

In the Senate of the United States,

November 17, 2015.

Resolved, That the bill from the House of Representatives (H.R. 2297) entitled “An Act to prevent Hezbollah and associated entities from gaining access to international financial and other institutions, and for other purposes.”, do pass with the following

AMENDMENTS:

Strike all after the enacting clause and insert the following:

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

2 (a) *SHORT TITLE.*—*This Act may be cited as the*
3 *“Hizballah International Financing Prevention Act of*
4 *2015”.*

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

Sec. 1. Short title; table of contents.

Sec. 2. Statement of policy.

***TITLE I—PREVENTION OF ACCESS BY HIZBALLAH TO
INTERNATIONAL FINANCIAL AND OTHER INSTITUTIONS***

*Sec. 101. Report on imposition of sanctions on certain satellite providers that
carry al-Manar TV.*

Sec. 102. Sanctions with respect to financial institutions that engage in certain transactions.

TITLE II—REPORTS AND BRIEFINGS ON NARCOTICS TRAFFICKING AND SIGNIFICANT TRANSNATIONAL CRIMINAL ACTIVITIES OF HIZBALLAH

Sec. 201. Report and briefing on narcotics trafficking by Hizballah.

Sec. 202. Report and briefing on significant transnational criminal activities of Hizballah.

Sec. 203. Rewards for Justice and Hizballah's fundraising, financing, and money laundering activities.

Sec. 204. Report on activities of foreign governments to disrupt global logistics networks and fundraising, financing, and money laundering activities of Hizballah.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Rule of construction.

Sec. 302. Regulatory authority.

Sec. 303. Termination.

1 SEC. 2. STATEMENT OF POLICY.

2 *It shall be the policy of the United States to—*

3 *(1) prevent Hizballah's global logistics and fi-*
 4 *nancial network from operating in order to curtail*
 5 *funding of its domestic and international activities;*
 6 *and*

7 *(2) utilize all available diplomatic, legislative,*
 8 *and executive avenues to combat the global criminal*
 9 *activities of Hizballah as a means to block that orga-*
 10 *nization's ability to fund its global terrorist activi-*
 11 *ties.*

1 **TITLE I—PREVENTION OF AC-**
2 **CESS BY HIZBALLAH TO**
3 **INTERNATIONAL FINANCIAL**
4 **AND OTHER INSTITUTIONS**

5 **SEC. 101. REPORT ON IMPOSITION OF SANCTIONS ON CER-**
6 **TAIN SATELLITE PROVIDERS THAT CARRY AL-**
7 **MANAR TV.**

8 (a) *IN GENERAL.*—Not later than 90 days after the
9 date of the enactment of this Act, the President shall submit
10 to the appropriate congressional committees and leadership
11 a report on the following:

12 (1) *The activities of all satellite, broadcast,*
13 *Internet, or other providers that have knowingly en-*
14 *tered into a contractual relationship with al-Manar*
15 *TV, and any affiliates or successors thereof.*

16 (2) *With respect to all providers described in*
17 *paragraph (1)—*

18 (A) *an identification of those providers that*
19 *have been sanctioned pursuant to Executive*
20 *Order 13224 (50 U.S.C. 1701 note; relating to*
21 *blocking property and prohibiting transactions*
22 *with persons who commit, threaten to commit, or*
23 *support terrorism); and*

24 (B) *an identification of those providers that*
25 *have not been sanctioned pursuant to Executive*

1 *Order 13224 and, with respect to each such pro-*
2 *vider, any information indicating that the pro-*
3 *vider has knowingly entered into a contractual*
4 *relationship with al-Manar TV, and any affili-*
5 *ates or successors of al-Manar TV.*

6 **(b) FORM OF REPORT.**—*The report required by sub-*
7 *section (a) shall be submitted in unclassified form to the*
8 *greatest extent possible, but may include a classified annex.*

9 **(c) APPROPRIATE CONGRESSIONAL COMMITTEES AND**
10 **LEADERSHIP DEFINED.**—*In this section, the term “appro-*
11 *priate congressional committees and leadership” means—*

