

114TH CONGRESS
2D SESSION

S. 2725

To impose sanctions with respect to the ballistic missile program of Iran,
and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 17, 2016

Ms. AYOTTE (for herself, Mr. RUBIO, Mr. KIRK, Mr. GRAHAM, Mr. McCONNELL, Mr. CORNYN, Mr. GARDNER, Mr. RISCH, Mrs. ERNST, Mr. PORTMAN, Ms. MURKOWSKI, and Mr. CRUZ) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To impose sanctions with respect to the ballistic missile
program of Iran, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Iran Ballistic Missile
5 Sanctions Act of 2016”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) On April 2, 2015, President Barack Obama
9 said, “Other American sanctions on Iran for its sup-

1 port of terrorism, its human rights abuses, its bal-
2 listic missile program, will continue to be fully en-
3 forced.”.

4 (2) On July 7, 2015, General Martin Dempsey,
5 then-Chairman of the Joint Chiefs of Staff, said,
6 “Under no circumstances should we relieve the pres-
7 sure on Iran relative to ballistic missile capabili-
8 ties.”.

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

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

20 (5) On October 14, 2015, Samantha Power,
21 United States Ambassador to the United Nations,
22 said, “One of the really important features in imple-
23 mentation of the recent Iran deal to dismantle Iran’s
24 nuclear program is going to have to be enforcement

1 of the resolutions and the standards that remain on
2 the books.”.

3 (6) On December 11, 2015, the United Nations
4 Panel of Experts concluded that the missile launch
5 on October 10, 2015, “was a violation by Iran of
6 paragraph 9 of Security Council resolution 1929
7 (2010)”.

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

20 (8) On February 9, 2016, James Clapper, Di-
21 rector of National Intelligence, testified that, “We
22 judge that Tehran would choose ballistic missiles as
23 its preferred method of delivering nuclear weapons,
24 if it builds them. Iran’s ballistic missiles are inher-
25 ently capable of delivering WMD, and Tehran al-

1 ready has the largest inventory of ballistic missiles
2 in the Middle East. Iran’s progress on space launch
3 vehicles—along with its desire to deter the United
4 States and its allies—provides Tehran with the
5 means and motivation to develop longer-range mis-
6 siles, including ICBMs.”.

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

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

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

22 (12) Iran has demonstrated the ability to
23 launch multiple rockets from fortified underground
24 facilities and mobile launch sites not previously
25 known.

1 (13) The ongoing procurement by Iran of tech-
2 nologies needed to boost the range, accuracy, and
3 payloads of its diverse ballistic missile arsenal rep-
4 resents a threat to deployed personnel of the United
5 States and allies of the United States in Europe and
6 the Middle East, including Israel.

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

15 (15) Through recent ballistic missile launch
16 tests the Government of Iran has shown blatant dis-
17 regard for international laws and its intention to
18 continue tests of that nature throughout the imple-
19 mentation of the Joint Comprehensive Plan of Ac-
20 tion.

21 (16) The banking sector of Iran has facilitated
22 the financing of the ballistic missile programs in
23 Iran and evidence has not been provided that enti-
24 ties in that sector have ceased facilitating the financ-
25 ing of those programs.

1 (17) Iran has been able to amass a large arse-
2 nal of ballistic missiles through its illicit smuggling
3 networks and domestic manufacturing capabilities
4 that have been supported and maintained by Iran's
5 Revolutionary Guard Corps and specific sectors of
6 the economy of Iran.

7 (18) Penetration by Iran's Revolutionary Guard
8 Corps into the economy of Iran is well documented
9 including investments in the construction, auto-
10 motive, telecommunications, electronics, mining,
11 metallurgy, and petrochemical sectors of the econ-
12 omy of Iran.

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

18 (20) In order to curb future illicit activity by
19 Iran, the Government of the United States and the
20 international community must take action against
21 persons that facilitate and profit from the illegal ac-
22 quisition of ballistic missile parts and technology in
23 support of the missile programs of Iran.

