To hold the current regime in Iran accountable for its threatening behavior and to support a transition to democracy in Iran.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 9, 2005

Mr. SANTORUM introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To hold the current regime in Iran accountable for its threatening behavior and to support a transition to democracy in Iran.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Iran Freedom and Support Act of 2005”.

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—CODIFICATION OF SANCTIONS AGAINST IRAN

Sec. 101. Codification of sanctions.
TITLE II—AMENDMENTS TO THE IRAN AND LIBYA SANCTIONS ACT OF 1996

Sec. 201. Multilateral regime.
Sec. 203. Termination of sanctions.
Sec. 204. Sunset.
Sec. 205. Clarification and expansion of definitions.

TITLE III—DEMOCRACY IN IRAN

Sec. 301. Findings.
Sec. 302. Declaration of Congress regarding United States policy toward Iran.
Sec. 303. Assistance to support democracy in Iran.
Sec. 304. Reporting requirement regarding designation of democratic opposition organizations.

TITLE I—CODIFICATION OF SANCTIONS AGAINST IRAN

SEC. 101. CODIFICATION OF SANCTIONS.

(a) Codification of sanctions related to weapons of mass destruction.—United States sanctions, controls, and regulations relating to weapons of mass destruction with respect to Iran, as in effect on the date of the enactment of this Act, shall remain in effect until the President certifies to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate that the Government of Iran has permanently and verifiably dismantled its weapons of mass destruction programs and has committed to combating the proliferation of such weapons.

(b) No effect on other sanctions relating to support for acts of international terrorism.—
(1) IN GENERAL.—Notwithstanding a certification by the President under subsection (a), United States sanctions, controls, and regulations described in paragraph (2) as in effect on the date of the enactment of this Act shall remain in effect.

(2) COVERED SANCTIONS.—The sanctions, controls, and regulations referred to in paragraph (1) are sanctions, controls, and regulations related to determinations under section 6(j)(1)(A) of the Export Administration Act of 1979 (as in effect pursuant to the International Emergency Economic Powers Act; 50 U.S.C. 1701 et seq.), section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)), and section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)) regarding support by the Government of Iran for acts of international terrorism.

**TITLE II—AMENDMENTS TO THE IRAN AND LIBYA SANCTIONS ACT OF 1996**

**SEC. 201. MULTILATERAL REGIME.**

(a) REPORTS TO CONGRESS.—Section 4(b) of the Iran and Libya Sanctions Act of 1996 (50 U.S.C. 1701 note) is amended to read as follows:
“(b) Reports to Congress.—Not later than six months after the date of the enactment of the Iran Freedom and Support Act of 2005 and every six months thereafter, the President shall submit to the appropriate congressional committees a report regarding specific diplomatic efforts undertaken pursuant to subsection (a), the results of those efforts, and a description of proposed diplomatic efforts pursuant to such subsection. Each report shall include—

“(1) a list of the countries that have agreed to undertake measures to further the objectives of section 3(a);

“(2) a description of those measures, including—

“(A) government actions with respect to public or private entities (or their subsidiaries) located in their countries that are engaged in business in Iran;

“(B) any decisions by the governments of such countries to rescind or continue the provision of credits, guarantees, or other governmental assistance to such entities; and

“(C) actions taken in international fora to further the objectives of section 3;
“(3) a list of the countries that have not agreed to undertake measures to further the objectives of section 3 with respect to Iran, and the reasons therefor; and

“(4) a description of any memorandums of understanding, political understandings, or international agreements to which the United States has acceded which affect implementation of this section or section 5(a).”.

(b) WAIVER.—Section 4(c) of such Act (50 U.S.C. 1701 note) is amended to read as follows:

“(c) WAIVER.—

“(1) IN GENERAL.—The President may, on a case by case basis, waive for a period of not more than six months the application of section 5(a) with respect to a national of a country, if the President certifies to the appropriate congressional committees at least 30 days before such waiver is to take effect that—

“(A) such waiver is vital to the national security of the United States; and

“(B) the country of the national has undertaken substantial measures to prevent the acquisition and development of weapons of mass destruction by the Government of Iran.
“(2) Subsequent renewal of waiver.—If the President determines that a renewal of a waiver is appropriate, the President may, at the conclusion of the period of a waiver under paragraph (1), renew such waiver for a subsequent period of not more than six months.”.

