Reduction and Syria Human Rights

1 Act of 2012 is amended by adding after the item relating  
 2 to section 312 the following:

“Sec. 313. Authority of States and local governments to divest from persons  
 that engage in investment or business activities with Iran’s  
 Revolutionary Guard Corps.”.

3 **SEC. 112. SAFE HARBOR FOR CHANGES IN INVESTMENT**  
 4 **POLICIES BY ASSET MANAGERS.**

5 Section 13(c)(1) of the Investment Company Act of  
 6 1940 (15 U.S.C. 80a–13(c)(1)) is amended—

7 (1) in subparagraph (A), by striking “; or” and  
 8 inserting a semicolon;

9 (2) in subparagraph (B), by striking the period  
 10 at the end and inserting “; or”; and

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

12 “(C) engage in investment or business ac-  
 13 tivities described in subsection (d) of section  
 14 313 of the Iran Threat Reduction and Syria  
 15 Human Rights Act of 2012 with Iran’s Revolu-  
 16 tionary Guard Corps or a person described in  
 17 subsection (c) of that section.”.

18 **Subtitle C—Termination**

19 **SEC. 121. TERMINATION.**

20 This title and the amendments made by this title  
 21 shall terminate on the date that is 30 days after the date  
 22 on which the President makes the certification described  
 23 in section 401(a) of the Comprehensive Iran Sanctions,

1 Accountability, and Divestment Act of 2010 (22 U.S.C.  
2 8551(a)).

3 **TITLE II—SANCTIONS RELATING**  
4 **TO HUMAN RIGHTS ABUSES**  
5 **IN IRAN**

6 **SEC. 201. FINDINGS.**

7 Congress makes the following findings:

8 (1) According to Freedom House, none of the  
9 elections held in Iran after the Islamic revolution in  
10 1979 have been regarded as free or fair.

11 (2) According to the October 2015 report by  
12 the United Nations Special Rapporteur on the situa-  
13 tion of human rights in the Islamic Republic of Iran,  
14 Iran continues to execute more individuals per cap-  
15 ita than any other country in the world. Executions  
16 have been rising at an exponential rate since 2005  
17 and peaked in 2015, when human rights groups re-  
18 ported a shocking 830 executions between January  
19 and November 2015, and as many as 1,084 execu-  
20 tions during the entire year.

21 (3) According to an October 2015 United Na-  
22 tions report on human rights in Iran, “Some 150  
23 Sunni Muslims are in prison on charges related to  
24 their beliefs and religion activities. More than 30 are

1 on death row after having been convicted of ‘enmity  
2 against God’ in unfair judicial proceedings.”.

3 (4) In 2015, Iran was rated as “not free” in a  
4 report on the freedom of the press by Freedom  
5 House for a lack of flow of independent information  
6 and the inability of news outlets, whether through  
7 print, broadcast, or the Internet, to operate freely  
8 and without fear of repercussions.

9 (5) Journalists, social media activists, writers,  
10 and human rights activists are routinely arrested  
11 and interrogated by Iran’s Revolutionary Guard  
12 Corps, the Ministry of Intelligence, and cyber-polic-  
13 ing units.

14 (6) According to the Committee to Protect  
15 Journalists—

16 (A) from the 2015 prison census, Iran is  
17 one of the leading jailers of journalists, with 19  
18 behind bars;

19 (B) Iran ranks as first among countries  
20 from which journalists have fled into exile be-  
21 tween 2009 and 2015; and

22 (C) in 2015, Iran ranked number 7 among  
23 the top 10 most censored countries in the  
24 world.

1           (7) According to the United Nations Special  
2           Rapporteur on the situation of human rights in the  
3           Islamic Republic of Iran, as of January 2014, there  
4           were 895 political prisoners and prisoners of con-  
5           science unjustly detained in Iran.

6           (8) On February 22, 2016, 80-year-old Baquer  
7           Namazi, a United States citizen and the father of  
8           imprisoned dual United States-Iran citizen Siamak  
9           Namazi, was arrested while visiting family in Tehran  
10          and taken to Evin Prison without charge. Baquer  
11          Namazi suffers from a serious heart condition that  
12          requires special medical attention.

13          (9) On January 12, 2016, Iran's Revolutionary  
14          Guard Corps unjustly detained 10 United States  
15          sailors whose vessel had misnavigated into Iranian  
16          territorial waters but had a right to innocent pas-  
17          sage under international law. While the United  
18          States sailors were released after 16 hours, Iran's  
19          Revolutionary Guard Corps released humiliating vid-  
20          eos of the capture of the sailors at gunpoint and  
21          their detention for propagandistic purposes.

22          (10) On October 15, 2015, Siamak Namazi was  
23          arrested while visiting Tehran and detained in Evin  
24          Prison, where he remains held by Iranian officials  
25          without charge.

1           (11) In July 2014, Jason Rezaian, a reporter  
2           from the United States working for the Washington  
3           Post, was unjustly arrested and held in Iran while  
4           his health deteriorated until his release on January  
5           16, 2016.

6           (12) On January 27, 2013, Saeed Abedini, a  
7           pastor from the United States, was sentenced to an  
8           8-year prison term in Iran based on charges relating  
9           to his Christian faith and had been unjustly incar-  
10          cerated since September 26, 2012, despite serious  
11          health issues until his release on January 16, 2016.

12          (13) In August 2011, Amir Hekmati, a veteran  
13          of the Armed Forces of the United States, was un-  
14          justly detained while visiting his family in Iran and  
15          remained in a prison in Iran on false espionage  
16          charges until his release on January 16, 2016.

17          (14) In March 2007, Robert Levinson, a former  
18          agent of the Federal Bureau of Investigation, dis-  
19          appeared in Iran during a business trip and Iran  
20          has refused to cooperate in the investigation into his  
21          disappearance. Mr. Levinson is the longest unjustly  
22          held United States citizens in history.

23          (15) The principal leaders of the Green Revolu-  
24          tion in Iran, Mir Hussein Moussavi and Mehdi

1 Karroubi, have been under house arrest since Feb-  
2 ruary 2011.

3 (16) The United States has designated Iran as  
4 a country of particular concern for religious freedom  
5 pursuant to section 402(b)(1) of the International  
6 Religious Freedom Act of 1998 (22 U.S.C.  
7 6442(b)(1)) for severe violations of religious freedom  
8 in every year from 1999 through 2015.

9 (17) In 2015, the United States Commission on  
10 International Religious Freedom found in its annual  
11 report that the Government of Iran “continues to  
12 engage in systematic, ongoing, and egregious viola-  
13 tions of religious freedom, including prolonged de-  
14 tention, torture, and executions based primarily or  
15 entirely upon the religion of the accused”.

16 (18) The Government of Iran continues to  
17 propagate anti-Semitism and target members of the  
18 Jewish community, and reinstated, in 2014, a Holo-  
19 caust denial conference, which had been cancelled  
20 the previous year.

21 (19) On January 27, 2016, as the world  
22 marked International Holocaust Remembrance Day,  
23 Iranian Supreme Leader Ali Khamenei published a  
24 video denying the Holocaust on his official website.



1           (20) Members of the Baha'i Faith in Iran, esti-  
2           mated to number between 300,000 and 350,000, are  
3           not recognized as a religious minority under the  
4           Constitution of Iran, enjoy virtually no rights under  
5           the law, and are banned from practicing their faith.  
6           Throughout 2014 and 2015, Iranian authorities  
7           shut down numerous Baha'i-owned businesses across  
8           the country.

9           (21) More than 100 Baha'is are being held in  
10          prison solely because of their religious beliefs, in-  
11          cluding the Baha'i leaders Fariba Kamalabadi,  
12          Jamaloddin Khanjani, Afif Naemi, Saeid Rezaie,  
13          Mahvash Sabet, Behrouz Tavakkoli, and Vahid  
14          Tizfahm.

15          (22) Christians, particularly converts and un-  
16          derground house church leaders, face sustained per-  
17          secution, arrests, legal harassment, and long-term  
18          prison sentences. Since 2010, more than 500 Chris-  
19          tians have been arrested or detained.

20          (23) Officials of the United States have stated  
21          that the human rights record of Iran is "abysmal"  
22          and the Department of State has reported that there  
23          has been "little meaningful improvement in human  
24          rights in Iran under the new government, including

1 torture, political imprisonment, and harassment of  
2 religious and ethnic minorities”.

3 (24) According to the Country Reports on  
4 Human Rights Practices for 2014 of the Depart-  
5 ment of State, Iranian law states that same-sex sex-  
6 ual activity is punishable by death, flogging, or other  
7 punishments. Iranian authorities “harassed, ar-  
8 rested, and detained individuals they suspected of  
9 being gay”. While detained, lesbian, gay, bisexual,  
10 and transgender individuals have reported physical  
11 abuse and torture by security officers, including sex-  
12 ual assault and rape.

13 (25) The Government of Iran continues to com-  
14 mit egregious human rights abuses against its own  
15 citizens in violation of its international obligations  
16 under the Universal Declaration of Human Rights,  
17 the International Covenant on Economic, Social and  
18 Cultural Rights, the International Covenant on Civil  
19 and Political Rights, and the International Conven-  
20 tion on the Elimination of All Forms of Racial Dis-  
21 crimination.

1 **SEC. 202. EXPANSION OF LIST OF PERSONS INVOLVED IN**  
2 **HUMAN RIGHTS ABUSES IN IRAN.**

3 (a) IN GENERAL.—Section 105 of the Comprehensive  
4 Iran Sanctions, Accountability, and Divestment Act of  
5 2010 (22 U.S.C. 8514) is amended—

6 (1) in the section heading, by striking “**CER-**  
7 **TAIN PERSONS WHO ARE RESPONSIBLE FOR**  
8 **OR COMPLICIT**” and inserting “**PERSONS IN-**  
9 **VOLVED**”;

10 (2) in subsection (b)—

11 (A) in the subsection heading, by striking  
12 “**WHO ARE RESPONSIBLE FOR OR COMPLICIT**”  
13 and inserting “**INVOLVED**”;

14 (B) by striking paragraph (1) and insert-  
15 ing the following:

16 “(1) IN GENERAL.—Not later than 90 days  
17 after the date of the enactment of the Iran Non-  
18 nuclear Sanctions Act of 2017, the President shall  
19 submit to the appropriate congressional committees  
20 a list of persons the President determines have com-  
21 mitted or facilitated, directly or indirectly, human  
22 rights abuses or other acts of violence, intimidation,  
23 or harassment, on behalf of the Government of Iran  
24 on or after June 12, 2009, regardless of whether  
25 such abuses or acts occurred in Iran.”; and

1 (C) in paragraph (2)(A), by striking “this  
2 Act” and inserting “the Iran Nonnuclear Sanc-  
3 tions Act of 2017”; and

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

5 “(e) INCLUSION OF ACTIONS THAT VIOLATE UNI-  
6 VERSAL DECLARATION OF HUMAN RIGHTS.—For pur-  
7 poses of subsection (b)(1), the term ‘human rights abuses’  
8 includes actions that violate the rights listed in the United  
9 Nations Universal Declaration of Human Rights, adopted  
10 at Paris December 10, 1948.”.

11 (b) CLERICAL AMENDMENT.—The table of contents  
12 for the Comprehensive Iran Sanctions, Accountability, and  
13 Divestment Act of 2010 is amended by striking the item  
14 relating to section 105 and inserting the following:

“Sec. 105. Imposition of sanctions on persons involved in human rights abuses  
committed against citizens of Iran or their family members  
after the June 12, 2009, elections in Iran.”.

15 **SEC. 203. IDENTIFICATION OF, AND IMPOSITION OF SANC-**  
16 **TIONS WITH RESPECT TO, CERTAIN IRANIAN**  
17 **INDIVIDUALS.**

18 (a) IN GENERAL.—Section 221 of the Iran Threat  
19 Reduction and Syria Human Rights Act of 2012 (22  
20 U.S.C. 8727) is amended to read as follows:

1 **“SEC. 221. IDENTIFICATION OF, AND IMPOSITION OF SANC-**  
2 **TIONS WITH RESPECT TO, CERTAIN IRANIAN**  
3 **INDIVIDUALS.**

4 “(a) IDENTIFICATION OF INDIVIDUALS.—Not later  
5 than 90 days after the date of the enactment of the Iran  
6 Nonnuclear Sanctions Act of 2017, and every 180 days  
7 thereafter, the President shall submit to the appropriate  
8 congressional committees and publish in the Federal Reg-  
9 ister a list of all individuals the President determines are  
10 described in subsection (b).