12 *(1) the Speaker, the minority leader, the Com-*
13 *mittee on Foreign Affairs, the Committee on Finan-*
14 *cial Services, and the Permanent Select Committee on*
15 *Intelligence of the House of Representatives; and*

16 *(2) the majority leader, the minority leader, the*
17 *Committee on Foreign Relations, the Committee on*
18 *Banking, Housing, and Urban Affairs, and the Select*
19 *Committee on Intelligence of the Senate.*

20 **SEC. 102. SANCTIONS WITH RESPECT TO FINANCIAL INSTI-**
21 **TUTIONS THAT ENGAGE IN CERTAIN TRANS-**
22 **ACTIONS.**

23 **(a) PROHIBITIONS AND CONDITIONS WITH RESPECT**
24 **TO CERTAIN ACCOUNTS HELD BY FOREIGN FINANCIAL IN-**
25 **STITUTIONS.**—

1 (1) *IN GENERAL.*—Not later than 120 days after
2 the date of the enactment of this Act, the President
3 shall prescribe regulations to prohibit, or impose
4 strict conditions on, the opening or maintaining in
5 the United States of a correspondent account or a
6 payable-through account by a foreign financial insti-
7 tution that the President determines, on or after such
8 date of enactment, engages in an activity described in
9 paragraph (2).

10 (2) *ACTIVITIES DESCRIBED.*—A foreign financial
11 institution engages in an activity described in this
12 paragraph if the foreign financial institution—

13 (A) knowingly facilitates a significant
14 transaction or transactions for Hizballah;

15 (B) knowingly facilitates a significant
16 transaction or transactions of a person identified
17 on the list of specially designated nationals and
18 blocked persons maintained by the Office of For-
19 eign Assets Control of the Department of the
20 Treasury and the property and interests in
21 property of which are blocked pursuant to the
22 International Emergency Economic Powers Act
23 (50 U.S.C. 1701 *et seq.*) for acting on behalf of
24 or at the direction of, or being owned or con-
25 trolled by, Hizballah;

1 (C) knowingly engages in money laundering
2 to carry out an activity described in subpara-
3 graph (A) or (B); or

4 (D) knowingly facilitates a significant
5 transaction or transactions or provides signifi-
6 cant financial services to carry out an activity
7 described in subparagraph (A), (B), or (C).

8 (3) *PENALTIES.*—The penalties provided for in
9 subsections (b) and (c) of section 206 of the Inter-
10 national Emergency Economic Powers Act (50 U.S.C.
11 1705) shall apply to a person that violates, attempts
12 to violate, conspires to violate, or causes a violation
13 of regulations prescribed under this subsection to the
14 same extent that such penalties apply to a person that
15 commits an unlawful act described in subsection (a)
16 of such section 206.

17 (4) *PROCEDURES FOR JUDICIAL REVIEW OF*
18 *CLASSIFIED INFORMATION.*—

19 (A) *IN GENERAL.*—If a finding under this
20 subsection, or a prohibition, condition, or pen-
21 alty imposed as a result of any such finding, is
22 based on classified information (as defined in
23 section 1(a) of the Classified Information Proce-
24 dures Act (18 U.S.C. App.)) and a court reviews
25 the finding or the imposition of the prohibition,

1 *condition, or penalty, the President may submit*
2 *such information to the court ex parte and in*
3 *camera.*

4 *(B) RULE OF CONSTRUCTION.—Nothing in*
5 *this paragraph shall be construed to confer or*
6 *imply any right to judicial review of any find-*
7 *ing under this subsection or any prohibition,*
8 *condition, or penalty imposed as a result of any*
9 *such finding.*

10 *(b) WAIVER.—*

11 *(1) IN GENERAL.—The President may waive, on*
12 *a case-by-case basis, the application of a prohibition*
13 *or condition imposed with respect to a foreign finan-*
14 *cial institution pursuant to subsection (a) for a pe-*
15 *riod of not more than 180 days, and may renew the*
16 *waiver for additional periods of not more than 180*
17 *days, on and after the date on which the President—*

18 *(A) determines that such a waiver is in the*
19 *national security interests of the United States;*
20 *and*

21 *(B) submits to the appropriate congres-*
22 *sional committees a report describing the reasons*
23 *for such determination.*

