

112TH CONGRESS
1ST SESSION

H. R. 1905

AN ACT

To strengthen Iran sanctions laws for the purpose of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities, 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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

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

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

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

TITLE I—IRAN ENERGY SANCTIONS

- Sec. 101. Findings.
- Sec. 102. Sense of Congress.
- Sec. 103. Declaration of policy.
- Sec. 104. Multilateral regime.
- Sec. 105. Imposition of sanctions.
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- Sec. 107. Advisory opinions.
- Sec. 108. Termination of sanctions.
- Sec. 109. Duration of sanctions.
- Sec. 110. Reports required.
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- Sec. 112. Definitions.
- Sec. 113. Effective date.
- Sec. 114. Repeal.

TITLE II—IRAN FREEDOM SUPPORT

- Sec. 201. Codification of sanctions.
- Sec. 202. Liability of parent companies for violations of sanctions by foreign subsidiaries.
- Sec. 203. Declaration of Congress regarding United States policy toward Iran.
- Sec. 204. Assistance to support democracy in Iran.
- Sec. 205. Imposition of sanctions on certain persons who are responsible for or complicit in human rights abuses committed against citizens of Iran or their family members after the June 12, 2009, elections in Iran.
- Sec. 206. Clarification of sensitive technologies for purposes of procurement ban.
- Sec. 207. Comprehensive strategy to promote internet freedom and access to information in Iran.

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

- Sec. 301. Iran’s Islamic Revolutionary Guard Corps.
- Sec. 302. Additional export sanctions against Iran.
- Sec. 303. Sanctions against affiliates of Iran’s Islamic Revolutionary Guard Corps.
- Sec. 304. Measures against foreign persons or entities supporting Iran’s Islamic Revolutionary Guard Corps.

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

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

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

TITLE V—SECURITIES AND EXCHANGE COMMISSION

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

TITLE VI—GENERAL PROVISIONS

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

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

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

8 (2) In May 1995, President Clinton stated that
 9 “The specter of an Iran armed with weapons of
 10 mass destruction and the missiles to deliver them

1 haunts not only Israel but the entire Middle East
2 and ultimately all the rest of us as well. The United
3 States and, I believe, all the Western nations have
4 an overriding interest in containing the threat posed
5 by Iran.”.

6 (3) In the 2006 State of the Union Address,
7 President Bush stated that “The Iranian govern-
8 ment is defying the world with its nuclear ambitions,
9 and the nations of the world must not permit the
10 Iranian regime to gain nuclear weapons. America
11 will continue to rally the world to confront these
12 threats.”.

13 (4) In February 2009, President Obama com-
14 mitted the Administration to “developing a strategy
15 to use all elements of American power to prevent
16 Iran from developing a nuclear weapon”.

17 (5) Iran is a major threat to United States na-
18 tional security interests, not only exemplified by
19 Tehran’s nuclear program but also by its material
20 assistance to armed groups in Iraq and Afghanistan,
21 to the Palestinian group Hamas, to Lebanese
22 Hezbollah, the Government of Syria, and to other
23 extremists that seek to undermine regional stability.
24 These capabilities provide the regime with potential

1 asymmetric delivery vehicles and mechanisms for nu-
2 clear or other unconventional weapons.

3 (6) Iran's growing inventory of ballistic missile
4 and other destabilizing types of conventional weap-
5 ons provides the regime the capabilities to enhance
6 its power projection throughout the region and un-
7 dermine the national security interests of the United
8 States and its friends and allies.

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

11 (A) likely lead to the proliferation of such
12 weapons throughout the region, where several
13 states have already indicated interest in nuclear
14 programs, and would dramatically undercut 60
15 years of United States efforts to stop the
16 spread of nuclear weapons;

17 (B) greatly increase the threat of nuclear
18 terrorism;

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

21 (D) insulate the regime from international
22 pressure, giving it wider scope further to op-
23 press its citizens and pursue aggression region-
24 ally and globally;

1 (E) embolden all Iranian-supported ter-
2 rorist groups, including Hamas and Hezbollah;
3 and

4 (F) directly threaten several United States
5 friends and allies, especially Israel, whose very
6 right to exist has been denied successively by
7 every leader of the Islamic Republic of Iran and
8 which Iranian President Ahmadinejad says
9 should be “wiped off the map”.

10 (8) Successive Congresses have clearly recog-
11 nized the threat that the Iranian regime and its poli-
12 cies present to the United States, to our friends and
13 allies, and to global security, and responded with
14 successive bipartisan legislative initiatives.

15 (9) The extent of the Iranian threat is greater
16 today than when the Iran and Libya Sanctions Act
17 of 1996 was signed into law, now known as the Iran
18 Sanctions Act of 1996. That landmark legislation
19 imposed sanctions on foreign companies investing in
20 Iran’s energy infrastructure in an effort to under-
21 mine the strategic threat from Iran, by cutting off
22 investment in its petroleum sector and thereby deny-
23 ing the regime its economic lifeline and its ability to
24 pursue a nuclear program.

1 (10) Laws such as the Iran and Libya Sanc-
2 tions Act of 1996, which was retitled the Iran Sanc-
3 tions Act of 1996, paved the way for the enactment
4 of similar laws, such as the Iran, North Korea and
5 Syria Nonproliferation Act, the Iran-Iraq Arms Non-
6 Proliferation Act of 1992, the Iran Freedom Sup-
7 port Act, and the Comprehensive Iran Sanctions,
8 Accountability, and Divestment Act of 2010.

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

13 (12) In the Joint Explanatory Statement of the
14 Committee of Conference to the Comprehensive Iran
15 Sanctions, Accountability, and Divestment Act of
16 2010 (Public Law 111–195; 50 U.S.C. 1701 note)
17 issued on June 23, 2010, the Members of the Com-
18 mittee of Conference noted that “Although [the Iran
19 Sanctions Act] was enacted more than a decade ago,
20 no Administration has sanctioned a foreign entity
21 for investing \$20 million or more in Iran’s energy
22 sector, despite a number of such investments. In-
23 deed, on only one occasion, in 1998, did the Admin-
24 istration make a determination regarding a sanc-
25 tions-triggering investment, but the Administration

1 waived sanctions against the offending persons. Con-
2 ferees believe that the lack of enforcement of rel-
3 evant enacted sanctions may have served to encour-
4 age rather than deter Iran’s efforts to pursue nu-
5 clear weapons.”.

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

11 (14) The Comprehensive Iran Sanctions, Ac-
12 countability, and Divestment Act of 2010 mandates
13 among other provisions that the President initiate
14 investigations of potentially sanctionable activity
15 under the Iran Sanctions Act of 1996. Although
16 more than 16 months have passed since enactment
17 of this legislation, Congress has not received notice
18 of the imposition of sanctions on any entities that do
19 significant business in the United States, despite
20 multiple reports of potentially sanctionable activity
21 by such entities. Although, in accordance with the
22 Comprehensive Iran Sanctions, Accountability, and
23 Divestment Act of 2010, some potentially
24 sanctionable entities have been persuaded to wind

1 down and end their involvement in Iran, others have
2 not.

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

6 **SEC. 3. STATEMENT OF POLICY.**

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

8 (1) prevent Iran from—

9 (A) acquiring or developing nuclear weap-
10 ons and associated delivery capabilities;

11 (B) developing its unconventional weapons
12 and ballistic missile capabilities; and

13 (C) continuing its support for foreign ter-
14 rorist organizations and other activities aimed
15 at undermining and destabilizing its neighbors
16 and other nations; and

17 (2) fully implement all multilateral and bilateral
18 sanctions against Iran in order to deprive the Gov-
19 ernment of Iran of necessary resources and to com-
20 pel the Government of Iran to—

21 (A) abandon and verifiably dismantle its
22 nuclear capabilities;

23 (B) abandon and verifiably dismantle its
24 ballistic missile and unconventional weapons
25 programs; and

1 (C) cease all support for foreign terrorist
2 organizations and other activities aimed at un-
3 dermining and destabilizing its neighbors and
4 other nations.

5 **TITLE I—IRAN ENERGY**
6 **SANCTIONS**

7 **SEC. 101. FINDINGS.**

8 Congress makes the following findings:

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

19 (2) The objectives of preventing the prolifera-
20 tion of nuclear and other unconventional weapons
21 and countering the activities of foreign terrorist or-
22 ganizations and other extremists through existing
23 multilateral and bilateral initiatives require further
24 efforts to deny Iran the financial means to sustain

1 its nuclear, chemical, biological, and missile weapons
2 programs and its active support for terrorism.

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

9 **SEC. 102. SENSE OF CONGRESS.**

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

15 **SEC. 103. DECLARATION OF POLICY.**

16 Congress declares that it is the policy of the United
17 States to deny Iran the ability to support acts of foreign
18 terrorist organizations and extremists and develop uncon-
19 ventional weapons and ballistic missiles. A critical means
20 of achieving that goal is sanctions that limit Iran's ability
21 to develop its energy resources, including its ability to ex-
22 plore for, extract, refine, and transport by pipeline its hy-
23 drocarbon resources, in order to limit the funds Iran has
24 available for pursuing its objectionable activities.

1 **SEC. 104. MULTILATERAL REGIME.**

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

9 (1) qualitatively expanding the United Nations
10 Security Council sanctions regime against Iran;

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

14 (3) further efforts to limit Iran’s development
15 of petroleum resources and import of refined petro-
16 leum; and

17 (4) initiatives aimed at increasing non-Iranian
18 crude oil product output for current purchasers of
19 Iranian petroleum and petroleum byproducts.

20 (b) REPORTS TO CONGRESS.—Not later than 180
21 days after the date of the enactment of this Act, and annu-
22 ally thereafter, the President shall submit to the appro-
23 priate congressional committees a report on the extent to
24 which diplomatic efforts described in subsection (a) have
25 been successful. Each report shall include—

1 (1) the countries that have agreed to undertake
2 measures to further the objectives of section 103 of
3 this Act with respect to Iran, and a description of
4 those measures; and

5 (2) the countries that have not agreed to meas-
6 ures described in paragraph (1), and, with respect to
7 those countries, other measures the President rec-
8 ommends that the United States take to further the
9 objectives of section 103 of this Act with respect to
10 Iran.

11 (c) INTERIM REPORT ON MULTILATERAL SANC-
12 TIONS; MONITORING.—Not later than 90 days after the
13 date of the enactment of this Act, the President shall sub-
14 mit to the appropriate congressional committees a report
15 on—

16 (1) the countries that have established legisla-
17 tive or administrative standards providing for the
18 imposition of trade sanctions on persons or their af-
19 filiates that conduct business or have investments in
20 Iran;

21 (2) the extent and duration of each instance of
22 the application of such sanctions; and

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

1 (d) INVESTIGATIONS.—

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

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

16 (3) BRIEFING.—

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

24 (B) FORM.—The briefings required under
25 subparagraph (A) shall be provided in unclassi-

1 fied form, but may be provided in classified
2 form.