11 “(b) INDIVIDUALS DESCRIBED.—An individual de-  
12 scribed in this subsection is—

13 “(1) the Supreme Leader of Iran;

14 “(2) the President of Iran;

15 “(3) a current or former key official, manager,  
16 or director of an entity that is owned or controlled  
17 after November 14, 1979, by—

18 “(A) the Supreme Leader of Iran;

19 “(B) the Office of the Supreme Leader of  
20 Iran;

21 “(C) the President of Iran;

22 “(D) the Office of the President of Iran;

23 “(E) Iran’s Revolutionary Guard Corps;

24 “(F) the Basij-e Motaz’afin;

25 “(G) the Guardian Council;

1           “(H) the Ministry of Intelligence and Se-  
2           curity of Iran;

3           “(I) the Atomic Energy Organization of  
4           Iran;

5           “(J) the Islamic Consultative Assembly of  
6           Iran;

7           “(K) the Assembly of Experts of Iran;

8           “(L) the Ministry of Defense and Armed  
9           Forces Logistics of Iran;

10          “(M) the Ministry of Justice of Iran;

11          “(N) the Ministry of Interior of Iran;

12          “(O) the prison system of Iran;

13          “(P) the judicial system of Iran, including  
14          the Islamic Revolutionary Courts; or

15          “(Q) any citizen of Iran included on the  
16          list of specially designated nationals and  
17          blocked persons maintained by the Office of  
18          Foreign Assets Control of the Department of  
19          the Treasury;

20          “(4) a citizen of Iran indicted in a foreign coun-  
21          try for, or otherwise suspected of, participation in a  
22          terrorist attack;

23          “(5) an individual involved in the kidnapping or  
24          unjust detention of a United States citizen, includ-

1       ing a United States citizen who is also a citizen of  
2       another country; or

3               “(6) a politically exposed individual associated  
4       with an individual described in any of paragraphs  
5       (1) through (5) who is not a United States person.

6       “(c) EXCLUSION FROM UNITED STATES.—Except as  
7       provided in subsection (f), the Secretary of State shall  
8       deny a visa to, and the Secretary of Homeland Security  
9       shall exclude from the United States, any alien who is on  
10      the list required by subsection (a).

11      “(d) BLOCKING OF PROPERTY.—Except as provided  
12      in subsection (f), the President shall block and prohibit  
13      all transactions in all property and interests in property  
14      of any individual who is on the list required by subsection  
15      (a) if such property and interests in property are in the  
16      United States, come within the United States, or are or  
17      come within the possession or control of a United States  
18      person.

19      “(e) REPORT.—

20               “(1) IN GENERAL.—Not later than 90 days  
21      after the date of the enactment of the Iran Non-  
22      nuclear Sanctions Act of 2017, and every 90 days  
23      thereafter, the President shall submit to the appro-  
24      priate congressional committees a report that de-  
25      scribes the efforts the President has taken during

1 the 90 days preceding the submission of the report  
2 to locate and block all property and interests in  
3 property of any individual who is on the list required  
4 by subsection (a).

5 “(2) FORM OF REPORT.—Each report required  
6 by paragraph (1) shall be submitted in unclassified  
7 form, but may include a classified annex if nec-  
8 essary.

9 “(f) EXCEPTIONS.—

10 “(1) IN GENERAL.—The President may not in-  
11 clude an individual on the list required by subsection  
12 (a) if the President determines that, during the 10-  
13 year period preceding the determination, the indi-  
14 vidual has not in any way engaged in, facilitated, or  
15 otherwise supported—

16 “(A) human rights abuses;

17 “(B) acts of international terrorism; or

18 “(C) the proliferation of weapons of mass  
19 destruction.

20 “(2) COMPLIANCE WITH UNITED NATIONS  
21 HEADQUARTERS AGREEMENT.—Subsection (c) shall  
22 not apply to the head of state of Iran, or necessary  
23 staff of that head of state, if admission to the  
24 United States is necessary to permit the United  
25 States to comply with the Agreement regarding the



1 Headquarters of the United Nations, signed at Lake  
2 Success June 26, 1947, and entered into force No-  
3 vember 21, 1947, between the United Nations and  
4 the United States.

5 “(g) WAIVER.—

6 “(1) IN GENERAL.—The President may waive  
7 the application of subsection (c) or (d) with respect  
8 to an individual for a period of 180 days, and may  
9 renew that waiver for additional periods of 180 days,  
10 if the President—

11 “(A) determines that the waiver is vital to  
12 the national security of the United States; and

13 “(B) not less than 7 days before the waiv-  
14 er or the renewal of the waiver, as the case may  
15 be, takes effect, submits a report to the appro-  
16 priate congressional committees on the waiver  
17 and the reason for the waiver.

18 “(2) LIMITATION ON WAIVER AUTHORITY.—The  
19 President may not exercise the waiver authority pro-  
20 vided under paragraph (1) to implement any inter-  
21 national agreement with Iran unless, before exer-  
22 cising the waiver authority, the agreement is ap-  
23 proved through the enactment of a joint resolution  
24 or the Senate provides its advice and consent with

1       respect to the agreement pursuant to section 2 of ar-  
2       ticle II of the Constitution of the United States.

3           “(3) FORM OF REPORT.—Each report sub-  
4       mitted under paragraph (1)(B) shall be submitted in  
5       unclassified form, but may include a classified annex  
6       if necessary.

7       “(h) DEFINITIONS.—In this section:

8           “(1) OWN OR CONTROL.—The term ‘own or  
9       control’ means, with respect to an entity—

10           “(A) to hold more than 25 percent of the  
11       equity interest by vote or value in the entity;

12           “(B) to hold any seats on the board of di-  
13       rectors of the entity; or

14           “(C) to otherwise control the actions, poli-  
15       cies, or personnel decisions of the entity.

16       “(2) POLITICALLY EXPOSED INDIVIDUAL.—

17           “(A) IN GENERAL.—The term ‘politically  
18       exposed individual’ includes a current or former  
19       senior political figure, the immediate family of  
20       such a figure, and close associates of such a fig-  
21       ure.

22           “(B) ADDITIONAL DEFINITIONS.—For  
23       purposes of subparagraph (A):

1           “(i) CLOSE ASSOCIATE.—The term  
2           ‘close associate’, with respect to a senior  
3           political figure—

4                   “(I) means an individual who is  
5                   widely and publicly known to maintain  
6                   an unusually close relationship with  
7                   the senior political figure; and

8                   “(II) includes an individual who  
9                   is in a position to conduct substantial  
10                  domestic and international financial  
11                  transactions on behalf of the senior  
12                  political figure.

13           “(ii) IMMEDIATE FAMILY.—The term  
14           ‘immediate family’, with respect to a senior  
15           foreign political figure, means the parents,  
16           siblings, spouse, children, and in-laws of  
17           the senior political figure.

18           “(iii) SENIOR POLITICAL FIGURE.—  
19           The term ‘senior political figure’ means a  
20           senior official in the executive, legislative,  
21           administrative, military, or judicial  
22           branches of the Government of Iran  
23           (whether elected or not), a senior official of  
24           a major political party in Iran, or a senior

1 executive of an entity owned or controlled  
2 by the Government of Iran.”.

3 (b) CLERICAL AMENDMENT.—The table of contents  
4 for the Iran Threat Reduction and Syria Human Rights  
5 Act of 2012 (22 U.S.C. 8701 et seq.) is amended by strik-  
6 ing the item relating to section 221 and inserting the fol-  
7 lowing:

“Sec. 221. Identification of, and imposition of sanctions with respect to, certain  
Iranian individuals.”.

8 **SEC. 204. IMPOSITION OF SANCTIONS WITH RESPECT TO**  
9 **PERSONS WHO CONDUCT TRANSACTIONS**  
10 **WITH OR ON BEHALF OF CERTAIN IRANIAN**  
11 **INDIVIDUALS.**

12 (a) IN GENERAL.—Subtitle B of title II of the Iran  
13 Threat Reduction and Syria Human Rights Act of 2012  
14 (22 U.S.C. 8721 et seq.) is amended by inserting after  
15 section 221 the following:

16 **“SEC. 221A. IMPOSITION OF SANCTIONS WITH RESPECT TO**  
17 **PERSONS WHO CONDUCT TRANSACTIONS**  
18 **WITH OR ON BEHALF OF CERTAIN IRANIAN**  
19 **INDIVIDUALS.**

20 “(a) SALE, SUPPLY, OR TRANSFER OF GOODS AND  
21 SERVICES.—The President shall impose five or more of  
22 the sanctions described in section 6(a) of the Iran Sanc-  
23 tions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701  
24 note) with respect to a person that knowingly, on or after

1 the date that is 120 days after the date of the enactment  
2 of the Iran Nonnuclear Sanctions Act of 2017, sells, sup-  
3 plies, or transfers goods or services to an individual who  
4 is on the list required by section 221(a).

5 “(b) FACILITATION OF CERTAIN TRANSACTIONS.—  
6 The President shall prohibit the opening, and prohibit or  
7 impose strict conditions on the maintaining, in the United  
8 States of a correspondent account or a payable-through  
9 account by any foreign financial institution that has know-  
10 ingly conducted or facilitated a significant financial trans-  
11 action on behalf of an individual who is on the list required  
12 by section 221(a).

13 “(c) WAIVER.—

14 “(1) IN GENERAL.—The President may waive  
15 the application of subsection (a) or (b) with respect  
16 to a person for a period of 180 days, and may renew  
17 that waiver for additional periods of 180 days, if the  
18 President—

19 “(A) determines that the waiver is vital to  
20 the national security of the United States; and

21 “(B) not less than 7 days before the waiv-  
22 er or the renewal of the waiver, as the case may  
23 be, takes effect, submits a report to the appro-  
24 priate congressional committees on the waiver  
25 and the reason for the waiver.

1           “(2) LIMITATION ON WAIVER AUTHORITY.—The  
2           President may not exercise the waiver authority pro-  
3           vided under paragraph (1) to implement any inter-  
4           national agreement with Iran unless, before exer-  
5           cising the waiver authority, the agreement is ap-  
6           proved through the enactment of a joint resolution  
7           or the Senate provides its advice and consent with  
8           respect to the agreement pursuant to section 2 of ar-  
9           ticle II of the Constitution of the United States.

10           “(3) FORM OF REPORT.—Each report sub-  
11           mitted under paragraph (1)(B) shall be submitted in  
12           unclassified form, but may include a classified annex  
13           if necessary.

14           “(d) APPLICATION OF CERTAIN PROVISIONS OF THE  
15           IRAN SANCTIONS ACT OF 1996.—The following provisions  
16           of the Iran Sanctions Act of 1996 (Public Law 104–172;  
17           50 U.S.C. 1701 note) shall apply with respect to the impo-  
18           sition of sanctions under subsection (a) to the same extent  
19           that such provisions apply with respect to the imposition  
20           of sanctions under section 5(a) of the Iran Sanctions Act  
21           of 1996:

22           “(1) Subsections (c), (d), and (f) of section 5.

23           “(2) Section 8.

24           “(3) Section 11.

25           “(4) Section 12.

1 “(5) Section 13(b).

2 “(e) DEFINITIONS.—In this Act:

3 “(1) ACCOUNT; CORRESPONDENT ACCOUNT;  
4 PAYABLE-THROUGH ACCOUNT.—The terms ‘ac-  
5 count’, ‘correspondent account’, and ‘payable-  
6 through account’ have the meanings given those  
7 terms in section 5318A of title 31, United States  
8 Code.

9 “(2) FOREIGN FINANCIAL INSTITUTION.—The  
10 term ‘foreign financial institution’ has the meaning  
11 given that term in section 561.308 of title 31, Code  
12 of Federal Regulations (or any corresponding similar  
13 regulation or ruling).”.

14 (b) CLERICAL AMENDMENT.—The table of contents  
15 for the Iran Threat Reduction and Syria Human Rights  
16 Act of 2012 (22 U.S.C. 8701 et seq.) is amended by in-  
17 serting after the item relating to section 221 the following:

“Sec. 221A. Imposition of sanctions with respect to persons who conduct trans-  
actions with or on behalf of certain Iranian individuals.”.

1 **SEC. 205. MANDATORY SANCTIONS WITH RESPECT TO FI-**  
2 **NANCIAL INSTITUTIONS THAT ENGAGE IN**  
3 **CERTAIN TRANSACTIONS ON BEHALF OF**  
4 **PERSONS INVOLVED IN HUMAN RIGHTS**  
5 **ABUSES OR THAT EXPORT SENSITIVE TECH-**  
6 **NOLOGY TO IRAN.**

7 (a) **IN GENERAL.**—Section 104(c)(2) of the Com-  
8 prehensive Iran Sanctions, Accountability, and Divestment  
9 Act of 2010 (22 U.S.C. 8513(c)(2)) is amended—

10 (1) in subparagraph (D), by striking “or” at  
11 the end;

12 (2) in subparagraph (E), by striking the period  
13 at the end and inserting “; or”; and

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

15 “(F) facilitates a significant transaction or  
16 transactions or provides significant financial  
17 services for—

18 “(i) a person that is subject to sanc-  
19 tions under section 105(c), 105A(c),  
20 105B(c), or 105C(a); or

21 “(ii) a person that exports sensitive  
22 technology to Iran and is subject to the  
23 prohibition on procurement contracts as  
24 described in section 106.”.