24 **SEC. 3. SENSE OF CONGRESS.**

25 It is the sense of Congress that—

1 (1) the ballistic missile program of Iran rep-
2 resents a serious threat to allies of the United States
3 in the Middle East and Europe, members of the
4 Armed Forces deployed in the those regions, and ul-
5 timately the United States;

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

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

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

1 **SEC. 4. EXPANSION OF SANCTIONS WITH RESPECT TO EF-**
2 **FORTS BY IRAN TO ACQUIRE BALLISTIC MIS-**
3 **SILE AND RELATED TECHNOLOGY.**

4 (a) CERTAIN PERSONS.—Section 1604(a) of the
5 Iran-Iraq Arms Non-Proliferation Act of 1992 (Public
6 Law 102–484; 50 U.S.C. 1701 note) is amended, in the
7 matter preceding paragraph (1), by inserting “, to acquire
8 ballistic missile or related technology,” after “nuclear
9 weapons”.

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

16 **SEC. 5. EXTENSION OF IRAN SANCTIONS ACT OF 1996 AND**
17 **EXPANSION OF SANCTIONS WITH RESPECT**
18 **TO PERSONS THAT ACQUIRE OR DEVELOP**
19 **BALLISTIC MISSILES.**

20 (a) EXPANSION OF MANDATORY SANCTIONS.—Sec-
21 tion 5(b)(1)(B) of the Iran Sanctions Act of 1996 (Public
22 Law 104–172; 50 U.S.C. 1701 note) is amended—

23 (1) in clause (i), by striking “would likely” and
24 inserting “may”; and

25 (2) in clause (ii)—

1 (A) in subclause (I), by striking “; or” and
2 inserting a semicolon;

3 (B) by redesignating subclause (II) as sub-
4 clause (III); and

5 (C) by inserting after subclause (I) the fol-
6 lowing:

7 “(II) acquire or develop ballistic
8 missiles and the capability to launch
9 ballistic missiles; or”.

10 (b) EXTENSION OF IRAN SANCTIONS ACT OF 1996.—
11 Section 13(b) of the Iran Sanctions Act of 1996 (Public
12 Law 104–172; 50 U.S.C. 1701 note) is amended by strik-
13 ing “December 31, 2016” and inserting “December 31,
14 2031”.

15 **SEC. 6. IMPOSITION OF SANCTIONS WITH RESPECT TO BAL-**
16 **LISTIC MISSILE PROGRAM OF IRAN.**

17 (a) IN GENERAL.—Title II of the Iran Threat Reduc-
18 tion and Syria Human Rights Act of 2012 (22 U.S.C.
19 8721 et seq.) is amended by adding at the end the fol-
20 lowing:

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

23 **“SEC. 231. DEFINITIONS.**

24 “(a) IN GENERAL.—In this subtitle:

1 “(1) AGRICULTURAL COMMODITY.—The term
2 ‘agricultural commodity’ has the meaning given that
3 term in section 102 of the Agricultural Trade Act of
4 1978 (7 U.S.C. 5602).

5 “(2) APPROPRIATE COMMITTEES OF CON-
6 GRESS.—The term ‘appropriate committees of Con-
7 gress’ means—

8 “(A) the committees specified in section
9 14(2) of the Iran Sanctions Act of 1996 (Public
10 Law 104–172; 50 U.S.C. 1701 note); and

11 “(B) the congressional defense committees,
12 as defined in section 101 of title 10, United
13 States Code.

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

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

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

6 “(6) GOVERNMENT.—The term ‘Government’,
7 with respect to a foreign country, includes any agen-
8 cies or instrumentalities of that Government and any
9 entities controlled by that Government.

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

14 “(8) MEDICINE.—The term ‘medicine’ has the
15 meaning given the term ‘drug’ in section 201 of the
16 Federal Food, Drug, and Cosmetic Act (21 U.S.C.
17 321).

18 “(b) DETERMINATIONS OF SIGNIFICANCE.—For pur-
19 poses of this subtitle, in determining if financial trans-
20 actions or financial services are significant, the President
21 may consider the totality of the facts and circumstances,
22 including factors similar to the factors set forth in section
23 561.404 of title 31, Code of Federal Regulations (or any
24 corresponding similar regulation or ruling).