SEC. 202. IMPOSITION OF SANCTIONS.

(a) Sanctions With Respect to Development of Petroleum Resources.—Section 5(a) of the Iran and Libya Sanctions Act of 1996 (50 U.S.C. 1701 note) is amended—

(1) in the heading, by striking “TO IRAN” and inserting “TO THE DEVELOPMENT OF PETROLEUM RESOURCES OF IRAN”;

(2) by striking “(6)” and inserting “(5)”;

(3) by striking “with actual knowledge,”.

(b) Sanctions With Respect to Development of Weapons of Mass Destruction or Other Military Capabilities.—Section 5(b) of such Act (50 U.S.C. 1701 note) is amended to read as follows:

“(b) Mandatory Sanctions With Respect to Development of Weapons of Mass Destruction or Other Military Capabilities.—Notwithstanding any other provision of law, the President shall impose two or more of the sanctions described in paragraphs (1) through
(5) of section 6 if the President determines that a person has, on or after the date of the enactment of the Iran Freedom and Support Act of 2005, exported, transferred, or otherwise provided to Iran any goods, services, technology, or other items the provision of which has contributed to the ability of Iran to—

“(1) acquire or develop chemical, biological, or nuclear weapons or related technologies; or

“(2) acquire or develop destabilizing numbers and types of advanced conventional weapons.”.

(c) Persons Against Which the Sanctions Are to Be Imposed.—Section 5(c)(2) of such Act (50 U.S.C. 1701 note) is amended—

(1) in subparagraph (B), by striking “or” at the end;

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

(3) by adding at the end the following new subparagraph:

“(D) is a private or government lender, insurer, underwriter, re-insurer, or guarantor of the person referred to in paragraph (1) if that private or government lender, insurer, underwriter, re-insurer, or guarantor, with actual
knowledge, engaged in the activities referred to in paragraph (1).”.

(d) INVESTIGATIONS.—Section 5 of such Act (50 U.S.C. 1701 note) is further amended by adding at the end the following new subsection:

“(g) INVESTIGATIONS.—

“(1) IN GENERAL.—Upon public or private disclosure of activity related to investment in Iran by a person, the President shall direct the Secretary of the Treasury to initiate an investigation into the possible imposition of sanctions against such person as a result of such activity, to notify such person of such investigation, and to provide a recommendation to the President for such purposes.

“(2) DETERMINATION AND NOTIFICATION.—Not later than 90 days after the date of the disclosure of the activity described in paragraph (1), the President shall determine whether or not to impose sanctions against such person as a result of such activity and shall notify the appropriate congressional committees of the basis for such determination.

“(3) PUBLICATION.—Not later than 10 days after the President notifies the appropriate congressional committees under paragraph (2), the Presi-
dent shall ensure publication in the Federal Register of—

“(A) the identification of the persons against which the President has made a determination that the imposition of sanctions is appropriate, together with an explanation for such determination; and

“(B) the identification of the persons against which the President has made a determination that the imposition of sanctions is not appropriate, together with an explanation for such determination.”.

(e) EFFECTIVE DATE.—Sanctions imposed pursuant to the amendments made by this section shall apply with respect to investments made in Iran on or after the date of the enactment of this Act.

SEC. 203. TERMINATION OF SANCTIONS.

(a) REMOVAL OF LIBYA SANCTIONS.—Section 8 of the Iran and Libya Sanctions Act 1996 (50 U.S.C. 1701 note) is amended—

(1) in subsection (a), by striking the subsection designation and heading; and

(2) by striking subsection (b).
(b) ADDITIONAL CONDITION FOR REMOVAL OF IRAN SANCTIONS.—Such section, as amended by subsection (a), is further amended—

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

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

(3) by adding at the end the following new paragraph:

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

SEC. 204. SUNSET.