1 (2) *FORM.*—*The report required by paragraph*
2 (1)(B) *shall be submitted in unclassified form, but*
3 *may contain a classified annex.*

4 (c) *SPECIAL RULE TO ALLOW FOR TERMINATION OF*
5 *SANCTIONABLE ACTIVITY.*—*The President shall not be re-*
6 *quired to apply sanctions to a foreign financial institution*
7 *described in subsection (a) if the President certifies in writ-*
8 *ing to the appropriate congressional committees that—*

9 (1) *the foreign financial institution—*

10 (A) *is no longer engaging in the activity de-*
11 *scribed in subsection (a)(2); or*

12 (B) *has taken and is continuing to take sig-*
13 *nificant verifiable steps toward terminating the*
14 *activity described in that subsection; and*

15 (2) *the President has received reliable assurances*
16 *from the government with primary jurisdiction over*
17 *the foreign financial institution that the foreign fi-*
18 *nancial institution will not engage in any activity*
19 *described in subsection (a)(2) in the future.*

20 (d) *REPORT ON FOREIGN CENTRAL BANKS.*—

21 (1) *IN GENERAL.*—*Not later than 90 days after*
22 *the date of the enactment of this Act, and every 180*
23 *days thereafter, the Secretary of the Treasury shall*
24 *submit to the appropriate congressional committees a*
25 *report that—*

1 (A) identifies each foreign central bank that
2 the Secretary determines engages in one or more
3 activities described in subsection (a)(2)(D); and

4 (B) provides a detailed description of each
5 such activity.

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

9 (e) *IMPLEMENTATION.*—The President may exercise all
10 authorities provided under sections 203 and 205 of the
11 International Emergency Economic Powers Act (50 U.S.C.
12 1702 and 1704) to carry out this section.

13 (f) *DEFINITIONS.*—

14 (1) *IN GENERAL.*—In this section:

15 (A) *ACCOUNT; CORRESPONDENT ACCOUNT;*
16 *PAYABLE-THROUGH ACCOUNT.*—The terms “ac-
17 count”, “correspondent account”, and “payable-
18 through account” have the meanings given those
19 terms in section 5318A of title 31, United States
20 Code.

21 (B) *APPROPRIATE CONGRESSIONAL COMMIT-*
22 *TEES.*—The term “appropriate congressional
23 committees” means—

1 (i) *the Committee on Foreign Affairs*
2 *and the Committee on Financial Services of*
3 *the House of Representatives; and*

4 (ii) *the Committee on Foreign Rela-*
5 *tions and the Committee on Banking, Hous-*
6 *ing, and Urban Affairs of the Senate.*

7 (C) *FINANCIAL INSTITUTION.*—*The term “fi-*
8 *nancial institution” means a financial institu-*
9 *tion specified in subparagraph (A), (B), (C),*
10 *(D), (E), (F), (G), (H), (I), (J), (K), (M), (N),*
11 *(P), (R), (T), (Y), or (Z) of section 5312(a)(2)*
12 *of title 31, United States Code.*

13 (D) *FOREIGN FINANCIAL INSTITUTION.*—
14 *The term “foreign financial institution” has the*
15 *meaning given that term in section 1010.605 of*
16 *title 31, Code of Federal Regulations.*

17 (E) *HIZBALLAH.*—*The term “Hizballah”*
18 *means—*

19 (i) *the entity known as Hizballah and*
20 *designated by the Secretary of State as a*
21 *foreign terrorist organization pursuant to*
22 *section 219 of the Immigration and Nation-*
23 *ality Act (8 U.S.C. 1189); or*

24 (ii) *any person—*

1 (I) *the property or interests in*
2 *property of which are blocked pursuant*
3 *to the International Emergency Eco-*
4 *nomics Powers Act (50 U.S.C. 1701 et*
5 *seq.); and*

6 (II) *who is identified on the list of*
7 *specially designated nationals and*
8 *blocked persons maintained by the Of-*
9 *fice of Foreign Assets Control of the*
10 *Department of the Treasury as an*
11 *agent, instrumentality, or affiliate of*
12 *Hizballah.*