25 (b) **EFFECTIVE DATE.**—The amendments made by  
26 subsection (a) take effect on the date of the enactment



1 of this Act and apply with respect to any activity described  
2 in subparagraph (F) of section 104(c)(2) of the Com-  
3 prehensive Iran Sanctions, Accountability, and Divestment  
4 Act of 2010, as added by subsection (a)(3), initiated on  
5 or after the date that is 90 days after such date of enact-  
6 ment.

7 (c) REGULATIONS.—Not later than 90 days after the  
8 date of the enactment of this Act, the Secretary of the  
9 Treasury shall prescribe regulations to carry out the  
10 amendments made by subsection (a).

11 **SEC. 206. UNITED STATES SUPPORT FOR THE PEOPLE OF**  
12 **IRAN.**

13 (a) IN GENERAL.—Subtitle B of title IV of the Iran  
14 Threat Reduction and Syria Human Rights Act of 2012  
15 (22 U.S.C. 8751 et seq.) is amended by adding at the end  
16 the following:

17 **“SEC. 416. UNITED STATES SUPPORT FOR THE PEOPLE OF**  
18 **IRAN.**

19 “(a) POLICY OF THE UNITED STATES.—It is the pol-  
20 icy of the United States—

21 “(1) to support the efforts of the people of Iran  
22 to promote the establishment of basic freedoms in  
23 Iran;

24 “(2) to lay the foundation for the emergence of  
25 a freely elected, open, and democratic political sys-

1 tem in Iran that is not a threat to its neighbors or  
2 to the United States and to work with all citizens of  
3 Iran who seek to establish such a political system;

4 “(3) to support the emergence of a government  
5 in Iran that does not oppress the people of Iran and  
6 does not persecute, intimidate, arrest, imprison, or  
7 execute dissidents or minorities;

8 “(4) to advocate on behalf of those in Iran per-  
9 secuted for their religion or belief;

10 “(5) to assist the people of Iran to produce, ac-  
11 cess, and share information freely and safely  
12 through the Internet and other media; and

13 “(6) to defeat all attempts by the Government  
14 of Iran to jam or otherwise obstruct international  
15 satellite broadcast signals.

16 “(b) SENSE OF CONGRESS.—It is the sense of Con-  
17 gress that—

18 “(1) the United States should support citizens  
19 of Iran that actively work to advance political, eco-  
20 nomic, and social reforms, including freedom of the  
21 press, freedom of assembly, freedom of religion, and  
22 representative government;

23 “(2) the President should use all available non-  
24 violent means to support citizens of Iran that advo-

1 cate for pluralistic, prosperous, and participatory so-  
2 cieties;

3 “(3) programs of the Department of State to  
4 support reform in Iran have not resulted in a more  
5 democratic Iran;

6 “(4) the Government of Iran continues to play  
7 a pernicious role in the Middle East, undermining  
8 democratic consolidation in Iraq, supporting inter-  
9 national terrorism through Hezbollah, and aiding  
10 the autocratic regime of Bashar al-Assad in Syria;

11 “(5) the Secretary of State should make every  
12 effort to deliver support directly to people working  
13 in Iran to implement programs carried out using as-  
14 sistance provided by the Department of State when  
15 possible and all possible means of delivering such as-  
16 sistance should be used; and

17 “(6) oversight, management, and implementa-  
18 tion of programs of the Department of State to sup-  
19 port reform in Iran should be under the direction of  
20 the Special Coordinator on Human Rights and De-  
21 mocracy in Iran established under section 207 of the  
22 Iran Nonnuclear Sanctions Act of 2017, in consulta-  
23 tion with the Assistant Secretary of State for De-  
24 mocracy, Human Rights, and Labor.

25 “(c) ASSISTANCE TO SUPPORT REFORM IN IRAN.—

1           “(1) ASSISTANCE AUTHORIZED.—Notwithstand-  
2           ing any other provision of law, the Secretary of  
3           State may provide assistance (including through the  
4           award of grants) to individuals and entities working  
5           in Iran for the purpose of supporting and promoting  
6           the rule of law, good governance, civil society, and  
7           economic opportunity in Iran.

8           “(2) ELIGIBILITY FOR ASSISTANCE.—Assist-  
9           ance authorized under this subsection should be pro-  
10          vided only to an individual or entity that—

11                   “(A) officially opposes the use of violence  
12                   and terrorism and has not been designated as  
13                   a foreign terrorist organization under section  
14                   219 of the Immigration and Nationality Act (8  
15                   U.S.C. 1189) at any time during the 4-year pe-  
16                   riod ending on the date of the enactment of the  
17                   Iran Nonnuclear Sanctions Act of 2017;

18                   “(B) advocates the adherence by Iran to  
19                   nonproliferation regimes for nuclear, chemical,  
20                   and biological weapons and materiel, and bal-  
21                   listic missiles;

22                   “(C) is dedicated to democratic values and  
23                   supports the adoption of a democratic form of  
24                   government in Iran;

1           “(D) is dedicated to respect for human  
2           rights, including the fundamental equality of  
3           women; and

4           “(E) supports freedom of the press, free-  
5           dom of speech, freedom of association, and free-  
6           dom of religion.

7           “(3) NOTIFICATION REQUIREMENT.—Not later  
8           than 15 days before each obligation of assistance  
9           under this subsection, the Secretary of State shall  
10          notify the Committee on Foreign Relations and the  
11          Committee on Appropriations of the Senate and the  
12          Committee on Foreign Affairs and the Committee on  
13          Appropriations of the House of Representatives in  
14          accordance with the procedures applicable to re-  
15          programming notifications under section 634A of  
16          the Foreign Assistance Act of 1961 (22 U.S.C.  
17          2394–1).

18          “(4) AUTHORIZATION OF APPROPRIATIONS.—Of  
19          the amounts made available to carry out chapter 4  
20          of part II of the Foreign Assistance Act of 1961 (22  
21          U.S.C. 2346 et seq.; relating to the Economic Sup-  
22          port Fund) for fiscal year 2015, not less than  
23          \$32,000,000 shall be made available to the Sec-  
24          retary of State to carry out this subsection.

1           “(5) TERMINATION.—The authority to provide  
2 assistance under this subsection shall expire on De-  
3 cember 31, 2020.

4           “(d) REPORTS.—

5           “(1) IN GENERAL.—Not later than 60 days  
6 after the date of the enactment of the Iran Non-  
7 nuclear Sanctions Act of 2017, and every 180 days  
8 thereafter, the Secretary of State shall submit to the  
9 appropriate congressional committees a report on  
10 the implementation of this section that includes the  
11 following:

12           “(A) An identification of the actions the  
13 President has taken during the 180-day period  
14 immediately preceding the submission of the re-  
15 port to advance each of the policies described in  
16 subsection (a).

17           “(B) A clear strategy for advancing polit-  
18 ical, economic, and social reform in Iran that  
19 includes benchmarks for success that lead to a  
20 set of identified discrete goals and objectives.

21           “(C) A plan to monitor and evaluate the  
22 effectiveness of the provision of assistance au-  
23 thorized under subsection (c), including meas-  
24 ures of effectiveness.

1 “(D) The status of the programming of as-  
 2 sistance under subsection (c).

3 “(E) An analysis of any past programming  
 4 of assistance under subsection (c) and its effec-  
 5 tiveness with respect to supporting and pro-  
 6 moting the rule of law, good governance, civil  
 7 society, and economic opportunity in Iran.

8 “(2) FORM OF REPORT.—Each report required  
 9 by paragraph (1) shall be submitted in unclassified  
 10 form, but may include a classified annex if nec-  
 11 essary.”.

12 (b) CLERICAL AMENDMENT.—The table of contents  
 13 for the Iran Threat Reduction and Syria Human Rights  
 14 Act of 2012 is amended by inserting after the item relat-  
 15 ing to section 415 the following:

“Sec. 416. United States support for the people of Iran.”.

16 **SEC. 207. UNITED STATES SPECIAL COORDINATOR ON**  
 17 **HUMAN RIGHTS AND DEMOCRACY IN IRAN.**

18 (a) DESIGNATION.—The President shall designate  
 19 within the Department of State a Special Coordinator on  
 20 Human Rights and Democracy in Iran (in this section re-  
 21 ferred to as the “Special Coordinator”).

22 (b) CONSULTATION AND QUALIFICATIONS.—Before  
 23 the President designates a Special Coordinator under sub-  
 24 section (a), the Secretary of State shall consult with the  
 25 chairmen and ranking members of the appropriate con-

1 gressional committees. The role of Special Coordinator  
2 should be filled by an official of the Department of State  
3 appointed by and serving at the pleasure of the President  
4 in a position not lower than Under Secretary on the day  
5 before the date of the enactment of this Act.

6 (c) DUTIES.—The Special Coordinator shall carry out  
7 the following duties:

8 (1) Coordinate the activities of the United  
9 States Government that promote human rights, de-  
10 mocracy, political freedom, and religious freedom in-  
11 side Iran.

12 (2) Coordinate the activities of the United  
13 States Government that promote human rights, po-  
14 litical freedom, and religious freedom for Iranian  
15 refugees and asylees living outside Iran.

16 (3) Ensure the comprehensive investigation and  
17 designation of Iranian human rights abusers in ac-  
18 cordance with section 105 of the Comprehensive  
19 Iran Sanctions, Accountability, and Divestment Act  
20 of 2010 (22 U.S.C. 8514).

21 (4) Coordinate the documentation and publi-  
22 cizing of political dissidents and cases of human  
23 rights abuse inside Iran.

24 (5) Coordinate multilateral efforts to build  
25 international support for the promotion of human



1 rights, democracy, political freedom, and religious  
2 freedom in Iran, including broadcasting, Internet ac-  
3 cess, and dissemination of information.

4 (6) Encourage the United Nations, multilateral  
5 organizations, and human rights nongovernmental  
6 organizations to more robustly investigate and re-  
7 port on human rights abuses in Iran.

8 (7) Encourage foreign governments to down-  
9 grade or sever diplomatic relations with the Govern-  
10 ment of Iran, enact economic sanctions, and assist  
11 Iranian dissidents in response to the continued viola-  
12 tions of human rights by the Government of Iran.

13 (8) Encourage foreign governments to expel  
14 Iran from international fora and organizations with  
15 a human rights component, including the United  
16 Nations Commission on the Status of Women, the  
17 United Nations Educational, Scientific and Cultural  
18 Organization, the United Nations Children’s Fund,  
19 and the International Labour Organization.

20 (9) Coordinate all programs funded under the  
21 Iran Freedom Support Act (Public Law 109–293;  
22 22 U.S.C. 2151 note).

23 (d) AUTHORITY.—

24 (1) COORDINATION OF ACTIVITIES.—The Spe-  
25 cial Coordinator shall coordinate all activities related

1 to Iran carried out by the Bureau of Near Eastern  
2 Affairs, the Bureau of Democracy, Human Rights  
3 and Labor, and the Bureau of Population, Refugees  
4 and Migration of the Department of State, the Am-  
5 bassador-at-Large for International Religious Free-  
6 dom, the Special Envoy to Monitor and Combat  
7 Anti-Semitism, the United States Commission on  
8 International Religious Freedom, the National En-  
9 dowment for Democracy, and the Broadcasting  
10 Board of Governors.

11 (2) COORDINATION OF USE OF FUNDS.—The  
12 Special Coordinator shall coordinate and oversee the  
13 obligation and expenditure of funds related to  
14 human rights, democracy, Internet freedom, and  
15 broadcasting activities in Iran, including funds made  
16 available for such purposes to the Middle East Part-  
17 nership Initiative, the United States Commission on  
18 International Religious Freedom, the Broader Mid-  
19 dle East and North Africa Initiative, the Human  
20 Rights and Democracy Fund, and the Near Eastern  
21 Regional Democracy Fund.

22 (e) DIPLOMATIC REPRESENTATION.—Subject to the  
23 direction of the President and the Secretary of State, the  
24 Special Coordinator shall represent the United States in  
25 matters and cases relevant to the promotion of human

1 rights, democracy, political freedom, and religious freedom  
2 in Iran in—

3           (1) contacts with foreign governments, intergov-  
4           ernmental organizations, and specialized agencies of  
5           the United Nations, the Organization for Security  
6           and Co-operation in Europe, and other international  
7           organizations of which the United States is a mem-  
8           ber; and

9           (2) multilateral conferences and meetings rel-  
10          evant to the promotion of human rights, democracy,  
11          political freedom, and religious freedom in Iran.

12          (f) CONSULTATIONS.—The Special Coordinator shall  
13          consult with Congress, domestic and international non-  
14          governmental organizations, labor organizations, and mul-  
15          tilateral organizations and institutions as the Special Co-  
16          ordinator considers appropriate to fulfill the purposes of  
17          this section.