Section 13 of the Iran and Libya Sanctions Act of 1996 (50 U.S.C. 1701 note) is amended—

(1) in the section heading, by striking “; SUNSET”;

(2) in subsection (a), by striking the subsection designation and heading; and

(3) by striking subsection (b).

SEC. 205. CLARIFICATION AND EXPANSION OF DEFINITIONS.

(a) PERSON.—Section 14(14)(B) of the Iran and Libya Sanctions Act of 1996 (50 U.S.C. 1701 note) is amended—
(1) by inserting after “trust” the following: “,
financial institution, insurer, underwriter, re-insurer,
guarantor”; and

(2) by striking “operating as a business enter-
prise”.

(b) PETROLEUM RESOURCES.—Section 14(15) of the
Iran and Libya Sanctions Act of 1996 (50 U.S.C. 1701
note) is amended by inserting after “includes petroleum”
the following: “, petroleum by-products,”.

TITLE III—DEMOCRACY IN IRAN

SEC. 301. FINDINGS.

Congress makes the following findings:

(1) The people of the United States have long
demonstrated an interest in the well-being of the
people of Iran, dating back to the 1830s.

(2) Famous Americans such as Howard Bas-
kerville, Dr. Samuel Martin, Jane E. Doolittle, and
Louis G. Dreyfus, Jr., made significant contribu-
tions to Iranian society by furthering the educational
opportunities of the people of Iran and improving
the opportunities of the less fortunate citizens of
Iran.

(3) Iran and the United States were allies fol-
lowing World War II, and through the late 1970s
Iran was as an important regional ally of the United States and a key bulwark against Soviet influence.

(4) In November 1979, following the arrival of Mohammed Reza Shah Pahlavi in the United States, a mob of students and extremists seized the United States Embassy in Tehran, Iran, holding United States diplomatic personnel hostage until January 1981.

(5) Following the seizure of the United States Embassy, Ayatollah Ruhollah Khomeini, leader of the repressive revolutionary movement in Iran, expressed support for the actions of the students in taking American citizens hostage.

(6) Despite the presidential election of May 1997, an election in which an estimated 91 percent of the electorate participated, control of the internal and external affairs of the Islamic Republic of Iran is still exercised by the courts in Iran and the Revolutionary Guards, Supreme Leader, and Council of Guardians of the Government of Iran.

(7) The election results of the May 1997 election and the high level of voter participation in that election demonstrate that the people of Iran favor economic and political reforms and greater inter-
action with the United States and the Western world in general.

(8) Efforts by the United States to improve relations with Iran have been rebuffed by the Government of Iran.

(9) The Clinton Administration eased sanctions against Iran and promoted people-to-people exchanges, but the Leader of the Islamic Revolution Ayatollah Ali Khamenei, the Militant Clerics’ Society, the Islamic Coalition Organization, and Supporters of the Party of God have all opposed efforts to open Iranian society to Western influences and have opposed efforts to change the dynamic of relations between the United States and Iran.

(10) For the past two decades, the Department of State has found Iran to be the leading sponsor of international terrorism in the world.

(11) In 1983, the Iran-sponsored Hezbollah terrorist organization conducted suicide terrorist operations against United States military and civilian personnel in Beirut, Lebanon, resulting in the deaths of hundreds of Americans.

(12) The United States intelligence community and law enforcement personnel have linked Iran to attacks against American military personnel at

(13) According to the Department of State’s Patterns of Global Terrorism 2001 report, “Iran’s Islamic Revolutionary Guard Corps and Ministry of Intelligence and Security continued to be involved in the planning and support of terrorist acts and supported a variety of groups that use terrorism to pursue their goals,” and “Iran continued to provide Lebanese Hizballah and the Palestinian rejectionist groups—notably HAMAS, the Palestinian Islamic Jihad, and the [Popular Front for the Liberation of Palestine-General Command]—with varying amounts of funding, safehaven, training and weapons”.

(14) Iran currently operates more than 10 radio and television stations broadcasting in Iraq that incite violent actions against United States and coalition personnel in Iraq.