13 (F) *MONEY LAUNDERING.—The term*
14 *“money laundering” includes the movement of il-*
15 *licit cash or cash equivalent proceeds into, out of,*
16 *or through a country, or into, out of, or through*
17 *a financial institution.*

18 (2) *OTHER DEFINITIONS.—The President may*
19 *further define the terms used in this section in the*
20 *regulations prescribed under this section.*

1 **TITLE II—REPORTS AND BRIEF-**
2 **INGS ON NARCOTICS TRAF-**
3 **FICKING AND SIGNIFICANT**
4 **TRANSNATIONAL CRIMINAL**
5 **ACTIVITIES OF HIZBALLAH**

6 **SEC. 201. REPORT AND BRIEFING ON NARCOTICS TRAF-**
7 **FICKING BY HIZBALLAH.**

8 (a) *REPORT.*—

9 (1) *IN GENERAL.*—Not later than 120 days after
10 the date of the enactment of this Act, the President
11 shall submit to the appropriate congressional commit-
12 tees and leadership a report on the activities of
13 Hizballah related to narcotics trafficking worldwide.

14 (2) *FORM.*—The report required by paragraph
15 (1) shall be submitted in unclassified form to the
16 greatest extent possible, but may include a classified
17 annex.

18 (b) *BRIEFING.*—Not later than 30 days after the sub-
19 mission of the report required by subsection (a), the Presi-
20 dent shall provide to the appropriate congressional commit-
21 tees and leadership a briefing on—

22 (1) the report;

23 (2) procedures for designating Hizballah as a
24 significant foreign narcotics trafficker under the For-

1 *eign Narcotics Kingpin Designation Act (21 U.S.C.*
 2 *1901 et seq.); and*

3 *(3) Government-wide efforts to combat the nar-*
 4 *cotics trafficking activities of Hizballah.*

5 *(c) APPROPRIATE CONGRESSIONAL COMMITTEES AND*
 6 *LEADERSHIP DEFINED.—In this section, the term “appro-*
 7 *priate congressional committees and leadership” means—*

8 *(1) the Speaker, the minority leader, the Com-*
 9 *mittee on Foreign Affairs, the Committee on Finan-*
 10 *cial Services, the Committee on the Judiciary, and*
 11 *the Permanent Select Committee on Intelligence of the*
 12 *House of Representatives; and*

13 *(2) the majority leader, the minority leader, the*
 14 *Committee on Foreign Relations, the Committee on*
 15 *Banking, Housing, and Urban Affairs, the Committee*
 16 *on Finance, the Committee on the Judiciary, and the*
 17 *Select Committee on Intelligence of the Senate.*

18 **SEC. 202. REPORT AND BRIEFING ON SIGNIFICANT**
 19 **TRANSNATIONAL CRIMINAL ACTIVITIES OF**
 20 **HIZBALLAH.**

21 *(a) REPORT.—*

22 *(1) IN GENERAL.—Not later than 120 days after*
 23 *the date of the enactment of this Act, the President*
 24 *shall submit to the appropriate congressional commit-*
 25 *tees and leadership a report on the significant*

1 *transnational criminal activities of Hizballah, in-*
2 *cluding human trafficking.*

3 (2) *FORM.*—*The report required by paragraph*
4 *(1) shall be submitted in unclassified form to the*
5 *greatest extent possible, but may include a classified*
6 *annex.*

7 (b) *BRIEFING.*—*Not later than 30 days after the sub-*
8 *mission of the report required by subsection (a), the Presi-*
9 *dent shall provide to the appropriate congressional commit-*
10 *tees and leadership a briefing on—*

11 (1) *the report;*

12 (2) *procedures for designating Hizballah as a*
13 *significant transnational criminal organization*
14 *under Executive Order 13581 (75 Fed. Reg. 44,757);*
15 *and*

16 (3) *Government-wide efforts to combat the*
17 *transnational criminal activities of Hizballah.*

18 (c) *APPROPRIATE CONGRESSIONAL COMMITTEES AND*
19 *LEADERSHIP DEFINED.*—*In this section, the term “appro-*
20 *priate congressional committees and leadership” means—*