18          (g) FUNDING.—From amounts made available for  
19          the Department of State for Near East Affairs in fiscal  
20          years before fiscal year 2016, the Secretary of State shall  
21          provide to the Special Coordinator such sums as may be  
22          necessary for fiscal year 2016 for the hiring of staff, for  
23          the conduct of investigations, and for necessary travel to  
24          carry out this section.

1 (h) APPROPRIATE CONGRESSIONAL COMMITTEES  
2 DEFINED.—In this section, the term “appropriate con-  
3 gressional committees” means—

4 (1) the Committee on Foreign Relations and  
5 the Committee on Appropriations of the Senate; and

6 (2) the Committee on Foreign Affairs and the  
7 Committee on Appropriations of the House of Rep-  
8 resentatives.

9 **SEC. 208. BROADCASTING TO IRAN.**

10 (a) IN GENERAL.—Radio Free Europe/Radio Liberty  
11 and the Voice of America services broadcasting to Iran  
12 shall—

13 (1) provide news and information that is acces-  
14 sible, credible, comprehensive, and accurate;

15 (2) emphasize investigative and analytical jour-  
16 nalism provided by Iranian or pro-Iranian media  
17 outlets; and

18 (3) strengthen civil society by promoting demo-  
19 cratic processes, respect for human rights, and free-  
20 dom of the press and expression.

21 (b) PROGRAMMING SURGE.—Radio Free Europe/  
22 Radio Liberty and Voice of America programming to Iran  
23 shall—

24 (1) provide programming content 24 hours a  
25 day and 7 days a week to target populations using

1 all available and effective distribution outlets, includ-  
2 ing at least 12 hours a day of original television and  
3 video content, not including live video streaming of  
4 breaking news;

5 (2) create mobile platforms with an embedded  
6 proxy to offer the people of Iran the opportunity to  
7 securely listen to programming;

8 (3) increase number of staffers based in the re-  
9 gion to allow for more direct contact with the people  
10 of Iran;

11 (4) expand the use, audience, and audience en-  
12 gagement of mobile news and multimedia platforms  
13 by the Voice of America and the Radio Farda serv-  
14 ice of Radio Free Europe/Radio Liberty, including  
15 through Internet-based social networking platforms;  
16 and

17 (5) establish fellowships for Iranian journalists  
18 who have fled the country to learn about free, com-  
19 petitive media and be trained in surrogate reporting.

20 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
21 are authorized to be appropriated for fiscal year 2017, in  
22 addition to funds otherwise made available for such pur-  
23 poses, \$10,000,000 to carry out Iran-focused program-  
24 ming by Radio Free Europe/Radio Liberty and the Voice  
25 of America, for the purpose of bolstering existing United

1 States programming to the people of Iran and increasing  
2 programming capacity and jamming circumvention tech-  
3 nology to overcome any disruptions to service.

4 **SEC. 209. REPORT ON UNITED STATES CITIZENS DETAINED**  
5 **BY IRAN.**

6 (a) **IN GENERAL.**—Not later than 90 days after the  
7 date of the enactment of this Act, and every 180 days  
8 thereafter, the President shall submit to the appropriate  
9 congressional committees a report on United States citi-  
10 zens, including dual citizens, detained by Iran or groups  
11 supported by Iran that includes—

12 (1) information regarding any officials of the  
13 Government of Iran involved in any way in the de-  
14 tentions; and

15 (2) a summary of efforts the United States  
16 Government has taken to secure the swift release of  
17 those United States citizens, including United States  
18 citizens who are also citizens of other countries.

19 (b) **FORM OF REPORT.**—The report required by sub-  
20 section (a) shall be submitted in unclassified form, but  
21 may include a classified annex if necessary.

22 (c) **APPROPRIATE CONGRESSIONAL COMMITTEES DE-**  
23 **FINED.**—In this section, the term “appropriate congres-  
24 sional committees” has the meaning given that term in

1 section 14 of the Iran Sanctions Act of 1996 (Public Law  
2 104–172; 50 U.S.C. 1701 note).

3 **SEC. 210. SENSE OF CONGRESS ON ESTABLISHMENT OF**  
4 **MULTILATERAL MECHANISM TO PROMOTE**  
5 **HUMAN RIGHTS IN IRAN.**

6 It is the sense of Congress that the United States  
7 should work with the European Union and other countries  
8 with a common commitment to fundamental rights and  
9 freedoms to explore the possibility of establishing a formal  
10 multilateral mechanism to advocate for the promotion of  
11 human rights, democracy, political freedom, and religious  
12 freedom in Iran.

13 **SEC. 211. SENSE OF CONGRESS ON ROLE OF THE UNITED**  
14 **NATIONS IN PROMOTING HUMAN RIGHTS IN**  
15 **IRAN.**

16 It is the sense of Congress that—

17 (1) the United Nations has a significant role to  
18 play in promoting and improving human rights in  
19 Iran;

20 (2) the United States should continue to sup-  
21 port the work of the United Nations Special  
22 Rapporteur on the situation of human rights in the  
23 Islamic Republic of Iran; and

24 (3) the egregious human rights violations in  
25 Iran warrant country-specific attention and contin-

1 ued reporting by the Special Rapporteur on the situ-  
2 ation of human rights in the Islamic Republic of  
3 Iran, the Special Rapporteur on torture and other  
4 cruel, inhuman, or degrading treatment or punish-  
5 ment, the Working Group on Arbitrary Detention,  
6 the Special Rapporteur on extrajudicial, summary,  
7 or arbitrary executions, the Special Rapporteur on  
8 the promotion and protection of the right to freedom  
9 of opinion and expression, the Special Rapporteur on  
10 freedom of religion or belief, and the Special  
11 Rapporteur on violence against women, its causes,  
12 and consequences, of the United Nations.

13 **TITLE III—SANCTIONS WITH RE-**  
14 **SPECT TO THE BALLISTIC**  
15 **MISSILE PROGRAM OF IRAN**

16 **SEC. 301. FINDINGS.**

17 Congress finds the following:

18 (1) On April 2, 2015, President Barack Obama  
19 said, “Other American sanctions on Iran for its sup-  
20 port of terrorism, its human rights abuses, its bal-  
21 listic missile program, will continue to be fully en-  
22 forced.”.

23 (2) On July 7, 2015, General Martin Dempsey,  
24 then-Chairman of the Joint Chiefs of Staff, said,  
25 “Under no circumstances should we relieve the pres-



1 sure on Iran relative to ballistic missile capabili-  
2 ties.”.

3 (3) On July 29, 2015, in his role as the top  
4 military officer in the United States and advisor to  
5 the President, General Dempsey confirmed that his  
6 military recommendation was that sanctions relating  
7 to the ballistic missile program of Iran not be lifted.

8 (4) The Government of Iran and Iran’s Revolu-  
9 tionary Guard Corps have been responsible for the  
10 repeated testing of illegal ballistic missiles capable of  
11 carrying a nuclear device, including observed tests in  
12 October and November 2015 and March 2016, vio-  
13 lating United Nations Security Council resolutions.

14 (5) On October 14, 2015, Samantha Power,  
15 United States Ambassador to the United Nations,  
16 said, “One of the really important features in imple-  
17 mentation of the recent Iran deal to dismantle Iran’s  
18 nuclear program is going to have to be enforcement  
19 of the resolutions and the standards that remain on  
20 the books.”.

21 (6) On December 11, 2015, the United Nations  
22 Panel of Experts concluded that the missile launch  
23 on October 10, 2015, “was a violation by Iran of  
24 paragraph 9 of Security Council resolution 1929  
25 (2010)”.

1           (7) On January 17, 2016, Adam Szubin, Acting  
2           Under Secretary for Terrorism and Financial Intel-  
3           ligence, stated, “Iran’s ballistic missile program  
4           poses a significant threat to regional and global se-  
5           curity, and it will continue to be subject to inter-  
6           national sanctions. We have consistently made clear  
7           that the United States will vigorously press sanc-  
8           tions against Iranian activities outside of the Joint  
9           Comprehensive Plan of Action—including those re-  
10          lated to Iran’s support for terrorism, regional desta-  
11          bilization, human rights abuses, and ballistic missile  
12          program.”.

13          (8) On February 9, 2016, James Clapper, Di-  
14          rector of National Intelligence, testified that, “We  
15          judge that Tehran would choose ballistic missiles as  
16          its preferred method of delivering nuclear weapons,  
17          if it builds them. Iran’s ballistic missiles are inher-  
18          ently capable of delivering WMD, and Tehran al-  
19          ready has the largest inventory of ballistic missiles  
20          in the Middle East. Iran’s progress on space launch  
21          vehicles—along with its desire to deter the United  
22          States and its allies—provides Tehran with the  
23          means and motivation to develop longer-range mis-  
24          siles, including ICBMs.”.

1           (9) On March 9, 2016, Iran reportedly fired  
2 two Qadr ballistic missiles with a range of more  
3 than 1,000 miles and according to public reports,  
4 the missiles were marked with a statement in He-  
5 brew reading, “Israel must be wiped off the arena  
6 of time.”.

7           (10) On March 11, 2016, Ambassador Power  
8 called the recent ballistic missile launches by Iran  
9 “provocative and destabilizing” and called on the  
10 international community to “degrade Iran’s missile  
11 program”.

12           (11) On March 14, 2016, Ambassador Power  
13 said that the recent ballistic missile launches by Iran  
14 were “in defiance of provisions of UN Security  
15 Council Resolution 2231”.

16           (12) Iran has demonstrated the ability to  
17 launch multiple rockets from fortified underground  
18 facilities and mobile launch sites not previously  
19 known.

20           (13) The ongoing procurement by Iran of tech-  
21 nologies needed to boost the range, accuracy, and  
22 payloads of its diverse ballistic missile arsenal rep-  
23 resents a threat to deployed personnel of the United  
24 States and allies of the United States in Europe and  
25 the Middle East, including Israel.

1           (14) Ashton Carter, Secretary of Defense, testi-  
2           fied in a hearing before the Armed Services Com-  
3           mittee of the Senate on July 7, 2015, that, “[T]he  
4           reason that we want to stop Iran from having an  
5           ICBM program is that the I in ICBM stands for  
6           intercontinental, which means having the capability  
7           to fly from Iran to the United States, and we don’t  
8           want that. That’s why we oppose ICBMs.”.

9           (15) Through recent ballistic missile launch  
10          tests the Government of Iran has shown blatant dis-  
11          regard for international laws and its intention to  
12          continue tests of that nature throughout the imple-  
13          mentation of the Joint Comprehensive Plan of Ac-  
14          tion.

15          (16) The banking sector of Iran has facilitated  
16          the financing of the ballistic missile programs in  
17          Iran and evidence has not been provided that enti-  
18          ties in that sector have ceased facilitating the financ-  
19          ing of those programs.

20          (17) Iran has been able to amass a large arse-  
21          nal of ballistic missiles through its illicit smuggling  
22          networks and domestic manufacturing capabilities  
23          that have been supported and maintained by Iran’s  
24          Revolutionary Guard Corps and specific sectors of  
25          the economy of Iran.

1           (18) Penetration by Iran’s Revolutionary Guard  
2 Corps into the economy of Iran is well documented  
3 including investments in the construction, auto-  
4 motive, telecommunications, electronics, mining,  
5 metallurgy, and petrochemical sectors of the econ-  
6 omy of Iran.

7           (19) Items procured through sectors of Iran  
8 specified in paragraph (18) have dual use applica-  
9 tions that are currently being used to create ballistic  
10 missiles in Iran and will continue to be a source of  
11 materials for the creation of future weapons.

12           (20) In order to curb future illicit activity by  
13 Iran, the Government of the United States and the  
14 international community must take action against  
15 persons that facilitate and profit from the illegal ac-  
16 quisition of ballistic missile parts and technology in  
17 support of the missile programs of Iran.

18 **SEC. 302. SENSE OF CONGRESS.**

19 It is the sense of Congress that—

20           (1) the ballistic missile program of Iran rep-  
21 resents a serious threat to allies of the United States  
22 in the Middle East and Europe, members of the  
23 Armed Forces deployed in the those regions, and ul-  
24 timately the United States;

1           (2) the testing and production by Iran of bal-  
2           listic missiles capable of carrying a nuclear device is  
3           a clear violation of United Nations Security Council  
4           Resolution 2231 (2015), which was unanimously  
5           adopted by the international community;

6           (3) Iran is using its space launch program to  
7           develop the capabilities necessary to deploy an inter-  
8           continental ballistic missile that could threaten the  
9           United States, and the Director of National Intel-  
10          ligence has assessed that Iran would use ballistic  
11          missiles as its “preferred method of delivering nu-  
12          clear weapons”; and

13          (4) the Government of the United States should  
14          impose tough primary and secondary sanctions  
15          against any sector of the economy of Iran or any  
16          Iranian person that directly or indirectly supports  
17          the ballistic missile program of Iran as well as any  
18          foreign person or financial institution that engages  
19          in transactions or trade that support that program.

