

112TH CONGRESS
2D SESSION

H. R. 4317

To expand sanctions with respect to the energy sector of Iran, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 29, 2012

Mr. DEUTCH (for himself and Mr. DOLD) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To expand sanctions with respect to the energy sector of Iran, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Iranian Energy Sector
5 and Proliferation Sanctions Act”.

6 **SEC. 2. EXPANSION OF SANCTIONS WITH RESPECT TO THE**
7 **ENERGY SECTOR OF IRAN.**

8 (a) SENSE OF CONGRESS.—It is the sense of the Con-
9 gress that—

1 (1) as noted in United Nations Security Council
2 Resolution 1929 (2010), the revenues derived by the
3 Government of Iran from the energy sector of Iran
4 may be used to fund Iran’s proliferation-sensitive
5 nuclear activities; and

6 (2) the energy sector of Iran should be re-
7 garded as a zone of proliferation concern with which
8 no legitimate international business should be con-
9 ducted.

10 (b) IMPOSITION OF SANCTIONS WITH RESPECT TO
11 CERTAIN ENTITIES IN THE ENERGY SECTOR OF IRAN.—

12 (1) IN GENERAL.—Except as specifically pro-
13 vided in this section, beginning on the date that is
14 60 days after the date of the enactment of this Act,
15 the President shall impose sanctions pursuant to the
16 International Emergency Economic Powers Act (50
17 U.S.C. 1701 et seq.) with respect to any person that
18 conducts any transaction with, or invests in, any en-
19 tity described in paragraph (2).

20 (2) ENTITY DESCRIBED.—An entity described
21 in this paragraph is—

22 (A) any entity that—

23 (i) is organized under the laws of Iran
24 or otherwise subject to the jurisdiction of
25 the Government of Iran; and

1 (ii)(I) is involved in the development,
2 production, extraction, or transportation of
3 petroleum, refined petroleum products,
4 natural gas, or petrochemical products,
5 without regard to whether such develop-
6 ment, production, extraction, or transpor-
7 tation occurs in Iran; or

8 (II) provides financing or other serv-
9 ices with respect to such development, pro-
10 duction, extraction, or transportation; and

11 (B) any entity that provides goods, serv-
12 ices, or technology to an entity described in
13 subparagraph (A).

14 (3) SERVICES DEFINED.—For purposes of this
15 subsection, the term “services” includes transpor-
16 tation, insurance, reinsurance, software, hardware,
17 financial, professional consulting, engineering, spe-
18 cialized energy information, and support services.

19 (c) APPLICABILITY OF SANCTIONS WITH RESPECT
20 TO CRUDE OIL PURCHASES FROM IRAN.—Sanctions im-
21 posed pursuant to subsection (b) shall not apply with re-
22 spect to a person that purchases crude oil from Iran, or
23 with respect to a person that provides goods, services, or
24 technology to facilitate or enable such a purchase, if an
25 exemption under paragraph (4)(D) of section 1245(d) of

1 the National Defense Authorization Act for Fiscal Year
2 2012 (Public Law 112–81; 125 Stat. 1648) to the imposi-
3 tion of sanctions under paragraph (1) of that section ap-
4 plies with respect to the country with primary jurisdiction
5 over the person that purchases crude oil from Iran at the
6 time of the purchase.

7 (d) WAIVER.—The President may waive the imposi-
8 tion of sanctions under subsection (b) for a period of not
9 more than 120 days, and may renew that waiver for addi-
10 tional periods of not more than 120 days, if the Presi-
11 dent—

12 (1) determines that such a waiver is vital to the
13 national security of the United States; and

14 (2) submits to Congress a report—

15 (A) providing a justification for the waiver;

16 and

17 (B) that includes any concrete cooperation

18 the President has received or expects to receive

19 as a result of the waiver.

20 (e) REPORT.—

21 (1) IN GENERAL.—Not later than 180 days
22 after the date of the enactment of this Act, and
23 every 180 days thereafter, the Comptroller General
24 of the United States shall submit to the appropriate

1 congressional committees a report that identifies
2 each entity described in subsection (b)(2).

3 (2) FORM OF REPORT.—Each report submitted
4 under this subsection shall be submitted in unclassi-
5 fied form, but may contain a classified annex.

6 (f) RULE OF CONSTRUCTION.—Nothing in this sec-
7 tion shall be construed to require or authorize the imposi-
8 tion of sanctions with respect to any person that partici-
9 pates in, or provides services to, a joint venture established
10 before January 1, 2002, with respect to the development
11 of petroleum resources outside of Iran.

12 (g) DEFINITIONS.—In this section—

13 (1) the term “appropriate congressional com-
14 mittees” has the meaning given the term in section
15 14 of the Iran Sanctions Act of 1996 (Public Law
16 104–172; 50 U.S.C. 1701 note);

17 (2) the term “petrochemical product” includes
18 any aromatic, olefin, or synthesis gas, and any deriv-
19 ative of such a gas, including ethylene, propylene,
20 butadiene, benzene, toluene, xylene, ammonia, meth-
21 anol, and urea; and

22 (3) the “refined petroleum products” has the
23 meaning given the term in section 14 of the Iran

- 1 Sanctions Act of 1996 (Public Law 104–172; 50
- 2 U.S.C. 1701 note).

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