3 (4) SUBMISSION OF INFORMATION.—

4 (A) IN GENERAL.—The Secretary of State
5 shall, in accordance with section 15(b) of the
6 State Department Basic Authorities Act of
7 1956 (22 U.S.C. 2680(b)), provide to the ap-
8 propriate congressional committees all re-
9 quested information relating to investigations or
10 reviews initiated under this title, including the
11 number, scope, and dates of such investigations
12 or reviews.

13 (B) FORM.—The information required
14 under subparagraph (A) shall be provided in
15 unclassified form, but may contain a classified
16 annex.

17 (5) TERMINATION.—Subject to paragraph (6),
18 the President may, on a case-by-case basis, termi-
19 nate an investigation of a person initiated under this
20 subsection.

21 (6) SPECIAL RULE.—

22 (A) IN GENERAL.—The President need not
23 initiate an investigation, and may terminate an
24 investigation, on a case-by-case basis under this
25 subsection if the President certifies in writing

1 to the appropriate congressional committees 15
2 days prior to the determination that—

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

9 (ii) the President has received reliable
10 assurances that the person will not know-
11 ingly engage in an activity described in
12 section 105(a) of this Act in the future.

13 (B) APPLICATION OF SANCTIONS.—The
14 President shall apply the sanctions described in
15 section 106(a) of this Act in accordance with
16 section 105(a) of this Act to a person described
17 in subparagraph (A) if—

18 (i) the person fails to verifiably divest
19 all holdings and terminate the activity de-
20 scribed in subparagraph (A) of this para-
21 graph within one year from the date of
22 certification of the President under sub-
23 paragraph (A); or

24 (ii) the person has been previously
25 designated pursuant to section 4(e)(3) of

1 the Iran Sanctions Act of 1996, as in ef-
2 fect on the day before the date of the en-
3 actment of this Act, and fails to verifiably
4 divest all holdings and terminate the activ-
5 ity described in subparagraph (A) within
6 180 days from the date of enactment of
7 this Act.

8 (C) REPORT.—Not later than 90 days
9 after the date of enactment of this Act, the
10 President shall transmit to the appropriate con-
11 gressional committees a report on the actions
12 taken by persons previously designated pursu-
13 ant to section 4(e)(3) of the Iran Sanctions Act
14 of 1996, as in effect on the day before the date
15 of the enactment of this Act, to verifiably divest
16 all holdings and terminate the activity described
17 in subparagraph (A).

18 **SEC. 105. IMPOSITION OF SANCTIONS.**

19 (a) SANCTIONS WITH RESPECT TO THE DEVELOP-
20 MENT OF PETROLEUM RESOURCES OF IRAN, PRODUC-
21 TION OF REFINED PETROLEUM PRODUCTS IN IRAN, AND
22 EXPORTATION OF REFINED PETROLEUM PRODUCTS TO
23 IRAN.—

24 (1) DEVELOPMENT OF PETROLEUM RESOURCES
25 OF IRAN.—

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

8 (i) makes an investment described in
9 subparagraph (B) of \$20,000,000 or more;
10 or

11 (ii) makes a combination of invest-
12 ments described in subparagraph (B) in a
13 12-month period if each such investment is
14 of at least \$5,000,000 and such invest-
15 ments equal or exceed \$20,000,000 in the
16 aggregate.

17 (B) INVESTMENT DESCRIBED.—An invest-
18 ment described in this subparagraph is an in-
19 vestment that directly and significantly contrib-
20 utes to the enhancement of Iran’s ability to de-
21 velop petroleum resources.

22 (2) PRODUCTION OF REFINED PETROLEUM
23 PRODUCTS.—

24 (A) IN GENERAL.—Except as provided in
25 subsection (f), the President shall impose a ma-

1 jority of the sanctions described in section
2 106(a) of this Act with respect to a person if
3 the President determines that the person know-
4 ingly, on or after the date of the enactment this
5 Act, sells, leases, or provides to Iran goods,
6 services, technology, information, or support de-
7 scribed in subparagraph (B)—

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

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

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

1 of which is to support the delivery of refined pe-
2 troleum products.

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

5 (A) IN GENERAL.—Except as provided in
6 subsection (f), the President shall impose a ma-
7 jority of the sanctions described in section
8 106(a) of this Act with respect to a person if
9 the President determines that the person know-
10 ingly, on or after the date of the enactment of
11 this Act—

12 (i) sells or provides to Iran refined pe-
13 troleum products—

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

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

19 (ii) sells, leases, or provides to Iran
20 goods, services, technology, information, or
21 support described in subparagraph (B)—

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

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

4 (B) GOODS, SERVICES, TECHNOLOGY, IN-
5 FORMATION, OR SUPPORT DESCRIBED.—Goods,
6 services, technology, information, or support de-
7 scribed in this subparagraph are goods, serv-
8 ices, technology, information, or support that
9 could directly and significantly contribute to the
10 enhancement of Iran’s ability to import refined
11 petroleum products, including—

12 (i) except as provided in subparagraph
13 (C), underwriting or entering into a con-
14 tract to provide insurance or reinsurance
15 for the sale, lease, or provision of such
16 goods, services, service contracts, tech-
17 nology, information, or support;

18 (ii) financing or brokering such sale,
19 lease, or provision;

20 (iii) bartering or contracting by which
21 the parties exchange goods for goods, in-
22 cluding the insurance or reinsurance of
23 such exchanges;

24 (iv) purchasing, subscribing to, or fa-
25 cilitating the issuance of sovereign debt of

1 the Government of Iran, including govern-
2 mental bonds; or

3 (v) providing ships or shipping serv-
4 ices to deliver refined petroleum products
5 to Iran.

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

20 (4) PURCHASE, SUBSCRIPTION TO, OR FACILI-
21 TATION OF THE ISSUANCE OF IRANIAN SOVEREIGN
22 DEBT.—Except as provided in subsection (f), the
23 President shall impose a majority of the sanctions
24 described in section 106(a) of this Act with respect
25 to a person if the President determines that the per-

1 son knowingly, on or after the date of the enactment
2 of this Act, purchases, subscribes to, or facilitates
3 the issuance of—

4 (A) sovereign debt of the Government of
5 Iran, including governmental bonds; or

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

8 (b) MANDATORY SANCTIONS WITH RESPECT TO DE-
9 VELOPMENT OF WEAPONS OF MASS DESTRUCTION OR
10 OTHER MILITARY CAPABILITIES.—

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

22 (A) acquire or develop chemical, biological,
23 or nuclear weapons or related technologies; or

1 (B) acquire or develop destabilizing num-
2 bers and types of advanced conventional weap-
3 ons.

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

6 (A) IN GENERAL.—Except as provided in
7 subparagraphs (B) and (C), in any case in
8 which a person is subject to sanctions under
9 paragraph (1) because of an activity described
10 in that paragraph that relates to the acquisition
11 or development of nuclear weapons or related
12 technology or of missiles or advanced conven-
13 tional weapons that are designed or modified to
14 deliver a nuclear weapon, no license may be
15 issued for the export, and no approval may be
16 given for the transfer or retransfer to the coun-
17 try the government of which has primary juris-
18 diction over the person, of any nuclear material,
19 facilities, components, or other goods, services,
20 or technology that are or would be subject to an
21 agreement for cooperation between the United
22 States and that government.

23 (B) EXCEPTION.—The sanctions described
24 in subparagraph (A) shall not apply with re-
25 spect to a country the government of which has

1 primary jurisdiction over a person that engages
2 in an activity described in that subparagraph if
3 the President determines and notifies the ap-
4 propriate congressional committees that the
5 government of the country—

6 (i) does not know or have reason to
7 know about the activity; or

8 (ii) has taken, or is taking, all reason-
9 able steps necessary to prevent a recur-
10 rence of the activity and to penalize the
11 person for the activity.

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

23 (i) determines that such approval is
24 vital to the national security interests of
25 the United States; and

1 (ii) not later than 15 days before
2 issuing such license or approving such
3 transfer or retransfer, submits to the Com-
4 mittee on Foreign Affairs of the House of
5 Representatives and the Committee on
6 Foreign Relations of the Senate the jus-
7 tification for approving such license, trans-
8 fer, or retransfer.

9 (D) CONSTRUCTION.—The restrictions in
10 subparagraph (A) shall apply in addition to all
11 other applicable procedures, requirements, and
12 restrictions contained in the Atomic Energy Act
13 of 1954 and other related laws.

14 (E) DEFINITION.—In this paragraph, the
15 term “agreement for cooperation” has the
16 meaning given that term in section 11 b. of the
17 Atomic Energy Act of 1954 (42 U.S.C.
18 2014(b)).

19 (F) APPLICABILITY.—The sanctions de-
20 scribed in subparagraph (A) shall apply only in
21 a case in which a person is subject to sanctions
22 under paragraph (1) because of an activity de-
23 scribed in such paragraph in which such person
24 engages on or after the date of the enactment
25 of this Act.

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

4 (1) any person the President determines has
5 carried out the activities described in subsection (a)
6 or (b), respectively; and

7 (2) any person that—

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

10 (B) owns or controls the person referred to
11 in paragraph (1), if the person that owns or
12 controls the person referred to in paragraph (1)
13 had actual knowledge or should have known
14 that the person referred to in paragraph (1) en-
15 gaged in the activities referred to in that para-
16 graph; or

17 (C) is owned or controlled by, or under
18 common ownership or control with, the person
19 referred to in paragraph (1), if the person
20 owned or controlled by, or under common own-
21 ership or control with (as the case may be), the
22 person referred to in paragraph (1) knowingly
23 engaged in the activities referred to in that
24 paragraph.

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

4 (d) PUBLICATION IN FEDERAL REGISTER.—The
5 President shall cause to be published in the Federal Reg-
6 ister a current list of persons and entities on whom sanc-
7 tions have been imposed under this title. The removal of
8 persons or entities from, and the addition of persons and
9 entities to, the list, shall also be so published.