1 **“SEC. 232. IMPOSITION OF SANCTIONS WITH RESPECT TO**
2 **PERSONS THAT SUPPORT THE BALLISTIC**
3 **MISSILE PROGRAM OF IRAN.**

4 “(a) IDENTIFICATION OF PERSONS.—

5 “(1) IN GENERAL.—Not later than 120 days
6 after the date of the enactment of the Iran Ballistic
7 Missile Sanctions Act of 2016, and not less fre-
8 quently than once every 180 days thereafter, the
9 President shall, in coordination with the Secretary of
10 Defense, the Director of National Intelligence, the
11 Secretary of the Treasury, and the Secretary of
12 State, submit to the appropriate committees of Con-
13 gress a report identifying persons that have know-
14 ingly aided the Government of Iran in the develop-
15 ment of the ballistic missile program of Iran.

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

18 “(A) An identification of persons
19 (disaggregated by Iranian and non-Iranian per-
20 sons) that have knowingly aided the Govern-
21 ment of Iran in the development of the ballistic
22 missile program of Iran, including persons that
23 have—

24 “(i) knowingly engaged in the direct
25 or indirect provision of material support to
26 such program;

1 “(ii) knowingly facilitated, supported,
2 or engaged in activities to further the de-
3 velopment of such program;

4 “(iii) knowingly transmitted informa-
5 tion relating to ballistic missiles to the
6 Government of Iran; or

7 “(iv) otherwise knowingly aided such
8 program.

9 “(B) A description of the character and
10 significance of the cooperation of each person
11 identified under subparagraph (A) with the
12 Government of Iran with respect to such pro-
13 gram.

14 “(C) An assessment of the cooperation of
15 the Government of the Democratic People’s Re-
16 public of Korea with the Government of Iran
17 with respect to such program.

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

21 “(b) BLOCKING OF PROPERTY.—

22 “(1) IN GENERAL.—Not later than 15 days
23 after submitting a report required by subsection
24 (a)(1), the President shall, in accordance with the
25 International Emergency Economic Powers Act (50

1 U.S.C. 1701 et seq.), block and prohibit all trans-
2 actions in all property and interests in property of
3 any person specified in such report if such property
4 and interests in property are in the United States,
5 come within the United States, or are or come with-
6 in the possession or control of a United States per-
7 son.

8 “(2) INAPPLICABILITY OF NATIONAL EMER-
9 GENCY REQUIREMENT.—The requirements under
10 section 202 of the International Emergency Eco-
11 nomic Powers Act (50 U.S.C. 1701) shall not apply
12 for purposes of this subsection.

13 “(c) EXCLUSION FROM UNITED STATES.—

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

20 “(2) COMPLIANCE WITH UNITED NATIONS
21 HEADQUARTERS AGREEMENT.—Paragraph (1) 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 “(d) 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 a foreign financial institution that the Presi-
10 dent determines knowingly, on or after the date that is
11 180 days after the date of the enactment of the Iran Bal-
12 listic Missile Sanctions Act of 2016, conducts or facilitates
13 a significant financial transaction for a person subject to
14 blocking of property and interests in property under sub-
15 section (b).

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

18 “(a) BLOCKING OF PROPERTY.—

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

1 States, or are or come within the possession or con-
2 trol of a United States person.

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

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

12 “(i) by the Aerospace Industries Or-
13 ganization, the Shahid Hemmat Industrial
14 Group, the Shahid Bakeri Industrial
15 Group, or any agent or affiliate of such or-
16 ganization or group; or

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

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

3 or

4 “(C) an individual who is on the board of
5 directors of an entity described in subparagraph
6 (A).

7 “(b) FACILITATION OF CERTAIN TRANSACTIONS.—

8 The President shall prohibit the opening, and prohibit or
9 impose strict conditions on the maintaining, in the United
10 States of a correspondent account or a payable-through
11 account by a foreign financial institution that the Presi-
12 dent determines knowingly, on or after the date that is
13 180 days after the date of the enactment of the Iran Bal-
14 listic Missile Sanctions Act of 2016, conducts or facilitates
15 a significant financial transaction for a person subject to
16 blocking of property and interests in property under sub-
17 section (a).

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

19 “(1) IN GENERAL.—Not later than 90 days
20 after the date of the enactment of the Iran Ballistic
21 Missile Sanctions Act of 2016, and not less fre-
22 quently than annually thereafter, the Secretary of
23 the Treasury shall submit to the appropriate com-
24 mittees of Congress and publish in the Federal Reg-
25 ister a list of—

1 “(A) each entity in which the Aerospace
2 Industries Organization, the Shahid Hemmat
3 Industrial Group, the Shahid Bakeri Industrial
4 Group, or any agent or affiliate of such organi-
5 zation or group has an ownership interest of
6 more than 0 percent and less than 25 percent;

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

16 “(C) each person that controls, manages,
17 or directs an entity described in subparagraph
18 (A) or (B).