20 **SEC. 303. EXPANSION OF SANCTIONS WITH RESPECT TO EF-**  
21 **FORTS BY IRAN TO ACQUIRE BALLISTIC MIS-**  
22 **SILE AND RELATED TECHNOLOGY.**

23          (a) CERTAIN PERSONS.—Section 1604(a) of the  
24 Iran-Iraq Arms Non-Proliferation Act of 1992 (Public  
25 Law 102–484; 50 U.S.C. 1701 note) is amended by insert-

1 ing “, to acquire ballistic missile or related technology,”  
 2 after “nuclear weapons”.

3 (b) FOREIGN COUNTRIES.—Section 1605(a) of the  
 4 Iran-Iraq Arms Non-Proliferation Act of 1992 (Public  
 5 Law 102–484; 50 U.S.C. 1701 note) is amended, in the  
 6 matter preceding paragraph (1), by inserting “, to acquire  
 7 ballistic missile or related technology,” after “nuclear  
 8 weapons”.

9 **SEC. 304. IMPOSITION OF SANCTIONS WITH RESPECT TO**  
 10 **BALLISTIC MISSILE PROGRAM OF IRAN.**

11 (a) IN GENERAL.—Title II of the Iran Threat Reduc-  
 12 tion and Syria Human Rights Act of 2012 (22 U.S.C.  
 13 8721 et seq.) is amended by adding at the end the fol-  
 14 lowing:

15 **“Subtitle C—Measures Relating to**  
 16 **Ballistic Missile Program of Iran**

17 **“SEC. 231. DEFINITIONS.**

18 “(a) IN GENERAL.—In this subtitle:

19 “(1) AGRICULTURAL COMMODITY.—The term  
 20 ‘agricultural commodity’ has the meaning given that  
 21 term in section 102 of the Agricultural Trade Act of  
 22 1978 (7 U.S.C. 5602).

23 “(2) APPROPRIATE COMMITTEES OF CON-  
 24 GRESS.—The term ‘appropriate committees of Con-  
 25 gress’ means—

1           “(A) the committees specified in section  
2           14(2) of the Iran Sanctions Act of 1996 (Public  
3           Law 104–172; 50 U.S.C. 1701 note); and

4           “(B) the congressional defense committees,  
5           as defined in section 101 of title 10, United  
6           States Code.

7           “(3) CORRESPONDENT ACCOUNT; PAYABLE-  
8           THROUGH ACCOUNT.—The terms ‘correspondent ac-  
9           count’ and ‘payable-through account’ have the mean-  
10          ings given those terms in section 5318A of title 31,  
11          United States Code.

12          “(4) FOREIGN FINANCIAL INSTITUTION.—The  
13          term ‘foreign financial institution’ has the meaning  
14          of that term as determined by the Secretary of the  
15          Treasury pursuant to section 104(i) of the Com-  
16          prehensive Iran Sanctions, Accountability, and Di-  
17          vestment Act of 2010 (22 U.S.C. 8513(i)).

18          “(5) GOOD.—The term ‘good’ has the meaning  
19          given that term in section 16 of the Export Adminis-  
20          tration Act of 1979 (50 U.S.C. 4618) (as continued  
21          in effect pursuant to the International Emergency  
22          Economic Powers Act (50 U.S.C. 1701 et seq.)).

23          “(6) GOVERNMENT.—The term ‘Government’,  
24          with respect to a foreign country, includes any agen-



1       cies or instrumentalities of that Government and any  
2       entities controlled by that Government.

3               “(7) MEDICAL DEVICE.—The term ‘medical de-  
4       vice’ has the meaning given the term ‘device’ in sec-  
5       tion 201 of the Federal Food, Drug, and Cosmetic  
6       Act (21 U.S.C. 321).

7               “(8) MEDICINE.—The term ‘medicine’ has the  
8       meaning given the term ‘drug’ in section 201 of the  
9       Federal Food, Drug, and Cosmetic Act (21 U.S.C.  
10       321).

11              “(b) DETERMINATIONS OF SIGNIFICANCE.—For pur-  
12       poses of this subtitle, in determining if financial trans-  
13       actions or financial services are significant, the President  
14       may consider the totality of the facts and circumstances,  
15       including factors similar to the factors set forth in section  
16       561.404 of title 31, Code of Federal Regulations (or any  
17       corresponding similar regulation or ruling).

18       **“SEC. 232. IMPOSITION OF SANCTIONS WITH RESPECT TO**  
19                               **PERSONS THAT SUPPORT THE BALLISTIC**  
20                               **MISSILE PROGRAM OF IRAN.**

21              “(a) IDENTIFICATION OF PERSONS.—

22                      “(1) IN GENERAL.—Not later than 120 days  
23       after the date of the enactment of the Iran Non-  
24       nuclear Sanctions Act of 2017, and not less fre-  
25       quently than once every 180 days thereafter, the

1 President shall, in coordination with the Secretary of  
2 Defense, the Director of National Intelligence, the  
3 Secretary of the Treasury, and the Secretary of  
4 State, submit to the appropriate committees of Con-  
5 gress a report identifying persons that have know-  
6 ingly aided the Government of Iran in the develop-  
7 ment of the ballistic missile program of Iran.

8 “(2) ELEMENTS.—Each report required by  
9 paragraph (1) shall include the following:

10 “(A) An identification of persons  
11 (disaggregated by Iranian and non-Iranian per-  
12 sons) that have knowingly aided the Govern-  
13 ment of Iran in the development of the ballistic  
14 missile program of Iran, including persons that  
15 have—

16 “(i) knowingly engaged in the direct  
17 or indirect provision of material support to  
18 such program;

19 “(ii) knowingly facilitated, supported,  
20 or engaged in activities to further the de-  
21 velopment of such program;

22 “(iii) knowingly transmitted informa-  
23 tion relating to ballistic missiles to the  
24 Government of Iran; or

1                   “(iv) otherwise knowingly aided such  
2                   program.

3                   “(B) A description of the character and  
4                   significance of the cooperation of each person  
5                   identified under subparagraph (A) with the  
6                   Government of Iran with respect to such pro-  
7                   gram.

8                   “(C) An assessment of the cooperation of  
9                   the Government of the Democratic People’s Re-  
10                  public of Korea with the Government of Iran  
11                  with respect to such program.

12                  “(3) CLASSIFIED ANNEX.—Each report re-  
13                  quired by paragraph (1) shall be submitted in un-  
14                  classified form, but may contain a classified annex.

15                  “(b) BLOCKING OF PROPERTY.—

16                  “(1) IN GENERAL.—Not later than 15 days  
17                  after submitting a report required by subsection  
18                  (a)(1), the President shall, in accordance with the  
19                  International Emergency Economic Powers Act (50  
20                  U.S.C. 1701 et seq.), block and prohibit all trans-  
21                  actions in all property and interests in property of  
22                  any person specified in such report if such property  
23                  and interests in property are in the United States,  
24                  come within the United States, or are or come with-

1 in the possession or control of a United States per-  
2 son.

3 “(2) INAPPLICABILITY OF NATIONAL EMER-  
4 GENCY REQUIREMENT.—The requirements under  
5 section 202 of the International Emergency Eco-  
6 nomic Powers Act (50 U.S.C. 1701) shall not apply  
7 for purposes of this subsection.

8 “(c) EXCLUSION FROM UNITED STATES.—

9 “(1) IN GENERAL.—Except as provided in para-  
10 graph (2), the Secretary of State shall deny a visa  
11 to, and the Secretary of Homeland Security shall ex-  
12 clude from the United States, any alien subject to  
13 blocking of property and interests in property under  
14 subsection (b).

15 “(2) COMPLIANCE WITH UNITED NATIONS  
16 HEADQUARTERS AGREEMENT.—Paragraph (1) shall  
17 not apply to the head of state of Iran, or necessary  
18 staff of that head of state, if admission to the  
19 United States is necessary to permit the United  
20 States to comply with the Agreement regarding the  
21 Headquarters of the United Nations, signed at Lake  
22 Success June 26, 1947, and entered into force No-  
23 vember 21, 1947, between the United Nations and  
24 the United States.

1       “(d) FACILITATION OF CERTAIN TRANSACTIONS.—  
2 The President shall prohibit the opening, and prohibit or  
3 impose strict conditions on the maintaining, in the United  
4 States of a correspondent account or a payable-through  
5 account by a foreign financial institution that the Presi-  
6 dent determines knowingly, on or after the date that is  
7 180 days after the date of the enactment of the Iran Non-  
8 nuclear Sanctions Act of 2017, conducts or facilitates a  
9 significant financial transaction for a person subject to  
10 blocking of property and interests in property under sub-  
11 section (b).

12 **“SEC. 233. BLOCKING OF PROPERTY OF PERSONS AFFILI-**  
13 **ATED WITH CERTAIN IRANIAN ENTITIES.**

14       “(a) BLOCKING OF PROPERTY.—

15           “(1) IN GENERAL.—The President shall, in ac-  
16 cordance with the International Emergency Eco-  
17 nomic Powers Act (50 U.S.C. 1701 et seq.), block  
18 and prohibit all transactions in all property and in-  
19 terests in property of any person described in para-  
20 graph (3) if such property and interests in property  
21 are in the United States, come within the United  
22 States, or are or come within the possession or con-  
23 trol of a United States person.

24           “(2) INAPPLICABILITY OF NATIONAL EMER-  
25 GENCY REQUIREMENT.—The requirements under

1 section 202 of the International Emergency Eco-  
2 nomic Powers Act (50 U.S.C. 1701) shall not apply  
3 for purposes of this subsection.

4 “(3) PERSONS DESCRIBED.—A person de-  
5 scribed in this paragraph is—

6 “(A) an entity that is owned, directly or  
7 indirectly, by a 25 percent or greater interest—

8 “(i) by the Aerospace Industries Or-  
9 ganization, the Shahid Hemmat Industrial  
10 Group, the Shahid Bakeri Industrial  
11 Group, or any agent or affiliate of such or-  
12 ganization or group; or

13 “(ii) collectively by a group of individ-  
14 uals that hold an interest in the Aerospace  
15 Industries Organization, the Shahid  
16 Hemmat Industrial Group, the Shahid  
17 Bakeri Industrial Group, or any agent or  
18 affiliate of such organization or group,  
19 even if none of those individuals hold a 25  
20 percent or greater interest in the entity;

21 “(B) a person that controls, manages, or  
22 directs an entity described in subparagraph (A);

23 or

1                   “(C) an individual who is on the board of  
2                   directors of an entity described in subparagraph  
3                   (A).

4                   “(b) FACILITATION OF CERTAIN TRANSACTIONS.—  
5                   The President shall prohibit the opening, and prohibit or  
6                   impose strict conditions on the maintaining, in the United  
7                   States of a correspondent account or a payable-through  
8                   account by a foreign financial institution that the Presi-  
9                   dent determines knowingly, on or after the date that is  
10                  180 days after the date of the enactment of the Iran Non-  
11                  nuclear Sanctions Act of 2017, conducts or facilitates a  
12                  significant financial transaction for a person subject to  
13                  blocking of property and interests in property under sub-  
14                  section (a).

15                  “(c) IRAN MISSILE PROLIFERATION WATCH LIST.—

16                         “(1) IN GENERAL.—Not later than 90 days  
17                         after the date of the enactment of the Iran Non-  
18                         nuclear Sanctions Act of 2017, and not less fre-  
19                         quently than annually thereafter, the Secretary of  
20                         the Treasury shall submit to the appropriate com-  
21                         mittees of Congress and publish in the Federal Reg-  
22                         ister a list of—

23                                 “(A) each entity in which the Aerospace  
24                                 Industries Organization, the Shahid Hemmat  
25                                 Industrial Group, the Shahid Bakeri Industrial

1 Group, or any agent or affiliate of such organi-  
2 zation or group has an ownership interest of  
3 more than 0 percent and less than 25 percent;

4 “(B) each entity in which the Aerospace  
5 Industries Organization, the Shahid Hemmat  
6 Industrial Group, the Shahid Bakeri Industrial  
7 Group, or any agent or affiliate of such organi-  
8 zation or group does not have an ownership in-  
9 terest but maintains a presence on the board of  
10 directors of the entity or otherwise influences  
11 the actions, policies, or personnel decisions of  
12 the entity; and

13 “(C) each person that controls, manages,  
14 or directs an entity described in subparagraph  
15 (A) or (B).

16 “(2) REFERENCE.—The list required by para-  
17 graph (1) may be referred to as the ‘Iran Missile  
18 Proliferation Watch List’.