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

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

17 (1) in the case of procurement of defense arti-
18 cles or defense services—

19 (A) under existing contracts or sub-
20 contracts, including the exercise of options for
21 production quantities to satisfy requirements
22 essential to the national security of the United
23 States;

24 (B) if the President determines in writing
25 that the person to which the sanctions would

1 otherwise be applied is a sole source supplier of
2 the defense articles or services, that the defense
3 articles or services are essential, and that alter-
4 native sources are not readily or reasonably
5 available; or

6 (C) if the President determines in writing
7 that such articles or services are essential to the
8 national security under defense coproduction
9 agreements;

10 (2) in the case of procurement, to eligible prod-
11 ucts, as defined in section 308(4) of the Trade
12 Agreements Act of 1979 (19 U.S.C. 2518(4)), of
13 any foreign country or instrumentality designated
14 under section 301(b) of that Act (19 U.S.C.
15 2511(b));

16 (3) to products, technology, or services provided
17 under contracts entered into before the date on
18 which the President publishes in the Federal Reg-
19 ister the name of the person on whom the sanctions
20 are to be imposed;

21 (4) to—

22 (A) spare parts which are essential to
23 United States products or production;

1 (B) component parts, but not finished
2 products, essential to United States products or
3 production; or

4 (C) routine servicing and maintenance of
5 products, to the extent that alternative sources
6 are not readily or reasonably available;

7 (5) to information and technology essential to
8 United States products or production; or

9 (6) to medicines, medical supplies, or other hu-
10 manitarian items.

11 **SEC. 106. DESCRIPTION OF SANCTIONS.**

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

15 (1) EXPORT-IMPORT BANK ASSISTANCE FOR
16 EXPORTS TO SANCTIONED PERSONS.—The President
17 may direct the Export-Import Bank of the United
18 States to not give approval to for the issuance of
19 any guarantee, insurance, extension of credit, or
20 participation in the extension of credit in connection
21 with the export of any goods or services to any sanc-
22 tioned person.

23 (2) EXPORT SANCTION.—The President may
24 order the United States Government not to issue
25 any specific license and not to grant any other spe-

1 cific permission or authority to export any goods or
2 technology to a sanctioned person under—

3 (A) the Export Administration Act of 1979

4 (as continued in effect pursuant to the Inter-
5 national Emergency Economic Powers Act);

6 (B) the Arms Export Control Act;

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

8 (D) any other law that requires the prior
9 review and approval of the United States Gov-
10 ernment as a condition for the export or reex-
11 port of goods or services.

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

20 (4) PROHIBITIONS ON FINANCIAL INSTITU-
21 TIONS.—The following prohibitions may be imposed
22 against a sanctioned person that is a financial insti-
23 tution:

24 (A) PROHIBITION ON DESIGNATION AS

25 PRIMARY DEALER.—Neither the Board of Gov-

1 errors of the Federal Reserve System nor the
2 Federal Reserve Bank of New York may des-
3 ignate, or permit the continuation of any prior
4 designation of, such financial institution as a
5 primary dealer in United States Government
6 debt instruments.

7 (B) PROHIBITION ON SERVICE AS A RE-
8 POSITORY OF GOVERNMENT FUNDS.—Such fi-
9 nancial institution may not serve as agent of
10 the United States Government or serve as re-
11 pository for United States Government funds.

12 The imposition of either sanction under subpara-
13 graph (A) or (B) shall be treated as one sanction for
14 purposes of section 105 of this Act, and the imposi-
15 tion of both such sanctions shall be treated as 2
16 sanctions for purposes of section 105 of this Act.

17 (5) PROCUREMENT SANCTION.—The United
18 States Government may not procure, or enter into
19 any contract for the procurement of, any goods or
20 services from a sanctioned person.

21 (6) FOREIGN EXCHANGE.—The President may
22 prohibit any transactions in foreign exchange that
23 are subject to the jurisdiction of the United States
24 and in which the sanctioned person has any interest.

1 (7) BANKING TRANSACTIONS.—The President
2 may prohibit any transfers of credit or payments be-
3 tween financial institutions or by, through, or to any
4 financial institution, to the extent that such trans-
5 fers or payments are subject to the jurisdiction of
6 the United States and involve any interest of the
7 sanctioned person.

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

10 (A) acquiring, holding, withholding, using,
11 transferring, withdrawing, transporting, or ex-
12 porting any property that is subject to the ju-
13 risdiction of the United States and with respect
14 to which a sanctioned person has any interest;

15 (B) dealing in or exercising any right,
16 power, or privilege with respect to such prop-
17 erty; or

18 (C) conducting any transaction involving
19 such property.

20 (9) GROUNDS FOR EXCLUSION.—The Secretary
21 of State may deny a visa to, and the Secretary of
22 Homeland Security may deny admission into the
23 United States to, any alien whom the Secretary of
24 State determines is an alien who, on or after the
25 date of the enactment of this Act, is a—

1 (A) corporate officer, principal, or share-
2 holder with a controlling interest of a person
3 against whom sanctions have been imposed
4 under subsection (a) or (b);

5 (B) corporate officer, principal, or share-
6 holder with a controlling interest of a successor
7 entity to or a parent or subsidiary of such a
8 sanctioned person;

9 (C) corporate officer, principal, or share-
10 holder with a controlling interest of an affiliate
11 of such a sanctioned person, if such affiliate en-
12 gaged in a sanctionable activity described in
13 subsection (a) or (b) and if such affiliate is con-
14 trolled in fact by such sanctioned person; or

15 (D) spouse, minor child, or agent of a per-
16 son inadmissible under subparagraph (A), (B),
17 or (C).

18 (10) SANCTIONS ON PRINCIPAL EXECUTIVE OF-
19 FICERS.—The President may impose on the prin-
20 cipal executive officer or officers of any sanctioned
21 person, or on persons performing similar functions
22 and with similar authorities as such officer or offi-
23 cers, any of the sanctions under this subsection. The
24 President shall include on the list published under
25 section 105(d) of this Act the name of any person

1 against whom sanctions are imposed under this
2 paragraph.

3 (11) ADDITIONAL SANCTIONS.—The President
4 may impose additional sanctions, as appropriate, in
5 accordance with the International Emergency Eco-
6 nomic Powers Act (50 U.S.C. 1701 et seq.).

7 (b) ADDITIONAL MEASURE RELATING TO GOVERN-
8 MENT CONTRACTS.—

9 (1) MODIFICATION OF FEDERAL ACQUISITION
10 REGULATION.—The Federal Acquisition Regulation
11 issued pursuant to section 1303 of title 41, United
12 States Code, shall require a certification from each
13 person that is a prospective contractor that such
14 person and any person owned or controlled by the
15 person does not engage in any activity for which
16 sanctions may be imposed under section 105 or sec-
17 tion 304 of this Act.

18 (2) REMEDIES.—

19 (A) IN GENERAL.—If the head of an execu-
20 tive agency determines that a person has sub-
21 mitted a false certification under paragraph (1)
22 after the date on which the Federal Acquisition
23 Regulation is revised to implement the require-
24 ments of this subsection, the head of that execu-
25 tive agency shall terminate a contract with

1 such person or debar or suspend such person
2 from eligibility for Federal contracts for a pe-
3 riod of not less than 2 years. Any such debar-
4 ment or suspension shall be subject to the pro-
5 cedures that apply to debarment and suspen-
6 sion under the Federal Acquisition Regulation
7 under subpart 9.4 of part 9 of title 48, Code of
8 Federal Regulations.

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

23 (3) CLARIFICATION REGARDING CERTAIN PROD-
24 UCTS.—The remedies specified in paragraph (2)
25 shall not apply with respect to the procurement of

1 eligible products, as defined in section 308(4) of the
2 Trade Agreements Act of 1974 (19 U.S.C. 2518(4)),
3 of any foreign country or instrumentality designated
4 under section 301(b) of such Act (19 U.S.C.
5 2511(b)).

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

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

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

24 (7) APPLICABILITY.—The revisions to the Fed-
25 eral Acquisition Regulation required under para-

1 graph (1) shall apply with respect to contracts for
2 which solicitations are issued on or after the date
3 that is 90 days after the date of the enactment of
4 this Act.

5 **SEC. 107. ADVISORY OPINIONS.**

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

15 **SEC. 108. TERMINATION OF SANCTIONS.**

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

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

23 (A) a nuclear explosive device or related
24 materials and technology;

25 (B) chemical and biological weapons; and

1 (C) ballistic missiles and ballistic missile
2 launch technology;

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

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

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

11 **SEC. 109. DURATION OF SANCTIONS.**

12 (a) DELAY OF SANCTIONS.—

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

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

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

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

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

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

24 (c) WAIVER.—

25 (1) AUTHORIZATION.—

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

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

18 (i) a description of the conduct that
19 resulted in the determination under section
20 105(a) or section 105(b)(2) of this Act, as
21 the case may be;

22 (ii) in the case of a foreign person, an
23 explanation of the efforts to secure the co-
24 operation of the government with primary
25 jurisdiction over such person to terminate

1 or, as appropriate, penalize the activities
2 that resulted in the determination under
3 section 105(a) or 105(b)(2) of this Act, as
4 the case may be;

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

11 (iv) a statement as to the response of
12 the United States in the event that the
13 person concerned engages in other activi-
14 ties that would be subject to a sanction or
15 sanctions under section 105(a) or
16 105(b)(2) of this Act, as the case may be.

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

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

1 (i) certifies to the appropriate con-
2 gressional committees that—

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

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

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

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

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

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

1 (II) the actions taken by the gov-
2 ernment described in clause (i)(I) to
3 cooperate in multilateral efforts de-
4 scribed in that clause.

5 (B) SUBSEQUENT RENEWAL OF WAIVER.—

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

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

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

14 (3) PUBLICATION IN THE FEDERAL REG-
15 ISTER.—Not later than 15 days after any waiver au-
16 thority is exercised pursuant to paragraph (1) or (2)
17 of this subsection, the name of the person or entity
18 with respect to which sanctions are being waived
19 shall be published in the Federal Register.

20 **SEC. 110. REPORTS REQUIRED.**

21 (a) REPORT ON CERTAIN INTERNATIONAL INITIA-
22 TIVES.—Not later than 180 days after the date of the en-
23 actment of this Act and every 180 days thereafter, the
24 President shall transmit to the appropriate congressional
25 committees a report describing—

1 (1) the efforts of the President to mount a mul-
2 tilateral campaign to persuade all countries to pres-
3 sure Iran to cease its nuclear, chemical, biological,
4 and missile weapons programs and its support of
5 acts of international terrorism;

6 (2) the efforts of the President to persuade
7 other governments to ask Iran to reduce in the
8 countries of such governments the presence of Ira-
9 nian diplomats and representatives of other govern-
10 ment and military or quasi-governmental institutions
11 of Iran, and to withdraw any such diplomats or rep-
12 resentatives who participated in the takeover of the
13 United States Embassy in Tehran, Iran, on Novem-
14 ber 4, 1979, or the subsequent holding of United
15 States hostages for 444 days;

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

20 (4) Iran's use of Iranian diplomats and rep-
21 resentatives of other government and military or
22 quasi-governmental institutions of Iran to promote
23 acts of international terrorism or to develop or sus-
24 tain Iran's nuclear, chemical, biological, or missile
25 weapons programs.