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

22 “(d) COMPTROLLER GENERAL REPORT.—

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

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

3 “(B) not later than 60 days after each
4 such list is submitted to the appropriate com-
5 mittees of Congress under that subsection, sub-
6 mit to the appropriate committees of Congress
7 a report on the review conducted under sub-
8 paragraph (A) that includes a list of persons
9 not included in that list that qualify for inclu-
10 sion in that list, as determined by the Comp-
11 troller General.

12 “(2) CONSULTATIONS.—In preparing the report
13 required by paragraph (1)(B), the Comptroller Gen-
14 eral shall consult with nongovernmental organiza-
15 tions.

16 **“SEC. 234. IMPOSITION OF SANCTIONS WITH RESPECT TO**
17 **CERTAIN PERSONS INVOLVED IN BALLISTIC**
18 **MISSILE ACTIVITIES.**

19 “(a) CERTIFICATION.—Not later than 120 days after
20 the date of the enactment of the Iran Ballistic Missile
21 Sanctions Act of 2016, and not less frequently than once
22 every 180 days thereafter, the President shall submit to
23 the appropriate committees of Congress a certification
24 that each person listed in an annex of United Nations Se-
25 curity Council Resolution 1737 (2006), 1747 (2007), or

1 1929 (2010) is not directly or indirectly facilitating, sup-
2 porting, or involved with the development of or transfer
3 to Iran of ballistic missiles or technology, parts, compo-
4 nents, or technology information relating to ballistic mis-
5 siles.

6 “(b) BLOCKING OF PROPERTY.—

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

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

23 “(B) publish in the Federal Register a re-
24 port describing the reason why the President

1 was unable to make a certification with respect
2 to that person.

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 Bal-
8 listic Missile Sanctions Act of 2016, conducts or facilitates
9 a significant financial transaction for a person subject to
10 blocking of property and interests in property under sub-
11 section (b).

12 **“SEC. 235. IMPOSITION OF SANCTIONS WITH RESPECT TO**
13 **CERTAIN SECTORS OF IRAN THAT SUPPORT**
14 **THE BALLISTIC MISSILE PROGRAM OF IRAN.**

15 “(a) LIST OF SECTORS.—

16 “(1) IN GENERAL.—Not later than 120 days
17 after the date of the enactment of the Iran Ballistic
18 Missile Sanctions Act of 2016, and not less fre-
19 quently than once every 180 days thereafter, the
20 President shall submit to the appropriate commit-
21 tees of Congress and publish in the Federal Register
22 a list of the sectors of the economy of Iran that are
23 directly or indirectly facilitating, supporting, or in-
24 volved with the development of or transfer to Iran
25 of ballistic missiles or technology, parts, components,

1 or technology information relating to ballistic mis-
2 siles.

3 “(2) CERTAIN SECTORS.—

4 “(A) IN GENERAL.—Not later than 120
5 days after the date of enactment of the Iran
6 Ballistic Missile Sanctions Act of 2016, the
7 President shall submit to the appropriate com-
8 mittees of Congress a determination as to
9 whether each of the automotive, chemical, com-
10 puter science, construction, electronic, energy,
11 metallurgy, mining, petrochemical, research (in-
12 cluding universities and research institutions),
13 and telecommunications sectors of Iran meet
14 the criteria specified in paragraph (1).

15 “(B) INCLUSION IN INITIAL LIST.—If the
16 President determines under subparagraph (A)
17 that the sectors of the economy of Iran speci-
18 fied in such subparagraph meet the criteria
19 specified in paragraph (1), that sector shall be
20 included in the initial list submitted and pub-
21 lished under that paragraph.

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

24 “(1) BLOCKING OF PROPERTY.—

1 “(A) IN GENERAL.—The President shall,
2 in accordance with the International Emergency
3 Economic Powers Act (50 U.S.C. 1701 et seq.),
4 block and prohibit all transactions in all prop-
5 erty and interests in property of any person de-
6 scribed in paragraph (4) if such property and
7 interests in property are in the United States,
8 come within the United States, or are or come
9 within the possession or control of a United
10 States person.