21 (1) *the Speaker, the minority leader, the Com-*
22 *mittee on Foreign Affairs, the Committee on Finan-*
23 *cial Services, the Committee on the Judiciary, and*
24 *the Permanent Select Committee on Intelligence of the*
25 *House of Representatives; and*

1 (2) *the majority leader, the minority leader, the*
2 *Committee on Foreign Relations, the Committee on*
3 *Banking, Housing, and Urban Affairs, the Committee*
4 *on Finance, the Committee on the Judiciary, and the*
5 *Select Committee on Intelligence of the Senate.*

6 **SEC. 203. REWARDS FOR JUSTICE AND HIZBALLAH'S FUND-**
7 **RAISING, FINANCING, AND MONEY LAUN-**
8 **DERING ACTIVITIES.**

9 (a) *REPORT.*—*Not later than 90 days after the date*
10 *of the enactment of this Act, the Secretary of State shall*
11 *submit to the appropriate congressional committees a report*
12 *that details actions taken by the Department of State*
13 *through the Department of State rewards program under*
14 *section 36 of the State Department Basic Authorities Act*
15 *(22 U.S.C. 2708) to obtain information on fundraising, fi-*
16 *nancing, and money laundering activities of Hizballah and*
17 *its agents and affiliates.*

18 (b) *BRIEFING.*—*Not later than 90 days after the date*
19 *of the enactment of this Act, and annually thereafter, the*
20 *Secretary of State shall provide a briefing to the appro-*
21 *priate congressional committees on the status of the actions*
22 *described in subsection (a).*

23 (c) *APPROPRIATE CONGRESSIONAL COMMITTEES DE-*
24 *FINED.*—*In this section, the term “appropriate congres-*
25 *sional committees” means—*

1 (1) *the Committee on Foreign Affairs and the*
2 *Committee on Financial Services of the House of Rep-*
3 *resentatives; and*

4 (2) *the Committee on Foreign Relations and the*
5 *Committee on Banking, Housing, and Urban Affairs*
6 *of the Senate.*

7 **SEC. 204. REPORT ON ACTIVITIES OF FOREIGN GOVERN-**
8 **MENTS TO DISRUPT GLOBAL LOGISTICS NET-**
9 **WORKS AND FUNDRAISING, FINANCING, AND**
10 **MONEY LAUNDERING ACTIVITIES OF**
11 **HIZBALLAH.**

12 (a) *REPORT.*—

13 (1) *IN GENERAL.*—*Not later than 90 days after*
14 *the date of the enactment of this Act, the President*
15 *shall submit to the appropriate congressional commit-*
16 *tees a report that includes—*

17 (A) *a list of countries that support*
18 *Hizballah or in which Hizballah maintains im-*
19 *portant portions of its global logistics networks;*

20 (B) *with respect to each country on the list*
21 *required by subparagraph (A)—*

22 (i) *an assessment of whether the gov-*
23 *ernment of the country is taking adequate*
24 *measures to disrupt the global logistics net-*

1 *works of Hizballah within the territory of*
2 *the country; and*

3 *(ii) in the case of a country the govern-*
4 *ment of which is not taking adequate meas-*
5 *ures to disrupt such networks—*

6 *(I) an assessment of the reasons*
7 *that government is not taking such*
8 *adequate measures; and*

9 *(II) a description of measures*
10 *being taken by the United States to en-*
11 *courage that government to improve*
12 *measures to disrupt such networks;*

13 *(C) a list of countries in which Hizballah,*
14 *or any of its agents or affiliates, conducts sig-*
15 *nificant fundraising, financing, or money laun-*
16 *dering activities;*

17 *(D) with respect to each country on the list*
18 *required by subparagraph (C)—*

19 *(i) an assessment of whether the gov-*
20 *ernment of the country is taking adequate*
21 *measures to disrupt the fundraising, financ-*
22 *ing, or money laundering activities of*
23 *Hizballah and its agents and affiliates*
24 *within the territory of the country; and*

1 (ii) in the case of a country the govern-
2 ment of which is not taking adequate meas-
3 ures to disrupt such activities—

4 (I) an assessment of the reasons
5 that government is not taking such
6 adequate measures; and

7 (II) a description of measures
8 being taken by the United States to en-
9 courage that government to improve
10 measures to disrupt such activities;
11 and

12 (E) a list of methods that Hizballah, or any
13 of its agents or affiliates, utilizes to raise or
14 transfer funds, including trade-based money
15 laundering, the use of foreign exchange houses,
16 and free-trade zones.