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

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

8 (A) been effective in achieving the policy
9 objective described in section 103 of this Act
10 and any other foreign policy or national security
11 objectives of the United States with respect to
12 Iran; and

13 (B) affected humanitarian interests in
14 Iran, the country in which a sanctioned person
15 is located, or in other countries; and

16 (2) the impact of actions relating to trade taken
17 pursuant to this title on other national security, eco-
18 nomic, and foreign policy interests of the United
19 States, including relations with countries friendly to
20 the United States, and on the United States econ-
21 omy.

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

1 (c) OTHER REPORTS.—The President shall ensure
2 the continued transmittal to Congress of reports describ-
3 ing—

4 (1) the nuclear and other military capabilities
5 of Iran, as required under section 601(a) of the Nu-
6 clear Non-Proliferation Act of 1978 and section
7 1607 of the National Defense Authorization Act for
8 Fiscal Year 1993; and

9 (2) the support provided by Iran for acts of
10 international terrorism, as part of the Department
11 of State’s annual reports on international terrorism.

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

22 **SEC. 111. DETERMINATIONS NOT REVIEWABLE.**

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

1 **SEC. 112. DEFINITIONS.**

2 In this title:

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

7 (2) APPROPRIATE CONGRESSIONAL COMMIT-
8 TEES.—The term “appropriate congressional com-
9 mittees” means—

10 (A) the Committee on Ways and Means,
11 the Committee on Banking and Financial Serv-
12 ices, the Committee on Financial Services, and
13 the Committee on Foreign Affairs of the House
14 of Representatives; and

15 (B) the Committee on Finance, the Com-
16 mittee on Banking, Housing, and Urban Af-
17 fairs, and the Committee on Foreign Relations
18 of the Senate.

19 (3) COMPONENT PART.—The term “component
20 part” has the meaning given such term in section
21 11A(e)(1) of the Export Administration Act of 1979
22 (50 U.S.C. App. 2410a(e)(1)).

23 (4) CREDIBLE INFORMATION.—The term “cred-
24 ible information” means, with respect to a person,
25 such person’s public announcement of an investment
26 described in section 105 of this Act, Iranian govern-

1 mental announcements of such an investment, re-
2 ports to stockholders, annual reports, industry re-
3 ports, Government Accountability Office products,
4 State and local government reports, and trade publi-
5 cations.

6 (5) DEVELOP AND DEVELOPMENT.—The terms
7 “develop” and “development” mean the exploration
8 for, or the extraction, refining, or transportation by
9 pipeline of, petroleum resources.

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

12 (A) a depository institution (as defined in
13 section 3(c)(1) of the Federal Deposit Insur-
14 ance Act), including a branch or agency of a
15 foreign bank (as defined in section 1(b)(7) of
16 the International Banking Act of 1978);

17 (B) a credit union;

18 (C) a securities firm, including a broker or
19 dealer;

20 (D) an insurance company, including an
21 agency or underwriter; and

22 (E) any other company that provides fi-
23 nancial services including joint ventures with
24 Iranian entities both inside and outside of Iran
25 and partnerships or investments with Iranian

1 government-controlled entities or affiliated enti-
2 ties.

3 (7) FINISHED PRODUCT.—The term “finished
4 product” has the meaning given such term in section
5 11A(e)(2) of the Export Administration Act of 1979
6 (50 U.S.C. App. 2410a(e)(2)).

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

9 (A) an individual who is not a United
10 States person or an alien lawfully admitted for
11 permanent residence into the United States; or

12 (B) a corporation, partnership, joint ven-
13 ture, cooperative venture, or other nongovern-
14 mental entity which is not a United States per-
15 son.

16 (9) FOREIGN TERRORIST ORGANIZATION.—The
17 term “foreign terrorist organization” means an or-
18 ganization designated by the Secretary of State as a
19 foreign terrorist organization in accordance with sec-
20 tion 219(a) of the Immigration and Nationality Act
21 (8 U.S.C. 1189(a)).

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

1 (11) INVESTMENT.—The term “investment”
2 means any of the following activities if any of such
3 activities is undertaken pursuant to an agreement,
4 or pursuant to the exercise of rights under such an
5 agreement, that is entered into with the Government
6 of Iran or a nongovernmental entity in Iran, on or
7 after the date of the enactment of this Act:

8 (A) The entry into a contract that includes
9 responsibility for the development of petroleum
10 resources located in Iran, or the entry into a
11 contract providing for the general supervision
12 and guarantee of another person’s performance
13 of such a contract.

14 (B) The purchase of a share of ownership,
15 including an equity interest, in the development
16 described in subparagraph (A).

17 (C) The entry into a contract providing for
18 the participation in royalties, earnings, or prof-
19 its in the development described in subpara-
20 graph (A), without regard to the form of such
21 participation.

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

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

1 (13) IRANIAN DIPLOMATS AND REPRESENTA-
2 TIVES OF OTHER GOVERNMENT AND MILITARY OR
3 QUASI-GOVERNMENTAL INSTITUTIONS OF IRAN.—

4 The term “Iranian diplomats and representatives of
5 other government and military or quasi-govern-
6 mental institutions of Iran” includes employees, rep-
7 resentatives, or affiliates of Iran’s—

8 (A) Foreign Ministry;

9 (B) Ministry of Intelligence and Security;

10 (C) Revolutionary Guard Corps and affili-
11 ated entities;

12 (D) Crusade for Reconstruction;

13 (E) Qods (Jerusalem) Forces;

14 (F) Interior Ministry;

15 (G) Foundation for the Oppressed and
16 Disabled;

17 (H) Prophet’s Foundation;

18 (I) June 5th Foundation;

19 (J) Martyr’s Foundation;

20 (K) Islamic Propagation Organization; and

21 (L) Ministry of Islamic Guidance.

22 (14) KNOWINGLY.—The term “knowingly”,
23 with respect to conduct, a circumstance, or a result
24 means that a person has actual knowledge, or should

1 have known, of the conduct, the circumstance, or the
2 result of such conduct, circumstance, or result.

3 (15) NUCLEAR EXPLOSIVE DEVICE.—The term
4 “nuclear explosive device” means any device, wheth-
5 er assembled or disassembled, that is designed to
6 produce an instantaneous release of an amount of
7 nuclear energy from special nuclear material (as de-
8 fined in section 11(aa) of the Atomic Energy Act of
9 1954 (42 U.S.C. 2014(aa))) that is greater than the
10 amount of energy that would be released from the
11 detonation of one pound of trinitrotoluene (TNT).

12 (16) PERSON.—

13 (A) IN GENERAL.—The term “person”
14 means—

15 (i) a natural person;

16 (ii) a corporation, business associa-
17 tion, partnership, society, trust, financial
18 institution, insurer, underwriter, guar-
19 antor, or any other business organization,
20 any other nongovernmental entity, organi-
21 zation, or group, and any governmental en-
22 tity operating as a business enterprise; and

23 (iii) any successor to any entity de-
24 scribed in clause (ii).

1 (B) EXCLUSION.—The term “person” does
2 not include a government or governmental enti-
3 ty that is not operating as a business enter-
4 prise.

5 (17) PETROLEUM RESOURCES.—The term “pe-
6 troleum resources” includes petroleum and natural
7 gas resources, refined petroleum products, oil or liq-
8 uefied natural gas, oil or liquefied natural gas tank-
9 ers, and products used to construct or maintain
10 pipelines used to transport oil or liquefied natural
11 gas.

12 (18) REFINED PETROLEUM PRODUCTS.—The
13 term “refined petroleum products” means diesel,
14 gasoline, jet fuel (including naphtha-type and ker-
15 osene-type jet fuel), and aviation gasoline.

16 (19) UNITED STATES OR STATE.—The terms
17 “United States” and “State” mean the several
18 States, the District of Columbia, the Commonwealth
19 of Puerto Rico, the Commonwealth of the Northern
20 Mariana Islands, American Samoa, Guam, the
21 United States Virgin Islands, and any other terri-
22 tory or possession of the United States.

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

1 (A) a natural person who is a citizen of the
2 United States or who owes permanent alle-
3 giance to the United States; and

4 (B) a corporation or other legal entity that
5 is organized under the laws of the United
6 States or any State if a natural person de-
7 scribed in subparagraph (A) owns more than 50
8 percent of the outstanding capital stock or
9 other beneficial interest in such corporation or
10 legal entity.

11 **SEC. 113. EFFECTIVE DATE.**

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

17 **SEC. 114. REPEAL.**

18 (a) IN GENERAL.—The Iran Sanctions Act of 1996
19 (50 U.S.C. 1701 note) is repealed.

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

24 (1) in section 103(b)(3)(E), by striking “section
25 14 of the Iran Sanctions Act of 1996 (Public Law

1 104–172; 50 U.S.C. 1701 note)” and inserting “sec-
2 tion 112 of the Iran Threat Reduction Act of 2011”;

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

7 (3) in section 112(3), by striking “Iran Sanc-
8 tions Act of 1996, as amended by section 102 of this
9 Act,” and inserting “Iran Threat Reduction Act of
10 2011”; and

11 (4) in section 201(2), by striking “section 14 of
12 the Iran Sanctions Act of 1996 (Public Law 104–
13 172; 50 U.S.C. 1701 note)” and inserting “section
14 112 of the Iran Threat Reduction Act of 2011”.

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

19 (d) FEDERAL ACQUISITION REGULATION.—Notwith-
20 standing the repeal made by subsection (a), the modifica-
21 tion to the Federal Acquisition Regulation made pursuant
22 to section 6(b)(1) of the Iran Sanctions Act of 1996 shall
23 continue in effect until the modification to such Regula-
24 tion that is made pursuant to section 106(b)(1) of this
25 Act takes effect.

1 **TITLE II—IRAN FREEDOM**
2 **SUPPORT**

3 **SEC. 201. CODIFICATION OF SANCTIONS.**

4 United States sanctions with respect to Iran imposed
5 pursuant to—

6 (1) sections 1 and 3 of Executive Order No.
7 12957;

8 (2) sections 1(e), 1(g), and 3 of Executive
9 Order No. 12959;

10 (3) sections 2, 3, and 5 of Executive Order No.
11 13059;

12 (4) sections 1, 5, 6, 7, and 8 of Executive
13 Order No. 13553; or

14 (5) sections 1, 2, and 5 of Executive Order No.
15 13574,

16 as in effect on September 1, 2011, shall remain in effect
17 until the President certifies to the appropriate congres-
18 sional committees, at least 90 days before the removal of
19 such sanctions, that the Government of Iran has verifiably
20 dismantled its nuclear weapons program, its biological and
21 chemical weapons programs, its ballistic missile develop-
22 ment programs, and ceased its support for international
23 terrorism.

