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To close loopholes, increase transparency, and improve the effectiveness of sanctions on Iranian trade in petroleum products.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 1, 2012

Ms. MURKOWSKI (for herself, Ms. CANTWELL, Mr. HELLER, Mrs. GILLIBRAND, Mr. PORTMAN, Mr. BARRASSO, Mr. CORNYN, Mr. KYL, Mr. VITTER, Mr. RISCH, Mr. HOEVEN, Ms. LANDRIEU, Mr. BEGICH, Mr. LUGAR, Mr. BENNET, Mr. MENENDEZ, and Mr. CRAPO) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To close loopholes, increase transparency, and improve the effectiveness of sanctions on Iranian trade in petroleum products.

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

3 **SECTION 1. SALE OF PETROLEUM FROM STRATEGIC PE-**
4 **TROLEUM RESERVE.**

5 (a) IN GENERAL.—The Secretary of Energy (referred
6 to in this section as the “Secretary”) shall engage in any
7 sale, purchase, or exchange activity involving the Strategic
8 Petroleum Reserve established under part B of title I of

1 the Energy Policy and Conservation Act (42 U.S.C. 6231
2 et seq.) (referred to in this section as the “Reserve”) only
3 with a person that certifies to the Secretary that the per-
4 son is not directly or indirectly conducting transactions
5 in or with Iran or an Iranian entity.

6 (b) CERTIFICATION.—To be eligible to participate in
7 any sale, purchase, or exchange activity involving the Re-
8 serve, a person shall certify to the Secretary, on a regular
9 basis, that the person is not directly or indirectly con-
10 ducting transactions in or with Iran or an Iranian entity
11 (including executed contracts and ongoing negotiations re-
12 lating to such transactions).

13 (c) NEW ACTIVITIES.—Prior to participating in any
14 sale, purchase, or exchange activity involving the Reserve,
15 a person shall disclose to the Secretary any new activity
16 of the person relating to directly or indirectly conducting
17 transactions in or with Iran or an Iranian entity (includ-
18 ing executed contracts and ongoing negotiations relating
19 to such transactions).

20 (d) EXCEPTIONS.—This section shall not apply to a
21 transaction of a person relating to the provision of human-
22 itarian assistance, an agricultural commodity or product,
23 medicine, or a medical device to Iran or an Iranian entity.

1 (e) WAIVER.—The President may waive the require-
2 ment for certification with respect to a person under this
3 section if the President—

4 (1) determines that such a waiver is in the na-
5 tional interests of the United States; and

6 (2) not later than 15 days after making the de-
7 termination, submits to the appropriate congres-
8 sional committees a report that describes the reasons
9 for the determination.

10 (f) APPLICABILITY.—The requirements of this sec-
11 tion terminate on the date on which the President deter-
12 mines that all economic sanctions imposed by the United
13 States with respect to Iran have been lifted.

14 **SEC. 2. REPORTS ON IRANIAN IMPORTS OF CRUDE OIL AND**
15 **REFINED PETROLEUM PRODUCTS.**

16 (a) IN GENERAL.—Not later than 180 days after the
17 date of enactment of this Act and every 180 days there-
18 after, the Comptroller General of the United States shall
19 submit to Congress a report that, to the maximum extent
20 practicable, describes—

21 (1) the annual volume and national origin of
22 crude oil and refined petroleum products imported to
23 and exported from Iran (including through swaps
24 and similar arrangements);

1 (2) the identity and national origin of persons
2 selling and transporting crude oil and refined petro-
3 leum products described in paragraph (1);

4 (3) entities providing shipping and insurance
5 services to Iran;

6 (4) the sources of financing for imports to Iran
7 of crude oil and refined petroleum products de-
8 scribed in paragraph (1); and

9 (5) the involvement of persons in efforts to as-
10 sist Iran, and to conduct joint ventures with Iran,
11 in—

12 (A) developing upstream oil and gas pro-
13 duction capacity;

14 (B) importing advanced technology to up-
15 grade existing Iranian refineries;

16 (C) converting existing chemical plants to
17 petroleum refineries; or

18 (D) maintaining, upgrading, or expanding
19 refineries or constructing new refineries.

20 (b) APPLICABILITY.—The period covered by reports
21 under subsection (a) shall—

22 (1) commence on July 1, 2010; and

23 (2) terminate on the date on which the Presi-
24 dent determines that all economic sanctions imposed

1 by the United States with respect to Iran have been
2 lifted.

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