17 (2) *FORM.*—The report required by paragraph
18 (1) shall be submitted in unclassified form to the
19 greatest extent possible, and may contain a classified
20 annex.

21 (3) *GLOBAL LOGISTICS NETWORKS OF*
22 *HIZBALLAH.*—In this subsection, the term “global lo-
23 gistics networks of Hizballah”, “global logistics net-
24 works”, or “networks” means financial, material, or

1 *technological support for, or financial or other serv-*
2 *ices in support of, Hizballah.*

3 *(b) BRIEFING ON HIZBALLAH’S ASSETS AND ACTIVI-*
4 *TIES RELATED TO FUNDRAISING, FINANCING, AND MONEY*
5 *LAUNDERING WORLDWIDE.—Not later than 90 days after*
6 *the date of the enactment of this Act, and every 180 days*
7 *thereafter, the Secretary of State, the Secretary of the Treas-*
8 *ury, and the heads of other applicable Federal departments*
9 *and agencies shall provide to the appropriate congressional*
10 *committees a briefing on the disposition of Hizballah’s as-*
11 *sets and activities related to fundraising, financing, and*
12 *money laundering worldwide.*

13 *(c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-*
14 *FINED.—In this section, the term “appropriate congres-*
15 *sional committees” means—*

16 *(1) the Committee on Foreign Affairs, the Com-*
17 *mittee on Financial Services, and the Permanent Se-*
18 *lect Committee on Intelligence of the House of Rep-*
19 *resentatives; and*

20 *(2) the Committee on Foreign Relations, the*
21 *Committee on Banking, Housing, and Urban Affairs,*
22 *and the Select Committee on Intelligence of the Sen-*
23 *ate.*

1 **TITLE III—MISCELLANEOUS**
2 **PROVISIONS**

3 **SEC. 301. RULE OF CONSTRUCTION.**

4 *Nothing in this Act or any amendment made by this*
5 *Act shall apply to the authorized intelligence activities of*
6 *the United States.*

7 **SEC. 302. REGULATORY AUTHORITY.**

8 *(a) IN GENERAL.—The President shall, not later than*
9 *120 days after the date of the enactment of this Act, promul-*
10 *gate regulations as necessary for the implementation of this*
11 *Act and the amendments made by this Act.*

12 *(b) NOTIFICATION TO CONGRESS.—Not less than 10*
13 *days before the promulgation of regulations under sub-*
14 *section (a), the President shall notify the appropriate con-*
15 *gressional committees of the proposed regulations and the*
16 *provisions of this Act and the amendments made by this*
17 *Act that the regulations are implementing.*

18 *(c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-*
19 *FINED.—In this section, the term “appropriate congres-*
20 *sional committees” means—*

21 *(1) the Committee on Foreign Affairs and the*
22 *Committee on Financial Services of the House of Rep-*
23 *resentatives; and*

1 (2) *the Committee on Foreign Relations and the*
2 *Committee on Banking, Housing, and Urban Affairs*
3 *of the Senate.*

4 **SEC. 303. TERMINATION.**

5 *This Act shall terminate on the date that is 30 days*
6 *after the date on which the President certifies to Congress*
7 *that Hizballah—*

8 (1) *is no longer designated as a foreign terrorist*
9 *organization pursuant to section 219 of the Immigra-*
10 *tion and Nationality Act (8 U.S.C. 1189); and*

11 (2) *is no longer designated for the imposition of*
12 *sanctions pursuant to Executive Order 13224 (50*
13 *U.S.C. 1701 note; relating to blocking property and*
14 *prohibiting transactions with persons who commit,*
15 *threaten to commit, or support terrorism).*

Amend the title so as to read: “An Act to prevent Hizballah and associated entities from gaining access to international financial and other institutions, and for other purposes.”.

Attest:

Secretary.

114TH CONGRESS
1ST SESSION

H.R. 2297

AMENDMENTS