1 **SEC. 202. LIABILITY OF PARENT COMPANIES FOR VIOLA-**
2 **TIONS OF SANCTIONS BY FOREIGN SUBSIDI-**
3 **ARIES.**

4 (a) DEFINITIONS.—In this section:

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

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

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

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

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

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

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

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

23 (B) an entity that is organized under the
24 laws of the United States, any State or terri-
25 tory thereof, or the District of Columbia, if nat-

1 ural persons described in subparagraph (A) own
2 or control the entity.

3 (b) IN GENERAL.—A United States person shall be
4 subject to a penalty for a violation of the provisions of
5 Executive Order No. 12959 (50 U.S.C. 1701 note) or Ex-
6 ecutive Order No. 13059 (50 U.S.C. 1701 note), or any
7 other prohibition on transactions with respect to Iran im-
8 posed under the authority of the International Emergency
9 Economic Powers Act (50 U.S.C. 1701 et seq.), if the
10 President determines that a subsidiary of the United
11 States person that is established or maintained outside the
12 United States engages in an act that, if committed in the
13 United States or by a United States person, would violate
14 such provisions.

15 (c) EFFECTIVE DATE.—

16 (1) IN GENERAL.—Subsection (b) shall take ef-
17 fect on the date of the enactment of this Act and
18 apply with respect to acts described in subsection

19 (b)(2) that are—

20 (A) commenced on or after the date of the
21 enactment of this Act; or

22 (B) except as provided in paragraph (2),
23 commenced before such date of enactment, if
24 such acts continue on or after such date of en-
25 actment.

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

8 **SEC. 203. DECLARATION OF CONGRESS REGARDING**
9 **UNITED STATES POLICY TOWARD IRAN.**

10 It shall be the policy of the United States to support
11 those individuals in Iran seeking a free, democratic gov-
12 ernment that respects the rule of law and protects the
13 rights of all citizens.

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

15 (a) ASSISTANCE AUTHORIZED.—The President is au-
16 thorized to provide financial and political assistance (in-
17 cluding the award of grants) to foreign and domestic indi-
18 viduals, organizations, and entities that support democ-
19 racy and the promotion of democracy in Iran. Such assist-
20 ance may include the award of grants to eligible inde-
21 pendent prodemocracy broadcasting organizations and
22 new media that broadcast into Iran.

23 (b) ELIGIBILITY FOR ASSISTANCE.—Financial and
24 political assistance authorized under this section shall be

1 provided only to an individual, organization, or entity
2 that—

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

8 (2) advocates the adherence by Iran to non-
9 proliferation regimes for nuclear, chemical, and bio-
10 logical weapons and materiel;

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

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

16 (5) works to establish equality of opportunity
17 for all people; and

18 (6) supports freedom of the press, freedom of
19 speech, freedom of association, and freedom of reli-
20 gion.

21 (c) FUNDING.—Financial and political assistance au-
22 thorized under this section may only be provided using
23 funds available to the Middle East Partnership Initiative
24 (MEPI), the Broader Middle East and North Africa Ini-

1 tiative, the Human Rights and Democracy Fund, and the
2 Near East Regional Democracy Fund.

3 (d) NOTIFICATION.—Not later than 15 days before
4 each obligation of assistance under this section, and in ac-
5 cordance with the procedures under section 634A of the
6 Foreign Assistance Act of 1961 (22 U.S.C. 2394–1), the
7 President shall notify the Committee on Foreign Affairs
8 and the Committee on Appropriations of the House of
9 Representatives and the Committee on Foreign Relations
10 and the Committee on Appropriations of the Senate of
11 such obligation of assistance. Such notification shall in-
12 clude, as practicable, a description of the types of pro-
13 grams supported by such assistance and an identification
14 of the recipients of such assistance.

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

17 (1) contacts should be expanded with opposition
18 groups in Iran that meet the criteria for eligibility
19 for assistance under subsection (b);

20 (2) support for those individuals seeking democ-
21 racy in Iran should be expressed by United States
22 representatives and officials in all appropriate inter-
23 national fora; and

24 (3) officials and representatives of the United
25 States should—

1 (A) strongly and unequivocally support in-
2 digenous efforts in Iran calling for free, trans-
3 parent, and democratic elections; and

4 (B) draw international attention to viola-
5 tions by the Government of Iran of human
6 rights, freedom of religion, freedom of assem-
7 bly, and freedom of the press.

8 **SEC. 205. IMPOSITION OF SANCTIONS ON CERTAIN PER-**
9 **SONS WHO ARE RESPONSIBLE FOR OR**
10 **COMPLICIT IN HUMAN RIGHTS ABUSES COM-**
11 **MITTED AGAINST CITIZENS OF IRAN OR**
12 **THEIR FAMILY MEMBERS AFTER THE JUNE**
13 **12, 2009, ELECTIONS IN IRAN.**

14 (a) LIST OF PERSONS WHO ARE RESPONSIBLE FOR
15 OR COMPLICIT IN CERTAIN HUMAN RIGHTS ABUSES;
16 SANCTIONS ON SUCH PERSONS.—

17 (1) IN GENERAL.—Not later than 90 days after
18 the date of the enactment of this Act, the President
19 shall transmit to the appropriate congressional com-
20 mittees a list of all persons who are senior officials
21 of the Government of Iran, including the Supreme
22 Leader, the President, Members of the Cabinet,
23 Members of the Assembly of Experts, Members of
24 the Ministry of Intelligence Services, or any Member
25 of the Iranian Revolutionary Guard Corps with the

1 rank of brigadier general and above, including mem-
2 bers of paramilitary organizations such as Ansar-e
3 Hezbollah and Basij-e Mostaz'afin.

4 (2) CERTIFICATION.—The President shall im-
5 pose on the persons specified in the list under para-
6 graph (1) the sanctions described in subsection (b).
7 The President shall exempt any such person from
8 such imposition if the President determines and cer-
9 tifies to the appropriate congressional committees
10 that such person, based on credible evidence, is not
11 responsible for or complicit in, or responsible for or-
12 dering, controlling, or otherwise directing, the com-
13 mission of serious human rights abuses against citi-
14 zens of Iran or their family members on or after
15 June 12, 2009, regardless of whether such abuses
16 occurred in Iran.

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

20 (A) not later than every 60 days beginning
21 after the date of the initial transmittal under
22 such paragraph; and

23 (B) as new information becomes available.

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

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

4 (B) PUBLIC AVAILABILITY.—The unclassi-
5 fied portion of the list required under para-
6 graph (1) shall be made available to the public
7 and posted on the Web sites of the Department
8 of the Treasury and the Department of State.

9 (5) CONSIDERATION OF DATA FROM OTHER
10 COUNTRIES AND NONGOVERNMENTAL ORGANIZA-
11 TIONS.—In preparing the list required under para-
12 graph (1), the President shall consider credible data
13 already obtained by other countries and nongovern-
14 mental organizations, including organizations in
15 Iran, that monitor the human rights abuses of the
16 Government of Iran.

17 (b) SANCTIONS DESCRIBED.—The sanctions de-
18 scribed in this subsection are ineligibility for a visa to
19 enter the United States and sanctions described in section
20 106 of this Act, subject to such regulations as the Presi-
21 dent may prescribe, including regulatory exceptions to per-
22 mit the United States to comply with the Agreement be-
23 tween the United Nations and the United States of Amer-
24 ica regarding the Headquarters of the United Nations,

1 signed June 26, 1947, and entered into force November
2 21, 1947, and other applicable international obligations

3 (c) TERMINATION OF SANCTIONS.—The provisions of
4 this section shall terminate on the date on which the Presi-
5 dent determines and certifies to the appropriate congres-
6 sional committees that the Government of Iran—

7 (1) has unconditionally released all political
8 prisoners, including the citizens of Iran detained in
9 the aftermath of the June 12, 2009, presidential
10 election in Iran;

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

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

20 (4) has—

21 (A) established an independent judiciary;

22 and

23 (B) is respecting the human rights and
24 basic freedoms recognized in the Universal Dec-
25 laration of Human Rights.

1 **SEC. 206. CLARIFICATION OF SENSITIVE TECHNOLOGIES**
2 **FOR PURPOSES OF PROCUREMENT BAN.**

3 The Secretary of State shall—

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

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

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

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

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

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

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

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

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

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

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

5 (7) expand surrogate radio, television, live
6 stream, and social network communications inside
7 Iran, including by assisting United States tele-
8 communications and software companies to comply
9 with the United States export licensing process for
10 such purposes;

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

14 (9) defeat all attempts by the Government of
15 Iran to jam or otherwise deny international satellite
16 broadcasting signals, including by identifying foreign
17 providers of jamming technology;

18 (10) expand worldwide United States embassy
19 and consulate programming for and outreach to Ira-
20 nian dissident communities;

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

23 (12) discourage telecommunication and soft-
24 ware companies from facilitating Internet censorship
25 by the Government of Iran.

1 (b) ELIGIBILITY FOR ASSISTANCE.—Assistance au-
2 thorized under the comprehensive strategy required under
3 subsection (a) shall be provided only to an individual, or-
4 ganization, or entity that meets the eligibility criteria in
5 section 204(b) of this Act for financial and political assist-
6 ance authorized under section section 204(a) of this Act.

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

10 **TITLE III—IRAN REGIME AND**
11 **IRAN’S ISLAMIC REVOLU-**
12 **TIONARY GUARD CORPS AC-**
13 **COUNTABILITY**

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

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

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

21 (2) any instrumentality, subsidiary, affiliate, or
22 agent of Iran’s Islamic Revolutionary Guard Corps;

23 or

1 (3) any project, activity, or business owned or
2 controlled by Iran's Islamic Revolutionary Guard
3 Corps.

4 (b) TRANSACTIONS WITH CERTAIN FOREIGN PER-
5 SONS.—No United States person shall knowingly conduct
6 any commercial transaction or financial transaction with,
7 or make any investment in, any foreign person or foreign
8 entity that conducts any transaction with or makes any
9 investment with Iran's Islamic Revolutionary Guard
10 Corps, which, if conducted or made by a United States
11 person, would constitute a violation of subsection (a).