19 “(d) COMPTROLLER GENERAL REPORT.—

20 “(1) IN GENERAL.—The Comptroller General of  
21 the United States shall—

22 “(A) conduct a review of each list required  
23 by subsection (c)(1); and

24 “(B) not later than 60 days after each  
25 such list is submitted to the appropriate com-



1           mittees of Congress under that subsection, sub-  
2           mit to the appropriate committees of Congress  
3           a report on the review conducted under sub-  
4           paragraph (A) that includes a list of persons  
5           not included in that list that qualify for inclu-  
6           sion in that list, as determined by the Comp-  
7           troller General.

8           “(2) CONSULTATIONS.—In preparing the report  
9           required by paragraph (1)(B), the Comptroller Gen-  
10          eral shall consult with nongovernmental organiza-  
11          tions.

12   **“SEC. 234. IMPOSITION OF SANCTIONS WITH RESPECT TO**  
13                   **CERTAIN PERSONS INVOLVED IN BALLISTIC**  
14                   **MISSILE ACTIVITIES.**

15          “(a) CERTIFICATION.—Not later than 120 days after  
16          the date of the enactment of the Iran Nonnuclear Sanc-  
17          tions Act of 2017, and not less frequently than once every  
18          180 days thereafter, the President shall submit to the ap-  
19          propriate committees of Congress a certification that each  
20          person listed in an annex of United Nations Security  
21          Council Resolution 1737 (2006), 1747 (2007), or 1929  
22          (2010) is not directly or indirectly facilitating, supporting,  
23          or involved with the development of or transfer to Iran  
24          of ballistic missiles or technology, parts, components, or  
25          technology information relating to ballistic missiles.

1 “(b) BLOCKING OF PROPERTY.—

2 “(1) IN GENERAL.—If the President is unable  
3 to make a certification under subsection (a) with re-  
4 spect to a person and the person is not currently  
5 subject to sanctions with respect to Iran under any  
6 other provision of law, the President shall, not later  
7 than 15 days after that certification would have been  
8 required under that subsection—

9 “(A) in accordance with the International  
10 Emergency Economic Powers Act (50 U.S.C.  
11 1701 et seq.), block and prohibit all trans-  
12 actions in all property and interests in property  
13 of that person if such property and interests in  
14 property are in the United States, come within  
15 the United States, or are or come within the  
16 possession or control of a United States person;  
17 and

18 “(B) publish in the Federal Register a re-  
19 port describing the reason why the President  
20 was unable to make a certification with respect  
21 to that person.

22 “(2) INAPPLICABILITY OF NATIONAL EMER-  
23 GENCY REQUIREMENT.—The requirements under  
24 section 202 of the International Emergency Eco-

1        nomic Powers Act (50 U.S.C. 1701) shall not apply  
2        for purposes of this subsection.

3        “(c) EXCLUSION FROM UNITED STATES.—

4                “(1) IN GENERAL.—Except as provided in para-  
5        graph (2), the Secretary of State shall deny a visa  
6        to, and the Secretary of Homeland Security shall ex-  
7        clude from the United States, any alien subject to  
8        blocking of property and interests in property under  
9        subsection (b).

10               “(2) COMPLIANCE WITH UNITED NATIONS  
11        HEADQUARTERS AGREEMENT.—Paragraph (1) shall  
12        not apply to the head of state of Iran, or necessary  
13        staff of that head of state, if admission to the  
14        United States is necessary to permit the United  
15        States to comply with the Agreement regarding the  
16        Headquarters of the United Nations, signed at Lake  
17        Success June 26, 1947, and entered into force No-  
18        vember 21, 1947, between the United Nations and  
19        the United States.

20        “(d) FACILITATION OF CERTAIN TRANSACTIONS.—

21        The President shall prohibit the opening, and prohibit or  
22        impose strict conditions on the maintaining, in the United  
23        States of a correspondent account or a payable-through  
24        account by a foreign financial institution that the Presi-  
25        dent determines knowingly, on or after the date that is

1 180 days after the date of the enactment of the Iran Non-  
2 nuclear Sanctions Act of 2017, conducts or facilitates a  
3 significant financial transaction for a person subject to  
4 blocking of property and interests in property under sub-  
5 section (b).

6 **“SEC. 235. IMPOSITION OF SANCTIONS WITH RESPECT TO**  
7 **CERTAIN SECTORS OF IRAN THAT SUPPORT**  
8 **THE BALLISTIC MISSILE PROGRAM OF IRAN.**

9 “(a) LIST OF SECTORS.—

10 “(1) IN GENERAL.—Not later than 120 days  
11 after the date of the enactment of the Iran Non-  
12 nuclear Sanctions Act of 2017, and not less fre-  
13 quently than once every 180 days thereafter, the  
14 President shall submit to the appropriate commit-  
15 tees of Congress and publish in the Federal Register  
16 a list of the sectors of the economy of Iran that are  
17 directly or indirectly facilitating, supporting, or in-  
18 volved with the development of or transfer to Iran  
19 of ballistic missiles or technology, parts, components,  
20 or technology information relating to ballistic mis-  
21 siles.

22 “(2) CERTAIN SECTORS.—

23 “(A) IN GENERAL.—Not later than 120  
24 days after the date of enactment of the Iran  
25 Nonnuclear Sanctions Act of 2017, the Presi-

1           dent shall submit to the appropriate committees  
2           of Congress a determination as to whether each  
3           of the automotive, chemical, computer science,  
4           construction, electronic, energy, metallurgy,  
5           mining, petrochemical, research (including uni-  
6           versities and research institutions), and tele-  
7           communications sectors of Iran meet the cri-  
8           teria specified in paragraph (1).

9           “(B) INCLUSION IN INITIAL LIST.—If the  
10          President determines under subparagraph (A)  
11          that the sectors of the economy of Iran speci-  
12          fied in such subparagraph meet the criteria  
13          specified in paragraph (1), that sector shall be  
14          included in the initial list submitted and pub-  
15          lished under that paragraph.

16          “(b) SANCTIONS WITH RESPECT TO SPECIFIED SEC-  
17          TORS OF IRAN.—

18           “(1) BLOCKING OF PROPERTY.—

19           “(A) IN GENERAL.—The President shall,  
20           in accordance with the International Emergency  
21           Economic Powers Act (50 U.S.C. 1701 et seq.),  
22           block and prohibit all transactions in all prop-  
23           erty and interests in property of any person de-  
24           scribed in paragraph (4) if such property and  
25           interests in property are in the United States,

1           come within the United States, or are or come  
2           within the possession or control of a United  
3           States person.

4           “(B) INAPPLICABILITY OF NATIONAL  
5           EMERGENCY REQUIREMENT.—The requirements  
6           under section 202 of the International Emer-  
7           gency Economic Powers Act (50 U.S.C. 1701)  
8           shall not apply for purposes of this paragraph.

9           “(2) EXCLUSION FROM UNITED STATES.—

10           “(A) IN GENERAL.—Except as provided in  
11           subparagraph (B), the Secretary of State shall  
12           deny a visa to, and the Secretary of Homeland  
13           Security shall exclude from the United States,  
14           any alien that is a person described in para-  
15           graph (4).

16           “(B) COMPLIANCE WITH UNITED NATIONS  
17           HEADQUARTERS AGREEMENT.—Subparagraph  
18           (A) shall not apply to the head of state of Iran,  
19           or necessary staff of that head of state, if ad-  
20           mission to the United States is necessary to  
21           permit the United States to comply with the  
22           Agreement regarding the Headquarters of the  
23           United Nations, signed at Lake Success June  
24           26, 1947, and entered into force November 21,

1           1947, between the United Nations and the  
2           United States.

3           “(3) FACILITATION OF CERTAIN TRANS-  
4           ACTIONS.—Except as provided in this section, the  
5           President shall prohibit the opening, and prohibit or  
6           impose strict conditions on the maintaining, in the  
7           United States of a correspondent account or a pay-  
8           able-through account by a foreign financial institu-  
9           tion that the President determines knowingly, on or  
10          after the date that is 180 days after the date of the  
11          enactment of the Iran Nonnuclear Sanctions Act of  
12          2017, conducts or facilitates a significant financial  
13          transaction for a person described in paragraph (4).

14          “(4) PERSONS DESCRIBED.—A person is de-  
15          scribed in this paragraph if the President determines  
16          that the person, on or after the date that is 180  
17          days after the date of the enactment of the Iran  
18          Nonnuclear Sanctions Act of 2017—

19                 “(A) operates in a sector of the economy  
20                 of Iran included in the most recent list pub-  
21                 lished by the President under subsection (a);

22                 “(B) knowingly provides significant finan-  
23                 cial, material, technological, or other support to,  
24                 or goods or services in support of, any activity

1 or transaction on behalf of or for the benefit of  
2 a person described in subparagraph (A); or

3 “(C) is owned or controlled by a person de-  
4 scribed in subparagraph (A).

5 “(c) HUMANITARIAN EXCEPTION.—The President  
6 may not impose sanctions under this section with respect  
7 to any person for conducting or facilitating a transaction  
8 for the sale of agricultural commodities, food, medicine,  
9 or medical devices to Iran or for the provision of humani-  
10 tarian assistance to the people of Iran.

11 **“SEC. 236. IDENTIFICATION OF FOREIGN PERSONS THAT**  
12 **SUPPORT THE BALLISTIC MISSILE PROGRAM**  
13 **OF IRAN IN CERTAIN SECTORS OF IRAN.**

14 “(a) IN GENERAL.—Not later than 120 days after  
15 the date of the enactment of the Iran Nonnuclear Sanc-  
16 tions Act of 2017, and not less frequently than annually  
17 thereafter, the President shall submit to the appropriate  
18 committees of Congress and publish in the Federal Reg-  
19 ister a list of all foreign persons that have, based on cred-  
20 ible information, directly or indirectly facilitated, sup-  
21 ported, or been involved with the development of ballistic  
22 missiles or technology, parts, components, or technology  
23 information related to ballistic missiles in the following  
24 sectors of the economy of Iran during the period specified  
25 in subsection (b):



1 “(1) Automotive.

2 “(2) Chemical.

3 “(3) Computer Science.

4 “(4) Construction.

5 “(5) Electronic.

6 “(6) Energy.

7 “(7) Metallurgy.

8 “(8) Mining.

9 “(9) Petrochemical.

10 “(10) Research (including universities and re-  
11 search institutions).

12 “(11) Telecommunications.

13 “(12) Any other sector of the economy of Iran  
14 identified under section 235(a).

15 “(b) PERIOD SPECIFIED.—The period specified in  
16 this subsection is—

17 “(1) with respect to the first list submitted  
18 under subsection (a), the period beginning on the  
19 date of the enactment of the Iran Nonnuclear Sanc-  
20 tions Act of 2017 and ending on the date that is  
21 120 days after such date of enactment; and

22 “(2) with respect to each subsequent list sub-  
23 mitted under such subsection, the 1-year period pre-  
24 ceding the submission of the list.

25 “(c) COMPTROLLER GENERAL REPORT.—

1           “(1) IN GENERAL.—With respect to each list  
2 submitted under subsection (a), not later than 120  
3 days after the list is submitted under that sub-  
4 section, the Comptroller General of the United  
5 States shall submit to the appropriate committees of  
6 Congress—

7           “(A) an assessment of the processes fol-  
8 lowed by the President in preparing the list;

9           “(B) an assessment of the foreign persons  
10 included in the list; and

11           “(C) a list of persons not included in the  
12 list that qualify for inclusion in the list, as de-  
13 termined by the Comptroller General.

14           “(2) CONSULTATIONS.—In preparing the report  
15 required by paragraph (1), the Comptroller General  
16 shall consult with nongovernmental organizations.

17           “(d) CREDIBLE INFORMATION DEFINED.—In this  
18 section, the term ‘credible information’ has the meaning  
19 given that term in section 14 of the Iran Sanctions Act  
20 of 1996 (Public Law 104–172; 50 U.S.C. 1701 note).”.

21           (b) CLERICAL AMENDMENT.—The table of contents  
22 for the Iran Threat Reduction and Syria Human Rights  
23 Act of 2012 is amended by inserting after the item relat-  
24 ing to section 224 the following:

“Subtitle C—Measures Relating to Ballistic Missile Program of Iran

“Sec. 231. Definitions.

“Sec. 232. Imposition of sanctions with respect to persons that support the ballistic missile program of Iran.

“Sec. 233. Blocking of property of persons affiliated with certain Iranian entities.

“Sec. 234. Imposition of sanctions with respect to certain persons involved in ballistic missile activities.

“Sec. 235. Imposition of sanctions with respect to certain sectors of Iran that support the ballistic missile program of Iran.

“Sec. 236. Identification of foreign persons that support the ballistic missile program of Iran in certain sectors of Iran.”.