11 “(B) INAPPLICABILITY OF NATIONAL
12 EMERGENCY REQUIREMENT.—The requirements
13 under section 202 of the International Emer-
14 gency Economic Powers Act (50 U.S.C. 1701)
15 shall not apply for purposes of this paragraph.

16 “(2) EXCLUSION FROM UNITED STATES.—

17 “(A) IN GENERAL.—Except as provided in
18 subparagraph (B), the Secretary of State shall
19 deny a visa to, and the Secretary of Homeland
20 Security shall exclude from the United States,
21 any alien that is a person described in para-
22 graph (4).

23 “(B) COMPLIANCE WITH UNITED NATIONS
24 HEADQUARTERS AGREEMENT.—Subparagraph
25 (A) shall not apply to the head of state of Iran,

1 or necessary staff of that head of state, if ad-
2 mission to the United States is necessary to
3 permit the United States to comply with the
4 Agreement regarding the Headquarters of the
5 United Nations, signed at Lake Success June
6 26, 1947, and entered into force November 21,
7 1947, between the United Nations and the
8 United States.

9 “(3) FACILITATION OF CERTAIN TRANS-
10 ACTIONS.—Except as provided in this section, the
11 President shall prohibit the opening, and prohibit or
12 impose strict conditions on the maintaining, in the
13 United States of a correspondent account or a pay-
14 able-through account by a foreign financial institu-
15 tion that the President determines knowingly, on or
16 after the date that is 180 days after the date of the
17 enactment of the Iran Ballistic Missile Sanctions Act
18 of 2016, conducts or facilitates a significant finan-
19 cial transaction for a person described in paragraph
20 (4).

21 “(4) PERSONS DESCRIBED.—A person is de-
22 scribed in this paragraph if the President determines
23 that the person, on or after the date that is 180
24 days after the date of the enactment of the Iran
25 Ballistic Missile Sanctions Act of 2016—

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

4 “(B) knowingly provides significant finan-
5 cial, material, technological, or other support to,
6 or goods or services in support of, any activity
7 or transaction on behalf of or for the benefit of
8 a person described in subparagraph (A); or

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

11 “(c) HUMANITARIAN EXCEPTION.—The President
12 may not impose sanctions under this section with respect
13 to any person for conducting or facilitating a transaction
14 for the sale of agricultural commodities, food, medicine,
15 or medical devices to Iran or for the provision of humani-
16 tarian assistance to the people of Iran.

17 **“SEC. 236. IDENTIFICATION OF FOREIGN PERSONS THAT**
18 **SUPPORT THE BALLISTIC MISSILE PROGRAM**
19 **OF IRAN IN CERTAIN SECTORS OF IRAN.**

20 “(a) IN GENERAL.—Not later than 120 days after
21 the date of the enactment of the Iran Ballistic Missile
22 Sanctions Act of 2016, and not less frequently than annu-
23 ally thereafter, the President shall submit to the appro-
24 priate committees of Congress and publish in the Federal
25 Register a list of all foreign persons that have, based on

1 credible information, directly or indirectly facilitated, sup-
2 ported, or been involved with the development of ballistic
3 missiles or technology, parts, components, or technology
4 information related to ballistic missiles in the following
5 sectors of the economy of Iran during the period specified
6 in subsection (b):

7 “(1) Automotive.

8 “(2) Chemical.

9 “(3) Computer Science.

10 “(4) Construction.

11 “(5) Electronic.

12 “(6) Energy.

13 “(7) Metallurgy.

14 “(8) Mining.

15 “(9) Petrochemical.

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

18 “(11) Telecommunications.

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

21 “(b) PERIOD SPECIFIED.—The period specified in
22 this subsection is—

23 “(1) with respect to the first list submitted
24 under subsection (a), the period beginning on the
25 date of the enactment of the Iran Ballistic Missile

1 Sanctions Act of 2016 and ending on the date that
2 is 120 days after such date of enactment; and

3 “(2) with respect to each subsequent list sub-
4 mitted under such subsection, the one-year period
5 preceding the submission of the list.