12 (c) PENALTIES.—Any United States person who vio-
13 lates subsection (a) or (b) shall be subject to 1 or more
14 of the criminal penalties under the authority of section
15 206(e) of the International Emergency Economic Powers
16 Act (50 U.S.C. 1705).

17 (d) WAIVER.—

18 (1) IN GENERAL.—The President is authorized
19 to waive the restrictions in subsection (a) or (b) on
20 a case-by-case basis if the President determines and
21 notifies the appropriate congressional committees
22 that failure to exercise such waiver authority would
23 pose an unusual and extraordinary threat to the na-
24 tional security interests of the United States.

1 (2) PUBLICATION IN THE FEDERAL REG-
2 ISTER.—Not later than 15 days after any waiver au-
3 thority is exercised pursuant to paragraph (1) of
4 this subsection, the name of the person with respect
5 to which sanctions are being waived shall be pub-
6 lished in the Federal Register.

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

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

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

17 (a) IN GENERAL.—Notwithstanding section
18 103(b)(2)(B)(iv) of the Comprehensive Iran Sanctions,
19 Accountability, and Divestment Act of 2010 (Public Law
20 111–195; 22 U.S.C. 8512(b)(2)(B)(iv)) or section 1606
21 of the Iran-Iraq Arms Non-Proliferation Act of 1992
22 (Public Law 102–484; 50 U.S.C. 1701 note) or any other
23 provision of law, effective on the date of the enactment
24 of this Act—

1 entity for which there is a reasonable basis for determining
2 that the person or entity is as an agent, alias, front, in-
3 strumentality, official, or affiliate of Iran's Islamic Revolu-
4 tionary Guard Corps or is an individual serving as a rep-
5 resentative of Iran's Islamic Revolutionary Guard Corps.

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

15 (c) SENSITIVE TRANSACTION OR ACTIVITY.—A sen-
16 sitive transaction or activity referred to in subsection (b)
17 is—

18 (1) a transaction to facilitate the manufacture,
19 import, export, or transfer of items needed for the
20 development of nuclear, chemical, biological, or ad-
21 vanced conventional weapons, including ballistic mis-
22 siles;

23 (2) an attempt to interfere in the internal af-
24 fairs of Iraq or Afghanistan, or equip or train, or

1 encourage violence by, individuals or groups opposed
2 to the governments of those countries;

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

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

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

18 (d) INADMISSIBILITY TO UNITED STATES.—The Sec-
19 retary of State shall deny a visa to, and the Secretary of
20 Homeland Security shall deny admission into the United
21 States to, any alien who, on or after the date of the enact-
22 ment of this Act, is a foreign person designated for inclu-
23 sion in the Annex to Executive Order No. 13382 pursuant
24 to subsection (a).

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

8 **SEC. 304. MEASURES AGAINST FOREIGN PERSONS OR ENTI-**
9 **TIES SUPPORTING IRAN’S ISLAMIC REVOLU-**
10 **TIONARY GUARD CORPS.**

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

17 (1) provides material support to Iran’s Islamic
18 Revolutionary Guard Corps or any foreign person or
19 foreign entity that is identified pursuant to section
20 303(a) of this Act as an agent, alias, front, instru-
21 mentality, official, or affiliate of Iran’s Islamic Revolu-
22 tionary Guard Corps or an individual serving as a
23 representative of Iran’s Islamic Revolutionary Guard
24 Corps; or

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

4 (b) WAIVER.—

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

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

21 (c) SANCTIONS.—

22 (1) IN GENERAL.—The President shall apply to
23 each foreign person or foreign entity identified in a
24 notice under subsection (a) for a period determined

1 by the President a majority of the sanctions de-
2 scribed in section 106(a) of this Act.

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

11 (d) IEEPA SANCTIONS.—The President may exer-
12 cise the authorities provided under subparagraphs (A) and
13 (C) of section 203(a)(1) of the International Emergency
14 Economic Powers Act (50 U.S.C. 1702(a)(1)) to impose
15 additional sanctions on each foreign person or foreign en-
16 tity identified pursuant to subsection (a), for such time
17 as the President may determine, without regard to section
18 202 of that Act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 (7) Additional restrictions may be imposed in
12 accordance with the International Emergency Eco-
13 nomic Powers Act (50 U.S.C. 1701 et seq.).

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

22 (c) WAIVER.—The President may waive the applica-
23 tion of any measure described in subsection (a) with re-
24 spect to an entity or government of a foreign country if
25 the President—

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

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

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

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

19 Notwithstanding any other provision of law, a State
20 or local government may adopt and enforce measures to
21 prohibit the State or local government, as the case may
22 be, from entering into or renewing any contract with, or
23 granting to or renewing any license for persons that con-
24 duct business operations in Iran described in section 309
25 of this Act.

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

2 (a) FREEZING OF ASSETS.—In accordance with sub-
3 section (b), all property and interests in property of the
4 foreign persons described in Executive Order No. 13382
5 and Executive Order No. 13224, or their affiliates, that
6 are in the United States, that on or after the date of the
7 enactment of this Act come within the United States, or
8 that on or after the date of the enactment of this Act come
9 within the possession or control of United States persons,
10 are blocked and may not be transferred, paid, exported,
11 withdrawn, or otherwise dealt in with respect to any such
12 person determined by the Secretary of State, in consulta-
13 tion with the Secretary of the Treasury and the Secretary
14 of Defense to—

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

20 (2) have knowingly and materially assisted,
21 sponsored, or provided financial, material, logistical,
22 or technical support for, or goods or services in sup-
23 port of, such an act or acts of violence or any person
24 or entity whose property and interests in property
25 are blocked pursuant this subsection; or

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

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

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

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

13 (c) FINDINGS.—Congress finds that—

14 (1) an increase in both the quantity and quality
15 of Iranian arms shipments and technological exper-
16 tise to the Iraqi insurgents, the Taliban, other ter-
17 rorist organizations and criminal elements has the
18 potential to significantly change the battlefield in
19 both Iraq and Afghanistan, and lead to a large in-
20 crease in United States, International Security As-
21 sistance Force, Coalition and Iraqi and Afghan cas-
22 ualties; and

23 (2) an increase in Iranian activity and influence
24 in Iraq threatens the safety and welfare of the resi-
25 dents of Camp Ashraf.

1 (d) STATEMENT OF POLICY.—It shall be the policy
2 of the United States to urge the Government of Iraq to—

3 (1) uphold its commitments to the United
4 States to ensure the continued well-being of those
5 individuals living in Camp Ashraf;

6 (2) prevent the involuntary return of such indi-
7 viduals to Iran in accordance with the United States
8 Embassy Statement on Transfer of Security Respon-
9 sibility for Camp Ashraf of December 28, 2008; and

10 (3) not close Camp Ashraf until the United Na-
11 tions High Commission for Refugees can complete
12 its process, recognize as political refugees the resi-
13 dents of Camp Ashraf who do not wish to go back
14 to Iran, and resettle them in third countries.

15 (e) DEFINITIONS.—In this section, the terms “for-
16 eign person” and “United States person” have the mean-
17 ings given such terms in section 112 of this Act.

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

19 (a) NATIONAL STRATEGY REQUIRED.—The Presi-
20 dent shall develop a strategy, to be known as the “Na-
21 tional Strategy to Counter Iran”, that provides strategic
22 guidance for activities that support the objective of ad-
23 dressing, countering, and containing the threats posed by
24 Iran.

25 (b) ANNUAL REPORT.—

1 (1) IN GENERAL.—Not later than January 30
2 of each year, the President shall transmit to the ap-
3 propriate congressional committees a report on the
4 current and future strategy of the United States to-
5 ward Iran, and the implementation of the National
6 Strategy to Counter Iran required under subsection
7 (a).

8 (2) FORM.—If the President considers it appro-
9 priate, the report required under this subsection, or
10 appropriate parts thereof, may be transmitted in
11 classified form.

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

16 (1) A description and assessment of Iranian
17 grand strategy and security strategy, including—

18 (A) the goals of Iran’s grand strategy and
19 security strategy, and strategic objectives; and

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

23 (2) An assessment of the capabilities of Iran’s
24 conventional forces and Iran’s unconventional forces,
25 including—

1 (A) the size and capabilities of Iran’s con-
2 ventional forces and Iran’s unconventional
3 forces;

4 (B) an analysis of the formal and informal
5 national command authority for Iran’s conven-
6 tional forces and Iran’s unconventional forces;

7 (C) the size and capability of Iranian for-
8 eign and domestic intelligence and special oper-
9 ations units, including the Iranian Revolu-
10 tionary Guard Corps-Quds Force;

11 (D) a description and analysis of Iranian
12 military doctrine;

13 (E) the types and amount of support, in-
14 cluding funding, lethal and nonlethal supplies,
15 and training, provided to groups designated by
16 the United States as foreign terrorist organiza-
17 tions and regional militant groups; and

18 (F) an estimate of the levels of funding
19 and funding and procurement sources by Iran
20 to develop and support Iran’s conventional
21 forces and Iran’s unconventional forces.

22 (3) An assessment of Iranian strategy and ca-
23 pabilities related to nuclear, unconventional, and
24 missile forces development, including—

1 (A) a summary and analysis of nuclear
2 weapons capabilities;

3 (B) an estimate of the amount and sources
4 of funding expended by, and an analysis of pro-
5 curement networks utilized by, Iran to develop
6 its nuclear weapons capabilities;

7 (C) a summary of the capabilities of Iran's
8 unconventional weapons and Iran's ballistic
9 missile forces and Iran's cruise missile forces,
10 including developments in the preceding year,
11 the size of Iran's ballistic missile forces and
12 Iran's cruise missile forces, and the locations of
13 missile launch sites;

14 (D) a detailed analysis of the effectiveness
15 of Iran's unconventional weapons and Iran's
16 ballistic missile forces and Iran's cruise missile
17 forces; and

18 (E) an estimate of the amount and sources
19 of funding expended by, and an analysis of pro-
20 curement networks utilized by, Iran on pro-
21 grams to develop a capability to develop uncon-
22 ventional weapons and Iran's ballistic missile
23 forces and Iran's cruise missile forces.

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

1 (A) sources of funding for the activities of
2 the Government of Iran described in this sec-
3 tion;

4 (B) the role of the Government of Iran in
5 the formal and informal sector of the domestic
6 Iranian economy;

7 (C) evasive and other efforts by the Gov-
8 ernment of Iran to circumvent international
9 and bilateral sanctions regimes;

10 (D) the effect of bilateral and multilateral
11 sanctions on the ability of Iran to implement its
12 grand strategy and security strategy described
13 in paragraph (1); and

14 (E) Iran's strategy and efforts to leverage
15 economic and political influence, cooperation,
16 and activities in the Middle East Europe, Afri-
17 ca, Western Hemisphere, and Asia.

