

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 5931) TO PROVIDE FOR THE PROHIBITION ON CASH PAYMENTS TO THE GOVERNMENT OF IRAN, AND FOR OTHER PURPOSES, AND WAIVING A REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED FROM THE COMMITTEE ON RULES

SEPTEMBER 21, 2016.—Referred to the House Calendar and ordered to be printed

Mr. BYRNE, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 879]

The Committee on Rules, having had under consideration House Resolution 879, by a record vote of 8 to 3, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 5931, the Prohibiting Future Ransom Payments to Iran Act, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Foreign Affairs. The resolution waives all points of order against consideration of the bill. The resolution makes in order as original text for purpose of amendment an amendment in the nature of a substitute consisting of the text of Rules Committee Print 114-64 and provides that it shall be considered as read. The resolution waives all points of order against that amendment in the nature of a substitute. The resolution makes in order only those further amendments printed in this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The resolution waives all points of order against the amendments printed in this report. The resolution provides one motion to recommit with or without instructions.

Section 2 of the resolution waives clause 6(a) of rule XIII (requiring a two-thirds vote to consider a rule on the same day it is re-

ported from the Rules Committee) against any resolution reported through the legislative day of September 27, 2016, relating to a measure making or continuing appropriations for the fiscal year ending September 30, 2017.

EXPLANATION OF WAIVERS

Although the resolution waives all points of order against consideration of the bill, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against the amendment in the nature of a substitute made in order as original text, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against the amendments printed in this report, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 214

Motion by Ms. Foxx to report the rule. Adopted: 8–3

Majority Members	Vote	Minority Members	Vote
Ms. Foxx	Yea	Ms. Slaughter	Nay
Mr. Cole	Yea	Mr. McGovern	Nay
Mr. Woodall	Yea	Mr. Hastings of Florida	Nay
Mr. Burgess	Yea	Mr. Polis
Mr. Stivers	Yea		
Mr. Collins	Yea		
Mr. Byrne	Yea		
Mr. Newhouse		
Mr. Sessions, Chairman	Yea		

SUMMARY OF THE AMENDMENTS MADE IN ORDER

1. Royce (CA): Clarifies prohibited forms of payment to Iran, to include monetary instruments and precious metals. (10 minutes)

2. Pompeo (KS): Prohibits the U.S. government from making ransom payments. (10 minutes)

3. Pompeo (KS): Imposes sanctions on Iranians involved in kidnapping or unjustly detaining US citizens. (10 minutes)

4. Duffy (WI): Prohibits cash and precious metal payments to designated state sponsors of terrorism and North Korea in addition to Iran. (10 minutes)

5. Engel (NY): SUBSTITUTE Requires the President to notify Congress of a payment made to any State Sponsor of Terrorism or North Korea pursuant to a settlement or judgment against the United States. The amendment requires the President to report on pending claims before the Iran-US Claims Tribunal. (10 minutes)

TEXT OF AMENDMENTS MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE ROYCE OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 5, strike line 11 and all that follows through line 17 and insert the following:

(a) PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, beginning on the date of the enactment of this Act, the United States Government may not provide, directly or indirectly, to the Government of Iran—

- (A) monetary instruments; or
- (B) precious metals.

(2) DEFINITIONS.—In this subsection—

(A) the term “monetary instruments” has the meaning given the term in paragraph (dd) of section 1010.100 of title 31, Code of Federal Regulations; and

(B) the term “precious metal” has the meaning given the term in section 1027.100(d) of title 31, Code of Federal Regulations.

Page 6, after line 11, insert the following:

(c) RULE OF CONSTRUCTION.—The term “agreement to settle a claim or claims brought before the Iran-United States Claims Tribunal”, as used in subsection (b), shall not be construed to mean a “promissory note”, as used in the definition of “monetary instrument” for purposes of subsection (a).

Page 6, line 12, strike “(c)” and insert “(d)”.

Page 7, line 6, strike “(d)” and insert “(e)”.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE POMPEO OF KANSAS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 11, after line 21, add the following:

SEC. 10. PROHIBITION ON UNITED STATES GOVERNMENT PAYMENT OF RANSOM.

(a) IN GENERAL.—Except as provided by subsection (b), the President and all officers of the United States Government shall not make a payment to a government or person for the purpose of securing the release of unjustly detained individuals who are nationals of the United States or aliens who are lawfully admitted for permanent residence in the United States.

(b) EXCEPTION.—The prohibition under subsection (a) does not prohibit the United States Government from providing assistance to individuals who are nationals of the United States or aliens who are lawfully admitted for permanent residence in the United States that have been arrested.