(15) The current leaders of Iran, Ayatollah Ali Khamenei and Hashemi Rafsanjani, have repeatedly called upon Muslims to kill Americans in Iraq and install a theocratic regime in Iraq.
(16) The Government of Iran has admitted pursuing a clandestine nuclear program, which the United States intelligence community believes may include a nuclear weapons program.

(17) The Government of Iran has failed to meet repeated pledges to arrest and extradite foreign terrorists in Iran.

(18) The United States Government believes that the Government of Iran supports terrorists and extremist religious leaders in Iraq with the clear intention of subverting coalition efforts to bring peace and democracy to Iraq.

(19) The Ministry of Defense of Iran confirmed in July 2003 that it had successfully conducted the final test of the Shahab-3 missile, giving Iran an operational intermediate-range ballistic missile capable of striking both Israel and United States troops throughout the Middle East and Afghanistan.

SEC. 302. DECLARATION OF CONGRESS REGARDING UNITED STATES POLICY TOWARD IRAN.

Congress declares that it should be the policy of the United States—

(1) to support efforts by the people of Iran to exercise self-determination over the form of government of their country; and
(2) to actively support a national referendum in Iran with oversight by international observers and monitors to certify the integrity and fairness of the referendum.

SEC. 303. ASSISTANCE TO SUPPORT DEMOCRACY IN IRAN.

(a) AUTHORIZATION.—The President is authorized, notwithstanding any other provision of law, to provide financial and political assistance (including the award of grants) to foreign and domestic individuals, organizations, and entities that support democracy and the promotion of democracy in Iran. Such assistance may include the award of grants to eligible independent pro-democracy radio and television broadcasting organizations that broadcast into Iran.

(b) SENSE OF CONGRESS ON ELIGIBILITY FOR ASSISTANCE.—It is the sense of Congress that financial and political assistance under this section be provided to an individual, organization, or entity that—

(1) opposes the use of terrorism;

(2) advocates the adherence by Iran to non-proliferation regimes for nuclear, chemical, and biological weapons and materiel;

(3) is dedicated to democratic values and supports the adoption of a democratic form of government in Iran;
(4) is dedicated to respect for human rights, including the fundamental equality of women;

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

(6) supports freedom of the press, freedom of speech, freedom of association, and freedom of religion.

(c) FUNDING.—The President may provide assistance under this section using amounts made available pursuant to the authorization of appropriations under subsection (g).

(d) NOTIFICATION.—Not later than 15 days before each obligation of assistance under this section, and in accordance with the procedures under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–l), the President shall notify the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

(e) SENSE OF CONGRESS REGARDING COORDINATION OF POLICY AND APPOINTMENT.—It is the sense of Congress that in order to ensure maximum coordination among Federal agencies, if the President provides the assistance under this section, the President should appoint an individual who shall—
(1) serve as special assistant to the President on matters relating to Iran; and
(2) coordinate among the appropriate directors of the National Security Council on issues regarding such matters.

(f) Sense of Congress Regarding Diplomatic Assistance.—It is the sense of Congress that—

(1) support for a transition to democracy in Iran should be expressed by United States representatives and officials in all appropriate international fora;

(2) representatives of the Government of Iran should be denied access to all United States Government buildings;

(3) efforts to bring a halt to the nuclear weapons program of Iran, including steps to end the supply of nuclear components or fuel to Iran, should be intensified, with particular attention focused on the cooperation regarding such program—

(A) between the Government of Iran and the Government of the Russian Federation; and

(B) between the Government of Iran and individuals from China, Malaysia, and Pakistan, including the network of Dr. Abdul Qadeer (A. Q.) Khan; and
(4) officials and representatives of the United States should—

(A) strongly and unequivocally support indigenous efforts in Iran calling for free, transparent, and democratic elections; and

(B) draw international attention to violations by the Government of Iran of human rights, freedom of religion, freedom of assembly, and freedom of the press.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Department of State $10,000,000 to carry out activities under this section.

SEC. 304. REPORTING REQUIREMENT REGARDING DESIGNATION OF DEMOCRATIC OPPOSITION ORGANIZATIONS.

Not later than 15 days before designating a democratic opposition organization as eligible to receive assistance under section 302, the President shall notify the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives of the proposed designation. The notification may be in classified form.