18 (5) Key vulnerabilities identified in paragraph
19 (1), and an implementation plan for the National
20 Strategy to Counter Iran required under subsection
21 (a).

22 (6) The United States strategy to—

23 (A) address and counter the capabilities of
24 Iran's conventional forces and Iran's unconven-
25 tional forces;

1 (B) disrupt and deny Iranian efforts to de-
2 velop or augment capabilities related to nuclear,
3 unconventional, and missile forces development;

4 (C) address the Government of Iran's eco-
5 nomic strategy to enable the objectives de-
6 scribed in this subsection; and

7 (D) exploit key vulnerabilities identified in
8 this subsection.

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

11 (d) CLASSIFIED ANNEX.—The reports required
12 under subsection (b) shall be in unclassified form to the
13 greatest extent possible, and may include a classified
14 annex where necessary.

15 (e) APPROPRIATE CONGRESSIONAL COMMITTEES.—
16 In this section, the term “appropriate congressional com-
17 mittees” means—

18 (1) the Committee on Foreign Affairs, the
19 Committee on Armed Services, the Committee on
20 Appropriations, the Committee on Ways and Means,
21 and the Permanent Select Committee on Intelligence
22 of the House of Representatives; and

23 (2) the Committee on Foreign Relations, the
24 Committee on Armed Services, the Committee on
25 Appropriations, the Committee on Finance, and the

1 Permanent Select Committee on Intelligence of the
2 Senate.

3 **SEC. 309. DEFINITIONS.**

4 Except as otherwise provided, in this title:

5 (1) APPROPRIATE CONGRESSIONAL COMMIT-
6 TEES.—The term “appropriate congressional com-
7 mittees” means—

8 (A) the Committee on Foreign Affairs, the
9 Committee on Appropriations, the Committee
10 on Ways and Means, and the Permanent Select
11 Committee on Intelligence of the House of Rep-
12 resentatives; and

13 (B) the Committee on Foreign Relations,
14 the Committee on Appropriations, the Com-
15 mittee on Finance, and the Permanent Select
16 Committee on Intelligence of the Senate.

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

23 (3) IRAN’S BALLISTIC MISSILE AND UNCONVEN-
24 TIONAL WEAPONS.—The term “Iran’s ballistic mis-
25 sile and unconventional weapons” means Iran’s bal-

1 listic missile forces and chemical, biological, and ra-
2 diological weapons programs.

3 (4) IRAN'S CRUISE MISSILE FORCES.—The term
4 “Iran’s cruise missile forces” includes cruise missile
5 forces, goods, and associated equipment and those
6 elements of the Government of Iran that employ
7 such cruise missiles capable of flights less than 500
8 kilometers, goods, and associated equipment.

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

11 (A) means military forces of Iran designed
12 to conduct operations on sea, air, or land, other
13 than Iran’s unconventional forces and Iran’s
14 ballistic missile forces and Iran’s cruise missile
15 forces; and

16 (B) includes Iran’s Army, Air Force, Navy,
17 domestic law enforcement, and elements of the
18 Iran’s Islamic Revolutionary Guard Corps,
19 other than Iran’s Islamic Revolutionary Guard
20 Corps-Quds Force.

21 (6) IRAN'S UNCONVENTIONAL FORCES.—The
22 term “Iran’s unconventional forces”—

23 (A) means forces of Iran that carry out
24 missions typically associated with special oper-
25 ations forces; and

1 (B) includes—

2 (i) the Iran’s Islamic Revolutionary
3 Guard Corps-Quds Force;

4 (ii) paramilitary organizations;

5 (iii) formal and informal intelligence
6 agencies and entities; and

7 (iv) any organization that—

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

12 (II) receives assistance from
13 Iran; and

14 (III) is assessed—

15 (aa) as being willing in some
16 or all cases of carrying out at-
17 tacks on behalf of Iran; or

18 (bb) as likely to carry out
19 attacks in response to an attack
20 by another country on Iran or its
21 interests.

22 (7) AFFILIATE.—The term “affiliate” means
23 any individual or entity that controls, is controlled
24 by, or is under common control with, the company,

1 including without limitation direct and indirect sub-
2 sidiaries of the company.

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

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

8 (B) providing sensitive technology (as de-
9 fined in section 106(c) of the Comprehensive
10 Iran Sanctions, Accountability, and Divestment
11 Act of 2010 (Public Law 111–195; 22 U.S.C.
12 8515(c))) to the Government of Iran; and

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

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

16 (A) a sole proprietorship, organization, as-
17 sociation, corporation, partnership, limited li-
18 ability company, venture, or other entity, its
19 subsidiary or affiliate; and

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

1 (10) ENTITY.—The term “entity” means a sole
2 proprietorship, a partnership, limited liability cor-
3 poration, association, trust, joint venture, corpora-
4 tion, or other organization.

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

8 (12) GOVERNMENT OF IRAN.—The term “Gov-
9 ernment of Iran” includes the Government of Iran,
10 any political subdivision, agency, or instrumentality
11 thereof, and any person owned or controlled by, or
12 acting for or on behalf of, the Government of Iran.

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

16 (14) SENSITIVE TECHNOLOGY.—The term
17 “sensitive technology” has the meaning given the
18 term in section 106(c) of the Comprehensive Iran
19 Sanctions, Accountability, and Divestment Act of
20 2010 (Public Law 111–195; 22 U.S.C. 8515(c)).

21 **SEC. 310. RULE OF CONSTRUCTION.**

22 Nothing in this title shall be construed to limit the
23 authority of the President to otherwise designate foreign
24 persons or foreign entities for inclusion in the Annex to
25 Executive Order No. 13382 (70 Fed. Reg. 38567; relating

1 to blocking property of weapons of mass destruction
2 proliferators and their supporters).

3 **TITLE IV—IRAN FINANCIAL**
4 **SANCTIONS; DIVESTMENT**
5 **FROM CERTAIN COMPANIES**
6 **THAT INVEST IN IRAN; AND**
7 **PREVENTION OF DIVERSION**
8 **OF CERTAIN GOODS, SERV-**
9 **ICES, AND TECHNOLOGIES TO**
10 **IRAN**

11 **SEC. 401. IRAN FINANCIAL SANCTIONS.**

12 (a) FINANCIAL INSTITUTION CERTIFICATION.—Sec-
13 tion 104(e) of the Comprehensive Iran Sanctions, Ac-
14 countability, and Divestment Act of 2010 (Public Law
15 111–195; 22 U.S.C. 8513(e)) is amended by adding at
16 the end the following new paragraph:

17 “(3) CERTIFICATION.—Not later than 90 days
18 after the date of the enactment of this paragraph,
19 the Secretary of the Treasury shall prescribe regula-
20 tions to require any person wholly owned or con-
21 trolled by a domestic financial institution to provide
22 positive certification to the Secretary if such person
23 is engaged in corresponding relations or business ac-
24 tivity with a foreign person or financial institution
25 that facilitates transactions from persons and do-

1 mestic financial institutions described in subsection
2 (d).”.

3 (b) CENTRAL BANK OF IRAN.—Section 104(c) of the
4 Comprehensive Iran Sanctions, Accountability, and Di-
5 vestment Act of 2010 (22 U.S.C. 8513(a)) is amended by
6 adding at the end the following:

7 “(4) CENTRAL BANK OF IRAN.—

8 “(A) DETERMINATION.—Not later than 30
9 days after the date of the enactment of this
10 paragraph, the President shall determine
11 whether the Central Bank of Iran has—

12 “(i) provided financial services in sup-
13 port of, or otherwise facilitated, the ability
14 of Iran to—

15 “(I) acquire or develop chemical,
16 biological or nuclear weapons, or re-
17 lated technologies;

18 “(II) construct, equip, operate, or
19 maintain nuclear enrichment facilities;
20 or

21 “(III) acquire or develop ballistic
22 missiles, cruise missiles, or desta-
23 bilizing types and amounts of conven-
24 tional weapons; or

1 “(ii) facilitated a transaction or pro-
2 vided financial services for—

3 “(I) Iran’s Islamic Revolutionary
4 Guard Corps; or

5 “(II) a financial institution
6 whose property or interests in prop-
7 erty are subject to sanctions imposed
8 pursuant to the International Emer-
9 gency Economic Powers Act—

10 “(aa) in connection with
11 Iran’s proliferation of weapons of
12 mass destruction or delivery sys-
13 tems for weapons of mass de-
14 struction; or

15 “(bb) Iran’s support for acts
16 of international terrorism.

17 “(B) SUBMISSION TO CONGRESS.—The
18 President shall submit the determination made
19 under subparagraph (A) in writing to the Con-
20 gress, together with the reasons therefor.

21 “(C) IMPOSITION OF SANCTIONS.—

22 “(i) IN GENERAL.—If the President
23 determines under subparagraph (A) that
24 the Central Bank of Iran has engaged in
25 any of the activities described in that para-

1 graph, the President shall apply to the
2 Central Bank of Iran sanctions pursuant
3 to the International Economic Powers Act
4 (50 U.S.C. 1701 et seq.), including block-
5 ing of property and restrictions or prohibi-
6 tions on financial transactions and the ex-
7 portation of property.

8 “(ii) EFFECTIVE PERIOD OF DESIGNA-
9 TION.—The President shall maintain the
10 sanctions imposed under clause (i) until
11 such time as the President determines and
12 certifies in writing to the Congress that
13 the Central Bank of Iran is no longer en-
14 gaged in any of the activities described in
15 subparagraph (A).”.

16 (c) CONTINUATION IN EFFECT.—Sections 104, 106,
17 107, 108, 109, 110, 111, and 115 of the Comprehensive
18 Iran Sanctions, Accountability, and Divestment Act of
19 2010 shall remain in effect until the President makes the
20 certification described in section 606(a) of this Act.

21 **SEC. 402. DIVESTMENT FROM CERTAIN COMPANIES THAT**
22 **INVEST IN IRAN.**

23 Title II of the Comprehensive Iran Sanctions, Ac-
24 countability, and Divestment Act of 2010 shall remain in

1 effect until the President makes the certification described
2 in section 606(a) of this Act.

3 **SEC. 403. PREVENTION OF DIVERSION OF CERTAIN GOODS,**
4 **SERVICES, AND TECHNOLOGIES TO IRAN.**

5 Title III of the Comprehensive Iran Sanctions, Ac-
6 countability, and Divestment Act of 2010 shall remain in
7 effect until the President makes the certification described
8 in section 606(a) of this Act.