1 **SEC. 305. EXPANSION OF MANDATORY SANCTIONS WITH**  
 2 **RESPECT TO FINANCIAL INSTITUTIONS THAT**  
 3 **ENGAGE IN CERTAIN TRANSACTIONS RELAT-**  
 4 **ING TO BALLISTIC MISSILE CAPABILITIES OF**  
 5 **IRAN.**

6 Section 104 of the Comprehensive Iran Sanctions,  
 7 Accountability, and Divestment Act of 2010 (22 U.S.C.  
 8 8513) is amended—

9 (1) in subsection (c)(2)—

10 (A) in subparagraph (A)—

11 (i) in clause (i), by striking “; or” and  
 12 inserting a semicolon;

13 (ii) by redesignating clause (ii) as  
 14 clause (iii); and

15 (iii) by inserting after clause (i) the  
 16 following:

17 “(ii) to acquire or develop ballistic  
 18 missiles and capabilities and launch tech-  
 19 nology relating to ballistic missiles; or”;  
 20 and

- 1 (B) in subparagraph (E)(ii)—
- 2 (i) in subclause (I), by striking “; or”
- 3 and inserting a semicolon;
- 4 (ii) by redesignating subclause (II) as
- 5 subclause (III); and
- 6 (iii) by inserting after subclause (I)
- 7 the following:
- 8 “(II) Iran’s development of bal-
- 9 listic missiles and capabilities and
- 10 launch technology relating to ballistic
- 11 missiles; or”; and
- 12 (2) in subsection (f)—
- 13 (A) by redesignating paragraphs (1) and
- 14 (2) as subparagraphs (A) and (B), respectively,
- 15 and moving those subparagraphs, as so redesign-
- 16 ated, two ems to the right;
- 17 (B) by striking “WAIVER.—The” and in-
- 18 serting “WAIVER.—
- 19 “(1) IN GENERAL.—Except as provided in para-
- 20 graph (2), the”; and
- 21 (C) by adding at the end the following:
- 22 “(2) EXCEPTION.—The Secretary of the Treas-
- 23 ury may not waive under paragraph (1) the applica-
- 24 tion of a prohibition or condition imposed with re-

1 spect to an activity described in subparagraph  
2 (A)(ii) or (E)(ii)(II) of subsection (c)(2).”.

3 **SEC. 306. DISCLOSURE TO THE SECURITIES AND EX-**  
4 **CHANGE COMMISSION OF ACTIVITIES WITH**  
5 **CERTAIN SECTORS OF IRAN THAT SUPPORT**  
6 **THE BALLISTIC MISSILE PROGRAM OF IRAN.**

7 (a) IN GENERAL.—Section 13(r)(1) of the Securities  
8 Exchange Act of 1934 (15 U.S.C. 78m(r)(1)) is amend-  
9 ed—

10 (1) in subparagraph (C), by striking “; or” and  
11 inserting a semicolon;

12 (2) by redesignating subparagraph (D) as sub-  
13 paragraph (E); and

14 (3) by inserting after subparagraph (C) the fol-  
15 lowing:

16 “(D) knowingly engaged in any activity for  
17 which sanctions may be imposed under section  
18 235 of the Iran Threat Reduction and Syria  
19 Human Rights Act of 2012;”.

20 (b) INVESTIGATIONS.—Section 13(r)(5)(A) of the Se-  
21 curities Exchange Act of 1934 is amended by striking “an  
22 Executive order specified in clause (i) or (ii) of paragraph  
23 (1)(D)” and inserting “section 235 of the Iran Threat Re-  
24 duction and Syria Human Rights Act of 2012, an Execu-

1 tive order specified in clause (i) or (ii) of paragraph  
2 (1)(E)”.

3 (c) CONFORMING AMENDMENT.—Section 13(r)(5) of  
4 the Securities Exchange Act of 1934 is amended, in the  
5 matter preceding subparagraph (A), by striking “subpara-  
6 graph (D)(iii)” and inserting “subparagraph (E)(iii)”.

7 (d) EFFECTIVE DATE.—The amendments made by  
8 this section shall take effect with respect to reports re-  
9 quired to be filed with the Securities and Exchange Com-  
10 mission after the date that is 180 days after the date of  
11 the enactment of this Act.

12 **SEC. 307. REGULATIONS.**

13 Not later than 90 days after the date of the enact-  
14 ment of this Act, the President shall prescribe regulations  
15 to carry out this title and the amendments made by this  
16 title.

17 **TITLE IV—SANCTIONS WITH RE-**  
18 **SPECT TO CERTAIN IRANIAN**  
19 **TRANSACTIONS**

20 **Subtitle A—Sanctions Relating to**  
21 **Iran’s Support of Terrorism**

22 **SEC. 401. FINDINGS.**

23 Congress makes the following findings:

24 (1) The Financial Action Task Force, an inter-  
25 governmental body the purpose of which is to de-

1       velop and promote national and international policies  
2       to combat money laundering and terrorist financ-  
3       ing—

4               (A) has noted it is concerned about Iran’s  
5       failure to address the risk of terrorist financing  
6       and serious threat that failure poses to the in-  
7       tegrity of the international financial system;

8               (B) since February 25, 2009, has called on  
9       its members and urged all jurisdictions to apply  
10      countermeasures against Iran to protect finan-  
11      cial sectors from money laundering and financ-  
12      ing of terrorism risks emanating from Iran; and

13              (C) states that it “urges jurisdictions to  
14      protect against correspondent relationships  
15      being used to bypass or evade countermeasures  
16      and risk mitigation practices and to take into  
17      account [money laundering and terrorist financ-  
18      ing (ML/FT)] risks when considering requests  
19      by Iranian financial institutions to open  
20      branches and subsidiaries in their jurisdiction.  
21      Due to the continuing terrorist financing threat  
22      emanating from Iran, jurisdictions should con-  
23      sider the steps already taken and possible addi-  
24      tional safeguards or strengthen existing ones.”.

1           (2) The Financial Action Task Force renewed  
2 its call for countermeasures on February 19, 2016,  
3 and called on Iran to address its deficiencies with re-  
4 spect to measures countering money laundering and  
5 terrorist financing.

6           (3) The Financial Crimes Enforcement Net-  
7 work of the Department of the Treasury on Novem-  
8 ber 25, 2011, issued a notice of finding that Iran is  
9 a jurisdiction of primary money laundering concern  
10 pursuant to section 5318A of title 31, United States  
11 Code.

12           (4) The Financial Crimes Enforcement Net-  
13 work on November 28, 2011, issued a notice of pro-  
14 posed rulemaking that stated the intent to impose  
15 special measures against Iran under that section.

16           (5) Section 1245 of the National Defense Au-  
17 thorization Act for Fiscal Year 2012 (22 U.S.C.  
18 8513a) designated the financial sector of Iran as a  
19 primary money laundering concern, but did not im-  
20 pose special measures pursuant to that designation.



1 **SEC. 402. SPECIAL MEASURES WITH RESPECT TO IRAN RE-**  
2 **LATING TO ITS DESIGNATION AS A JURISDIC-**  
3 **TION OF PRIMARY MONEY LAUNDERING CON-**  
4 **CERN.**

5 (a) PROHIBITION ON DIRECT USE OF COR-  
6 RESPONDENT ACCOUNTS.—A covered financial institution  
7 shall terminate any correspondent account that—

8 (1) is established, maintained, administered, or  
9 managed in the United States for, or on behalf of,  
10 an Iranian banking institution; and

11 (2) is not blocked under any Executive order  
12 issued pursuant to the International Emergency  
13 Economic Powers Act (50 U.S.C. 1701 et seq.).

14 (b) SPECIAL DUE DILIGENCE MEASURES FOR COR-  
15 RESPONDENT ACCOUNTS.—

16 (1) IN GENERAL.—A covered financial institu-  
17 tion shall apply special due diligence measures to  
18 correspondent accounts of the financial institution  
19 that are reasonably designed to guard against the  
20 improper indirect use of such accounts by Iranian  
21 banking institutions.

22 (2) REQUIREMENTS.—The special due diligence  
23 measures a covered financial institution is required  
24 to apply to correspondent accounts under paragraph  
25 (1) shall include, at a minimum—

1 (A) notifying the holders of such accounts  
2 that the covered financial institution knows or  
3 has reason to know provide services to Iranian  
4 banking institutions, that such holders generally  
5 may not provide Iranian banking institutions  
6 with access to such accounts; and

7 (B) taking reasonable steps to identify any  
8 indirect use of such accounts by Iranian bank-  
9 ing institutions, to the extent that such indirect  
10 use can be determined from transactional  
11 records maintained by the covered financial in-  
12 stitution in the normal course of business.

13 (3) RISK-BASED APPROACH.—A covered finan-  
14 cial institution shall take a risk-based approach  
15 when deciding what, if any, other due diligence  
16 measures the financial institution should adopt to  
17 guard against the improper indirect use of its cor-  
18 respondent accounts by Iranian banking institutions.

19 (4) RESPONSE TO INDIRECT ACCESS BY IRA-  
20 NIAN BANKING INSTITUTIONS.—A covered financial  
21 institution that obtains credible information that a  
22 correspondent account is being used by a foreign  
23 bank to provide indirect access to an Iranian bank-  
24 ing institution, shall—

1 (A) take all appropriate steps to prevent  
2 such indirect access, including notifying the  
3 holder of the account under paragraph (2)(A);  
4 and

5 (B) if necessary, terminate the account.

6 (c) RECORDKEEPING AND REPORTING.—

7 (1) IN GENERAL.—A covered financial institu-  
8 tion shall document its compliance with the notice  
9 requirement set forth in subsection (b)(2)(A).

10 (2) RULE OF CONSTRUCTION.—Nothing in this  
11 section shall require a covered financial institution  
12 to report any information not otherwise required to  
13 be reported by law or regulation.

14 (d) TERMINATION.—This section shall terminate on  
15 the date that is 30 days after the date on which the Presi-  
16 dent submits to Congress—

17 (1) the certification described in section 401(a)  
18 of the Comprehensive Iran Sanctions, Account-  
19 ability, and Divestment Act of 2010 (22 U.S.C.  
20 8551(a)); and

21 (2) a certification that the Financial Action  
22 Task Force has lifted its call for countermeasures  
23 against Iran and Iran has become a member of a re-  
24 gional body of the Financial Action Task Force.

25 (e) DEFINITIONS.—In this section:

1           (1) CORRESPONDENT ACCOUNT.—The term  
2 “correspondent account” has the meaning given that  
3 term in section 1010.605 of title 31, Code of Fed-  
4 eral Regulations (as in effect on the day before the  
5 date of the enactment of this Act).

6           (2) COVERED FINANCIAL INSTITUTION.—The  
7 term “covered financial institution” has the meaning  
8 given that term under paragraphs (1) and (2) of  
9 section 1010.605(e) of title 31, Code of Federal  
10 Regulations (as in effect on the day before the date  
11 of the enactment of this Act).

12           (3) FOREIGN BANK.—The term “foreign bank”  
13 has the meaning given that term in section  
14 1010.100(u) of title 31, Code of Federal Regulations  
15 (as in effect on the day before the date of the enact-  
16 ment of this Act).

17           (4) IRANIAN BANKING INSTITUTION.—The term  
18 “Iranian banking institution” means—

19                   (A) any foreign bank chartered by Iran, in-  
20 cluding—

21                           (i) any branches, offices, or subsidi-  
22 aries of such a bank operating in any juris-  
23 diction; and

24                           (ii) any branch or office within Iran of  
25 any foreign bank licensed by Iran;

1 (B) the Central Bank of Iran; and

2 (C) any foreign bank of which more than  
3 50 percent of the voting stock or analogous in-  
4 terest is owned by two or more foreign banks  
5 chartered by Iran.

6 **Subtitle B—Prohibition on and**  
7 **Other Sanctions Relating to**  
8 **Transactions With Iran**

9 **SEC. 411. PROHIBITION ON FACILITATION OF CERTAIN**  
10 **TRANSACTIONS INVOLVING THE GOVERN-**  
11 **MENT OF IRAN OR IRANIAN PERSONS.**

12 (a) IN GENERAL.—The President shall not issue any  
13 license under the International Emergency Economic Pow-  
14 ers Act (50 U.S.C. 1701 et seq.) that permits a person—

15 (1) to conduct an offshore United States dollar  
16 clearing system for transactions involving the Gov-  
17 ernment of Iran or an Iranian person; or

18 (2) to provide United States dollars for any off-  
19 shore United States dollar clearing system conducted  
20 or overseen by a foreign government or a foreign fi-  
21 nancial institution for transactions involving the  
22 Government of Iran or an Iranian person.

23 (b) FOREIGN FINANCIAL INSTITUTION DEFINED.—  
24 In this section, the term “foreign financial institution” has  
25 the meaning of that term as determined by the Secretary

1 of the Treasury pursuant to section 104(i) of the Com-  
2 prehensive Iran Sanctions, Accountability, and Divestment  
3 Act of 2010 (22 U.S.C. 8513(i)).