(c) ENFORCEMENT.—The Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General, may take such actions, including the promulgation of such rules and regulations, as may be necessary to carry out the purposes of this section.

(d) DEFINITIONS.—In this section:

- (1) ENTITY.—The term “entity” means a corporation, business association, partnership, trust, society, or any other entity.
- (2) PERSON.—The term “person” means an individual or entity.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE POMPEO OF KANSAS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 11, after line 21, add the following:

SEC. 10. SANCTIONS WITH RESPECT TO IRANIAN PERSONS THAT HOLD OR DETAIN UNITED STATES NATIONALS OR ALIENS LAWFULLY ADMITTED FOR PERMANENT RESIDENCE.

(a) IMPOSITION OF SANCTIONS.—Not later than 60 days after the date of the enactment of this Act, the President shall impose the sanctions described in subsection (b) with respect to—

(1) any Iranian person involved in the kidnapping or unjust detention on or after March 9, 2007, of any individual who is a national of the United States or an alien who is lawfully admitted for permanent residence in the United States;

(2) any Iranian person that engages, or attempts to engage, in an activity or transaction that materially contributes to, or poses a risk of materially contributing to, kidnapping or unjust detention described in paragraph (1); and

(3) any Iranian person that—

(A) is owned or controlled by a person described in paragraph (1) or (2);

(B) is acting for or on behalf of such a person; or

(C) provides, or attempts to provide—

(i) financial, material, technological, or other support to a person described in paragraph (1) or (2); or

(ii) goods or services in support of an activity or transaction described in paragraph (1) or (2).

(b) SANCTIONS DESCRIBED.—The President shall block, in accordance with the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), all transactions in all property and interests in property of any person subject to subsection (a) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person.

(c) EXCEPTION; PENALTIES.—

(1) INAPPLICABILITY OF NATIONAL EMERGENCY REQUIREMENT.—The requirements of section 202 of the International Emergency Economic Powers Act (50 U.S.C. 1701) shall not apply for purposes of subsection (b).

(2) EXCEPTION RELATING TO IMPORTATION OF GOODS.—The requirement to block and prohibit all transactions in all property and interests in property under subsection (b) shall not include the authority to impose sanctions on the importation of goods.

(3) PENALTIES.—The penalties provided for in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) shall apply to a person that violates, attempts to violate, conspires to violate, or causes a violation of regulations prescribed under subsection (b) to the same extent that such penalties apply to a person that com-

mits an unlawful act described in subsection (a) of such section 206.

(d) DEFINITIONS.—In this section:

(1) ENTITY.—The term “entity” means a corporation, business association, partnership, trust, society, or any other entity.

(2) IRANIAN PERSON.—The term “Iranian person” means—

(A) an individual who is a citizen or national of the Islamic Republic of Iran; or

(B) an entity organized under the laws of the Islamic Republic of Iran or otherwise subject to the jurisdiction of the Government of the Islamic Republic of Iran.

(3) PERSON.—The term “person” means an individual or entity.

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

(A) an individual who is a national of the United States or an alien who is lawfully admitted for permanent residence in the United States; or

(B) an entity organized under the laws of the United States or of any jurisdiction within the United States, including a foreign branch of such an entity.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DUFFY OF WISCONSIN OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 11, after line 21, add the following:

SEC. 10. PROHIBITION ON CASH PAYMENTS TO STATE SPONSORS OF TERRORISM.

(a) PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, beginning on the date of the enactment of this Act, the United States Government may not provide, directly or indirectly, to a government of a state sponsor of terrorism, or an agent acting on behalf of such a government—

(A) monetary instruments; or

(B) precious metals.

(2) DEFINITIONS.—In this subsection—

(A) the term “monetary instruments” has the meaning given the term in paragraph (dd) of section 1010.100 of title 31, Code of Federal Regulations; and

(B) the term “precious metal” has the meaning given the term in section 1027.100(d) of title 31, Code of Federal Regulations.

(b) APPLICATION TO NORTH KOREA.—

(1) IN GENERAL.—Subsection (a) shall apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of the Government of the Democratic Peoples’ Republic of Korea, or an agent acting on behalf of such Government, in the same manner and to the same extent as such subsection applies with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of a state sponsor of terrorism, subject to the termination provisions described in paragraph (2).