9 **TITLE V—SECURITIES AND**
10 **EXCHANGE COMMISSION**

11 **SEC. 501. DISCLOSURES TO THE SECURITIES AND EX-**
12 **CHANGE COMMISSION RELATING TO**
13 **SANCTIONABLE ACTIVITIES.**

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

17 “(r) DISCLOSURE OF CERTAIN ACTIVITIES RELAT-
18 ING TO IRAN, TERRORISM, AND THE PROLIFERATION OF
19 WEAPONS OF MASS DESTRUCTION.—

20 “(1) IN GENERAL.—The Commission shall, by
21 rule, require any issuer described in paragraph (2)
22 to disclose on a quarterly basis a detailed description
23 of each activity described in paragraph (2) engaged
24 in by the issuer or its affiliates during the period
25 covered by the report, including—

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

2 “(B) the revenues, if any, attributable to
3 the activity; and

4 “(C) whether the issuer or the affiliate of
5 the issuer (as the case may be) intends to con-
6 tinue the activity.

7 “(2) ISSUER DESCRIBED.—An issuer is de-
8 scribed in this paragraph if the issuer is required to
9 file reports with the Commission under subsection
10 (a) and the issuer or any of its affiliates has, during
11 the period covered by the report—

12 “(A) engaged in an activity described in
13 section 105 of the Iran Threat Reduction Act
14 of 2011 for which sanctions may be imposed;

15 “(B) knowingly engaged in an activity de-
16 scribed in subsection (c)(2) of section 104 of
17 the Comprehensive Iran Sanctions, Account-
18 ability, and Divestment Act of 2010 (Public
19 Law 111–195; 22 U.S.C. 8513) or knowingly
20 violated regulations prescribed under subsection
21 (d)(1) or (e)(1) of such section 104; or

22 “(C) knowingly conducted any transaction
23 or dealing with—

24 “(i) any person the property and in-
25 terests in property of which are blocked

1 pursuant to Executive Order No. 13224
2 (66 Fed. Reg. 49079; relating to blocking
3 property and prohibiting transacting with
4 persons who commit, threaten to commit,
5 or support terrorism);

6 “(ii) any person the property and in-
7 terests in property of which are blocked
8 pursuant to Executive Order No. 13382
9 (70 Fed. Reg. 38567; relating to blocking
10 of property of weapons of mass destruction
11 proliferators and their supporters); or

12 “(iii) any person on the list contained
13 in Appendix A to part 560 of title 31,
14 Code of Federal Regulations (commonly
15 known as the ‘Iranian Transactions Regu-
16 lations’).

17 “(3) SUNSET.—The provisions of this sub-
18 section and the rules issued by the Commission
19 under paragraph (1) shall terminate on the date
20 that is 30 days after the date on which the Presi-
21 dent makes the certification described in section
22 401(a) of the Comprehensive Iran Sanctions, Ac-
23 countability, and Divestment Act of 2010 (22 U.S.C.
24 8551(a)).

1 “(4) INVESTIGATION OF DISCLOSURES.—When
2 an issuer reports, pursuant to this subsection, that
3 it or any of its affiliates has engaged in any activity
4 described in paragraph (2), the President shall—

5 “(A) initiate an investigation into the pos-
6 sible imposition of sanctions under the Iran
7 Threat Reduction Act of 2011, section 104 of
8 the Comprehensive Iran Sanctions, Account-
9 ability, and Divestment Act of 2010 (22 U.S.C.
10 8513), the Executive orders or regulations spec-
11 ified in paragraph (2)(C), or any other provi-
12 sion of law; and

13 “(B) not later than 180 days after initi-
14 ating such an investigation, make a determina-
15 tion with respect to whether sanctions should be
16 imposed with respect to the issuer or the affil-
17 iate of the issuer (as the case may be).”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 subsection (a) shall take effect with respect to reports re-
20 quired to be filed with the Securities and Exchange Com-
21 mission after the date that is 90 days after the date of
22 the enactment of this Act.

1 **TITLE VI—GENERAL**
2 **PROVISIONS**

3 **SEC. 601. DENIAL OF VISAS FOR CERTAIN PERSONS OF THE**
4 **GOVERNMENT OF IRAN.**

5 (a) IN GENERAL.—Except as necessary to meet
6 United States obligations under the Agreement between
7 the United Nations and the United States of America re-
8 garding the Headquarters of the United Nations, signed
9 June 26, 1947, and entered into force November 21,
10 1947, and other applicable international treaty obliga-
11 tions, the Secretary of State shall deny a visa to, and the
12 Secretary of Homeland Security shall deny admission into
13 the United States to, a person of the Government of Iran
14 pursuant to section 6(j)(1)(A) of the Export Administra-
15 tion Act of 1979 (as in effect pursuant to the Inter-
16 national Emergency Economic Powers Act; 50 U.S.C.
17 1701 et seq.), section 40(d) of the Arms Export Control
18 Act (22 U.S.C. 2780(d)), and section 620A of the Foreign
19 Assistance Act of 1961 (22 U.S.C. 2371), including a per-
20 son who is a senior official of the Government of Iran who
21 is specified in the list under section 205(a)(1), if the Sec-
22 retary determines that such person—

23 (1) is an agent, instrumentality, or official of,
24 is affiliated with, or is serving as a representative of
25 the Government of Iran; and

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

3 (b) RESTRICTION ON MOVEMENT.—The Secretary of
4 State shall restrict in Washington, D.C., and at the
5 United Nations in New York City, the travel to only within
6 a 25-mile radius of Washington, D.C., or the United Na-
7 tions headquarters building, respectively, of any person
8 identified in subsection (a).

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

12 (1) is an agent, instrumentality, or official of,
13 is affiliated with, or is serving as a representative of
14 the Government of Iran; and

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

17 (d) WAIVER.—The President may waive the require-
18 ments of subsection (c) if the President determines and
19 so reports to the appropriate congressional committees 15
20 days prior to the exercise of waiver authority that failure
21 to exercise such waiver authority would pose an unusual
22 and extraordinary threat to the vital national security in-
23 terests of the United States.

1 **SEC. 602. INADMISSIBILITY OF CERTAIN ALIENS WHO EN-**
2 **GAGE IN CERTAIN ACTIVITIES WITH RESPECT**
3 **TO IRAN.**

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

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

9 “(i) IN GENERAL.—Subject to clause
10 (iii), any alien described in clause (ii) is in-
11 admissible.

12 “(ii) ALIENS DESCRIBED.—An alien
13 described in this clause is an alien who the
14 Secretary of State determines—

15 “(I) engages in—

16 “(aa) an activity for which
17 sanctions may be imposed pursu-
18 ant to section 105(a) of the Iran
19 Threat Reduction Act of 2011;

20 “(bb) an activity—

21 “(AA) relating to the
22 proliferation by Iran of
23 weapons of mass destruction
24 or the means of delivery of
25 such weapons; and

1 “(BB) for which sanc-
2 tions may be imposed pursu-
3 ant to Executive Order No.
4 13382 (70 Fed. Reg. 38567)
5 (or any successor thereto);

6 “(cc) an activity—

7 “(AA) relating to sup-
8 port for international ter-
9 rorism by the Government of
10 Iran; and

11 “(BB) for which sanc-
12 tions may be imposed pursu-
13 ant to Executive Order No.
14 13224 (66 Fed. Reg. 49079)
15 (or any successor thereto);

16 or

17 “(dd) any other activity with
18 respect to Iran for which sanc-
19 tions may be imposed pursuant
20 to any other provision of law;

21 “(II) is the chief executive offi-
22 cer, president, or other individual in
23 charge of overall management of, a
24 member of the board of directors of,
25 or a shareholder with a controlling in-

1 terest in, an entity that engages in an
2 activity described in subclause (I); or

3 “(III) is a spouse or minor child
4 of—

5 “(aa) an alien who engages
6 in an activity described in sub-
7 clause (I); or

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

17 “(iii) NOTICE; WAIVER WITH RESPECT
18 TO CERTAIN ENTITIES.—

19 “(I) NOTICE.—The Secretary of
20 State may notify an alien the Sec-
21 retary determines may be inadmissible
22 under this subparagraph—

23 “(aa) that the alien may be
24 inadmissible; and

1 “(bb) of the reason for the
2 inadmissibility of the alien.

3 “(II) WAIVER.—The President
4 may waive the application of this sub-
5 paragraph and admit an alien to the
6 United States if—

7 “(aa) the alien is described
8 in subclause (II) or (III)(bb) of
9 clause (ii);

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

18 “(cc) the President has re-
19 ceived reliable assurances that
20 the entity will not knowingly en-
21 gage in an activity described in
22 clause (ii)(I) again.”.

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

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

9 (b) EFFECTIVE DATE.—The amendments made by
10 this section take effect on the date of the enactment of
11 this Act and apply with respect to any violation of section
12 206(a) of the International Emergency Economic Powers
13 Act (50 U.S.C. 1705(a)) that occurs on or after such date
14 of enactment.

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

16 Nothing in this Act or any amendment made by this
17 Act shall apply to—

18 (1) activities subject to the reporting require-
19 ments of title V of the National Security Act of
20 1947; or

21 (2) involving a natural gas development and
22 pipeline project initiated prior to the date of enact-
23 ment of this Act—

24 (A) to bring gas from Azerbaijan to Eu-
25 rope and Turkey;

1 (B) in furtherance of a production sharing
2 agreement or license awarded by a sovereign
3 government, other than the Iranian govern-
4 ment, before the date of enactment of this Act;
5 and

6 (C) for the purpose of providing energy se-
7 curity and independence from Russia and other
8 governments engaged in activities subject to
9 sanctions under this Act.

10 **SEC. 605. REGULATORY AUTHORITY.**

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

15 (b) CONSULTATION WITH CONGRESS.—Not less than
16 10 days prior to the promulgation of regulations under
17 subsection (a), the President shall notify the appropriate
18 congressional committees of the proposed regulations and
19 the provisions of this Act and the amendments made by
20 this Act that the regulations are implementing.

21 **SEC. 606. SUNSET.**

22 (a) SUNSET.—The provisions of this Act and the
23 amendments made by this Act shall terminate, and shall
24 cease to be effective, on the date that is 30 days after

1 the date on which the President certifies to Congress that
2 Iran—

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

5 (A) a nuclear explosive device or related
6 materials and technology;

7 (B) chemical and biological weapons; and

8 (C) ballistic missiles and ballistic missile
9 launch technology;

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

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

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

Passed the House of Representatives December 14,
2011.

Attest:

Clerk.

112TH CONGRESS
1ST SESSION

H. R. 1905

AN ACT

To strengthen Iran sanctions laws for the purpose of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities, and for other purposes.