4 **SEC. 412. REPORTS ON, AND AUTHORIZATION OF IMPOSI-**  
5 **TION OF SANCTIONS WITH RESPECT TO, OFF-**  
6 **SHORE UNITED STATES DOLLAR CLEARING**  
7 **FOR TRANSACTIONS INVOLVING THE GOV-**  
8 **ERNMENT OF IRAN OR IRANIAN PERSONS.**

9 (a) REPORTS REQUIRED.—

10 (1) IN GENERAL.—Not later than 60 days after  
11 the date of the enactment of this Act, and not less  
12 frequently than once every 90 days thereafter, the  
13 Secretary of the Treasury shall submit to the appro-  
14 priate congressional committees and publish in the  
15 Federal Register a report that contains—

16 (A) a list of any financial institutions that  
17 the Secretary has identified as—

18 (i) operating an offshore United  
19 States dollar clearing system that conducts  
20 transactions involving the Government of  
21 Iran or an Iranian person; or

22 (ii) participating in a transaction de-  
23 scribed in clause (i) through a system de-  
24 scribed in that clause; and

1 (B) a detailed assessment of the status of  
2 efforts by the Secretary to prevent the conduct  
3 of transactions described in subparagraph  
4 (A)(i) through systems described in that sub-  
5 paragraph.

6 (2) FORM OF REPORT.—Each report submitted  
7 under paragraph (1) shall be submitted in unclassi-  
8 fied form but may contain a classified annex.

9 (b) IMPOSITION OF SANCTIONS.—

10 (1) IN GENERAL.—The President shall, in ac-  
11 cordance with the International Emergency Eco-  
12 nomic Powers Act (50 U.S.C. 1701 et seq.), block  
13 and prohibit all transactions in all property and in-  
14 terests in property of any financial institution speci-  
15 fied in the most recent list submitted under sub-  
16 section (a)(1)(A) if such property and interests in  
17 property are in the United States, come within the  
18 United States, or are or come within the possession  
19 or control of a United States person.

20 (2) ADDITIONAL SANCTIONS.—The President  
21 may impose additional sanctions under the Inter-  
22 national Emergency Economic Powers Act (50  
23 U.S.C. 1701 et seq.) with respect to a financial in-  
24 stitution that is subject to sanctions under para-  
25 graph (1).

1           (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-  
2 FINED.—In this section, the term “appropriate congres-  
3 sional committees” has the meaning given that term in  
4 section 14 of the Iran Sanctions Act of 1996 (Public Law  
5 104–172; 50 U.S.C. 1701 note).

6 **SEC. 413. CLARIFICATION THAT FREEZING OF ASSETS OF**  
7                   **IRANIAN FINANCIAL INSTITUTIONS IN-**  
8                   **CLUDES ASSETS IN POSSESSION OR CON-**  
9                   **TROL OF A UNITED STATES PERSON PURSU-**  
10                  **ANT TO A U-TURN TRANSACTION.**

11           Section 1245(e) of the National Defense Authoriza-  
12 tion Act for Fiscal Year 2012 (22 U.S.C. 8513a(e)) is  
13 amended—

14           (1) by striking “The President” and inserting  
15           “(1) IN GENERAL.—The President”; and

16           (2) by adding at the end the following:

17           “(2) TREATMENT OF CERTAIN TRANS-  
18 ACTIONS.—

19           “(A) U-TURN TRANSACTIONS.—Property  
20 that comes within the possession or control of  
21 a United States person pursuant to a transfer  
22 of funds that arises from, and is ordinarily inci-  
23 dent and necessary to give effect to, an under-  
24 lying transaction shall be considered to come



1 within the possession or control of that person  
2 for purposes of paragraph (1).

3 “(B) BOOK TRANSFERS.—A transfer of  
4 funds or other property for the benefit of an  
5 Iranian financial institution that is made be-  
6 tween accounts of the same financial institution  
7 shall be considered property or interests in  
8 property of that Iranian financial institution for  
9 purposes of paragraph (1) even if that Iranian  
10 financial institution is not the direct recipient  
11 of the transfer.”.

## 12 **TITLE V—MISCELLANEOUS**

### 13 **SEC. 501. MODIFICATION OF REQUIREMENTS RELATING TO** 14 **STATE SPONSORS OF TERRORISM.**

15 (a) REQUIREMENT TO COMPLY WITH ALL PROVI-  
16 SIONS OF LAW RELATING TO STATE SPONSORS OF TER-  
17 RORISM.—In making a determination to rescind the des-  
18 ignation of a country as a state sponsor of terrorism, the  
19 President shall comply with all requirements under this  
20 Act, section 620A of the Foreign Assistance Act of 1961  
21 (22 U.S.C. 2371), section 40 of the Arms Export Control  
22 Act (22 U.S.C. 2780), section 6(j) of the Export Adminis-  
23 tration Act of 1979 (50 U.S.C. 4605(j)) (as in effect pur-  
24 suant to the International Emergency Economic Powers  
25 Act (50 U.S.C. 1701 et seq.)), and any other provision

1 of law relating to countries the governments of which pro-  
2 vide support for acts of international terrorism, with re-  
3 spect to the rescission.

4 (b) ADDITIONAL REQUIREMENTS FOR REMOVAL.—

5 (1) IN GENERAL.—Not later than 15 days be-  
6 fore the President submits to Congress a report  
7 under section 620A(c) of the Foreign Assistance Act  
8 of 1961 (22 U.S.C. 2371(c)), section 40(f) of the  
9 Arms Export Control Act (22 U.S.C. 2780(f)), or  
10 section 6(j) of the Export Administration Act of  
11 1979 (50 U.S.C. 4605(j)) (as in effect pursuant to  
12 the International Emergency Economic Powers Act  
13 (50 U.S.C. 1701 et seq.)) relating to the rescission  
14 of the designation of a country as a state sponsor  
15 of terrorism, the President shall submit to the  
16 Speaker of the House of Representatives, the minor-  
17 ity leader of the House, the majority leader of the  
18 Senate, the minority leader of the Senate, and the  
19 appropriate congressional committees a report certi-  
20 fying that—

21 (A) the government of the country does  
22 not provide safe haven or assistance of any kind  
23 to terrorists or other violent fugitives from  
24 other countries;

1           (B) the Secretary of State and the Direc-  
2           tor of National Intelligence agree that the gov-  
3           ernment of the country has ceased all support,  
4           directly or indirectly, to any terrorist or ter-  
5           rorist organization, including public statements  
6           of support for any such terrorist or terrorist or-  
7           ganization during the 36-month period imme-  
8           diately preceding the submission of the report;

9           (C) the government of the country has not  
10          provided direct or indirect support to another  
11          country on the state sponsor of terrorism list  
12          during that 36-month period;

13          (D) the government of the country has not  
14          unjustly detained during that 36-month period,  
15          and is not unjustly detaining on the date of the  
16          report, United States citizens, including dual  
17          citizens; and

18          (E) there has been a fundamental change  
19          in the leadership and policies of the government  
20          of the country.

21          (2) FORM OF REPORT.—Each report described  
22          in paragraph (1) shall be submitted in unclassified  
23          form, but may include a classified annex if nec-  
24          essary.

1 (c) EXTENDED PERIOD BEFORE REMOVAL FROM  
2 LIST TAKES EFFECT.—

3 (1) FOREIGN ASSISTANCE ACT OF 1961.—Sec-  
4 tion 620A(c)(2) of the Foreign Assistance Act of  
5 1961 (22 U.S.C. 2371(c)(2)) is amended in the mat-  
6 ter preceding subparagraph (A) by striking “45  
7 days” and inserting “180 days”.

8 (2) ARMS EXPORT CONTROL ACT.—Section  
9 40(f)(1)(B) of the Arms Export Control Act (22  
10 U.S.C. 2780(f)(1)(B)) is amended in the matter pre-  
11 ceding clause (i) by striking “45 days” and inserting  
12 “180 days”.

13 (3) EXPORT ADMINISTRATION ACT OF 1979.—  
14 Section 6(j)(4)(B) of the Export Administration Act  
15 of 1979 (50 U.S.C. 4605(j)(4)(B)) (as in effect pur-  
16 suant to the International Emergency Economic  
17 Powers Act (50 U.S.C. 1701 et seq.)) shall be ap-  
18 plied and administered by substituting “180 days”  
19 for “45 days”.

20 (d) RESOLUTION OF DISAPPROVAL.—

21 (1) IN GENERAL.—The rescission of the des-  
22 ignation of a country as a state sponsor of terrorism  
23 shall not become effective if, during the 180-day pe-  
24 riod following the submission of a report under sec-  
25 tion 620A(e) of the Foreign Assistance Act of 1961

1 (22 U.S.C. 2371(c)), section 40(f) of the Arms Ex-  
2 port Control Act (22 U.S.C. 2780(f)), or section 6(j)  
3 of the Export Administration Act of 1979 (50  
4 U.S.C. 4605(j)) (as in effect pursuant to the Inter-  
5 national Emergency Economic Powers Act (50  
6 U.S.C. 1701 et seq.)) relating to the rescission, Con-  
7 gress enacts a joint resolution stating in substance  
8 that the Congress disapproves the rescission.

9 (2) PROCEDURES IN THE SENATE.—Any joint  
10 resolution described paragraph (1) shall be consid-  
11 ered in the Senate under the procedures set forth in  
12 section 601 of the International Security Assistance  
13 and Arms Export Control Act of 1976 (Public Law  
14 94–329; 90 Stat. 765) for consideration of joint res-  
15 olutions.

16 (3) RULES OF SENATE.—Paragraph (2) is en-  
17 acted by Congress—

18 (A) as an exercise of the rulemaking power  
19 of the Senate and as such is deemed a part of  
20 the rules of the Senate, but applicable only with  
21 the respect to the procedure to be followed in  
22 the Senate in the case of a joint resolution de-  
23 scribed in paragraph (1), and supersedes other  
24 rules only to the extent that it is inconsistent  
25 with such rules; and

1 (B) with full recognition of the constitu-  
2 tional right of the Senate to change the rules  
3 at any time, in the same manner and to the  
4 same extent as in the case of any other rule of  
5 the Senate.

6 (e) REDESIGNATION OF COUNTRIES PREVIOUSLY  
7 DESIGNATED AS STATE SPONSORS OF TERRORISM.—  
8 During the 5-year period beginning on the date on which  
9 the designation of the country as a state sponsor of ter-  
10 rorism is rescinded, the President shall redesignate the  
11 country as a state sponsor of terrorism upon the assess-  
12 ment of the Director of National Intelligence that the gov-  
13 ernment of the country has—

14 (1) directly or indirectly supported acts of inter-  
15 national terrorism;

16 (2) given direct or indirect support to a ter-  
17 rorist or terrorist organization, including providing  
18 safe haven or assistance to a terrorist or terrorist  
19 organization;

20 (3) given direct or indirect support to another  
21 country designated as a state sponsor of terrorism;  
22 or

23 (4) provided direct or indirect support, training,  
24 materials, or advice on nuclear, biological, or chem-

1 ical weapons or ballistic missile programs to another  
2 country designated as a state sponsor of terrorism.

3 (f) REPORT.—

4 (1) IN GENERAL.—The Director of National In-  
5 telligence assessment referred to in subsection (e)  
6 shall be submitted in a report to the President and  
7 the appropriate congressional committees.

8 (2) FORM OF REPORT.—The report required by  
9 paragraph (1) shall be submitted in unclassified  
10 form, but may include a classified annex if nec-  
11 essary.

12 (g) DEFINITIONS.—In this section:

13 (1) APPROPRIATE CONGRESSIONAL COMMIT-  
14 TEES DEFINED.—The term “appropriate congres-  
15 sional committees” means—

16 (A) the committees specified in section  
17 14(2) of the Iran Sanctions Act of 1996 (Public  
18 Law 104–172; 50 U.S.C. 1701 note);

19 (B) the Committee on Armed Services and  
20 the Select Committee on Intelligence of the  
21 Senate; and

22 (C) the Committee on Armed Services and  
23 the Permanent Select Committee on Intelligence  
24 of the House of Representatives.

1           (2) STATE SPONSOR OF TERRORISM.—The term  
2           “state sponsor of terrorism” means any foreign  
3           country if the Secretary of State has determined  
4           that the government of the country has repeatedly  
5           provided support for acts of international terrorism  
6           pursuant to—

7                   (A) section 6(j)(1)(A) of the Export Ad-  
8                   ministration Act of 1979 (50 U.S.C.  
9                   4605(j)(1)(A)) (as in effect pursuant to the  
10                   International Emergency Economic Powers Act  
11                   (50 U.S.C. 1701 et seq.);

12                   (B) section 40(d) of the Arms Export Con-  
13                   trol Act (22 U.S.C. 2780(d));

14                   (C) section 620A(a) of the Foreign Assist-  
15                   ance Act of 1961 (22 U.S.C. 2371(a)); or

16                   (D) any other provision of law.

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