(2) **TERMINATION.**—Subsection (a) shall cease to apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of the Government of the Democratic Peoples' Republic of Korea, or an agent acting on behalf of such Government, beginning on the date on which the President makes the certification to Congress under section 402 of the North Korea Sanctions and Policy Enhancement Act of 2016 (Public Law 114–122; 22 U.S.C. 92512).

(c) **STATE SPONSOR OF TERRORISM DEFINED.**—In this section, the term “state sponsor of terrorism” means a country the government of which the Secretary of State has determined, for purposes of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)) (as continued 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)), section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)), or any other provision of law, to be a government that has repeatedly provided support for acts of international terrorism.

5. AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO BE OFFERED BY REPRESENTATIVE ENGEL OF NEW YORK OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike the text of the committee print and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Restrictions on Payments to State Sponsors of Terrorism Act”.

SEC. 2. RESTRICTIONS ON PAYMENTS TO STATE SPONSORS OF TERRORISM.

(a) **IN GENERAL.**—No agency or instrumentality of the United States Government may make a payment, or enter into an agreement to make a payment, to an agency or instrumentality of a government of a state sponsor of terrorism, or an agent acting on behalf of such a government, in settlement of a claim or judgment against the United States, unless, not less than 5 days prior to making such payment or entering into such agreement, the President submits to the appropriate committees of Congress in writing—

- (1) a notification of the proposed payment or agreement; and
- (2) the text of the claim or judgment with respect to which such payment or agreement relates.

(b) **APPLICATION TO NORTH KOREA.**—

(1) **IN GENERAL.**—Subsections (a) and (c) shall apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of the Government of the Democratic Peoples' Republic of Korea, or an agent acting on behalf of such Government, in the same manner and to the same extent as such subsections apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of a state sponsor of terrorism, subject to the termination provisions described in paragraph (2).

(2) **TERMINATION.**—Subsections (a) and (c) shall cease to apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of the Government

of the Democratic Peoples' Republic of Korea, or an agent acting on behalf of such Government, beginning on the date on which the President makes the certification to Congress under section 402 of the North Korea Sanctions and Policy Enhancement Act of 2016 (Public Law 114–122; 22 U.S.C. 92512).

(c) **PUBLICATION IN THE FEDERAL REGISTER.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter, the President shall publish in the Federal Register a list of payments, and agreements to make payments, to agencies and instrumentalities of governments of a state sponsors of terrorism as described in subsection (a) that were made or entered into during the prior 180-day period.

(2) **CONTENTS.**—The list of payments, and agreements to make payments, required to be published in the Federal Register under paragraph (1) shall, with respect to each such payment or agreement, include the following:

(A) The amount of the payment or agreement.

(B) The agency or instrumentality of the United States Government that made the payment or entered into the agreement.

(C) The reason or reasons for the payment or agreement.

SEC. 3. REPORT ON OUTSTANDING CLAIMS BEFORE THE IRAN-UNITED STATES CLAIMS TRIBUNAL.

(a) **REPORT.**—The President shall submit to the appropriate committees of Congress a report that describes each claim pending before the Iran-United States Claims Tribunal as of the date of enactment of this Act.

(b) **MATTERS TO BE INCLUDED.**—The report required under subsection (a) shall include the amount (if an amount is specified) and the status before the Iran-United States Claims Tribunal of each claim described in subsection (a).

(c) **FORM.**—The report required under subsection (a) shall be submitted in unclassified form, but may contain a classified annex if necessary.

(d) **DEADLINE.**—The report required under subsection (a) shall be submitted to the appropriate committees of Congress not later than 90 days after the date of the enactment of this Act and annually thereafter until the disposition of all claims pending before the Iran-United States Claims Tribunal.

SEC. 4. EXCLUSION OF CERTAIN ACTIVITIES.

Nothing in this Act shall apply to any activities subject to the reporting requirements of title V of the National Security Act of 1947.

SEC. 5. RULE OF CONSTRUCTION.

Nothing in this Act shall be construed to authorize any payment by the Government of the United States to a state sponsor of terrorism or North Korea.

SEC. 6. DEFINITIONS.

In this Act:

(1) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate committees of Congress” means—

(A) the Committee on Foreign Affairs, the Committee on the Judiciary, and the Committee on Financial Services of the House of Representatives; and

(B) the Committee on Foreign Relations, the Committee on the Judiciary, and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) STATE SPONSOR OF TERRORISM.—The term “state sponsor of terrorism” means a country the government of which the Secretary of State has determined, for purposes of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)) (as continued 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)), section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)), or any other provision of law, to be a government that has repeatedly provided support for acts of international terrorism.