6 “(c) COMPTROLLER GENERAL REPORT.—

7 “(1) IN GENERAL.—With respect to each list
8 submitted under subsection (a), not later than 120
9 days after the list is submitted under that sub-
10 section, the Comptroller General of the United
11 States shall submit to the appropriate committees of
12 Congress—

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

15 “(B) an assessment of the foreign persons
16 included in the list; and

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

20 “(2) CONSULTATIONS.—In preparing the report
21 required by paragraph (1), the Comptroller General
22 shall consult with nongovernmental organizations.

23 “(d) CREDIBLE INFORMATION DEFINED.—In this
24 section, the term ‘credible information’ has the meaning

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

3 (b) CLERICAL AMENDMENT.—The table of contents
4 for the Iran Threat Reduction and Syria Human Rights
5 Act of 2012 is amended by inserting after the item relat-
6 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 bal-
listic missile program of Iran.

“Sec. 233. Blocking of property of persons affiliated with certain Iranian enti-
ties.

“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.”.

7 **SEC. 7. EXPANSION OF MANDATORY SANCTIONS WITH RE-**
8 **SPECT TO FINANCIAL INSTITUTIONS THAT**
9 **ENGAGE IN CERTAIN TRANSACTIONS RELAT-**
10 **ING TO BALLISTIC MISSILE CAPABILITIES OF**
11 **IRAN.**

12 Section 104 of the Comprehensive Iran Sanctions,
13 Accountability, and Divestment Act of 2010 (22 U.S.C.
14 8513) is amended—

15 (1) in subsection (c)(2)—

16 (A) in subparagraph (A)—

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

1 (ii) by redesignating clause (ii) as
2 clause (iii); and

3 (iii) by inserting after clause (i) the
4 following:

5 “(ii) to acquire or develop ballistic
6 missiles and capabilities and launch tech-
7 nology relating to ballistic missiles; or”;
8 and

9 (B) in subparagraph (E)(ii)—

10 (i) in subclause (I), by striking “; or”
11 and inserting a semicolon;

12 (ii) by redesignating subclause (II) as
13 subclause (III); and

14 (iii) by inserting after subclause (I)
15 the following:

16 “(II) Iran’s development of bal-
17 listic missiles and capabilities and
18 launch technology relating to ballistic
19 missiles; or”; and

20 (2) in subsection (f)—

21 (A) by redesignating paragraphs (1) and
22 (2) as subparagraphs (A) and (B), respectively,
23 and moving those subparagraphs, as so redesign-
24 ated, two ems to the right;

1 (B) by striking “WAIVER.—The” and in-
 2 serting “WAIVER.—

3 “(1) IN GENERAL.—Except as provided in para-
 4 graph (2), the”; and

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

6 “(2) EXCEPTION.—The Secretary of the Treas-
 7 ury may not waive under paragraph (1) the applica-
 8 tion of a prohibition or condition imposed with re-
 9 spect to an activity described in subparagraph
 10 (A)(ii) or (E)(ii)(II) of subsection (c)(2).”.

11 **SEC. 8. DISCLOSURE TO THE SECURITIES AND EXCHANGE**
 12 **COMMISSION OF ACTIVITIES WITH CERTAIN**
 13 **SECTORS OF IRAN THAT SUPPORT THE BAL-**
 14 **LISTIC MISSILE PROGRAM OF IRAN.**

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

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

20 (2) by redesignating subparagraph (D) as sub-
 21 paragraph (E); and

22 (3) by inserting after subparagraph (C) the fol-
 23 lowing:

24 “(D) knowingly engaged in any activity for
 25 which sanctions may be imposed under section

1 235 of the Iran Threat Reduction and Syria
2 Human Rights Act of 2012;”.

3 (b) INVESTIGATIONS.—Section 13(r)(5)(A) of the Se-
4 curities Exchange Act of 1934 is amended by striking “an
5 Executive order specified in clause (i) or (ii) of paragraph
6 (1)(D)” and inserting “section 235 of the Iran Threat Re-
7 duction and Syria Human Rights Act of 2012, an Execu-
8 tive order specified in clause (i) or (ii) of paragraph
9 (1)(E)”.

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

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

19 **SEC. 9. REGULATIONS.**

20 Not later than 90 days after the date of the enact-
21 ment of this Act, the President shall prescribe regulations
22 to carry out this Act and the amendments made by this
23 Act.

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