

113TH CONGRESS
2D SESSION

H. R. 5709

To terminate the authority to waive certain provisions of law requiring the imposition of sanctions with respect to Iran, to codify certain sanctions imposed by executive order, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 14, 2014

Mr. FRANKS of Arizona introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, Oversight and Government Reform, Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To terminate the authority to waive certain provisions of law requiring the imposition of sanctions with respect to Iran, to codify certain sanctions imposed by executive order, 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 “Sanction Iran, Safe-
5 guard America Act of 2014” or the “SISA Act”.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) A nuclear-capable Iran poses a direct and
4 existential threat to the United States, Israel, and
5 allies around the world.

6 (2) Iran is a leading state sponsor of terrorism,
7 arming and funding terrorist groups around the
8 world, including by providing material support for
9 the terrorist organization Hamas in its relentless at-
10 tacks on Israel.

11 (3) The Government of Iran has violated
12 United Nations Security Council Resolutions 1696
13 (2006), 1737 (2006), 1747 (2007), 1803 (2008),
14 1835 (2008), and 1929 (2010), relating to Iran's
15 nuclear program.

16 (4) The Government of Iran has received sig-
17 nificant economic benefits from the relaxation of
18 economic sanctions pursuant the Joint Plan of Ac-
19 tion, signed November 24, 2013, by Iran and by
20 France, Germany, the Russian Federation, the Peo-
21 ple's Republic of China, the United Kingdom, and
22 the United States (in this section referred to as the
23 "Joint Plan of Action"), including increased eco-
24 nomic growth, reduced inflation, and a strengthened
25 currency, while making no substantive reductions in
26 its nuclear program.

1 (5) Any deal relating to Iran's nuclear weapons
2 program that does not completely dismantle the en-
3 tire nuclear weapons program would repeat the same
4 mistakes observed with negotiations with North
5 Korea, a totalitarian country that exported its nu-
6 clear technology to Syria and has shared similar nu-
7 clear and ballistic missile technology with Iran.

8 (6) The Agreed Framework between the United
9 States and the Democratic People's Republic of
10 Korea, signed in Geneva on October 21, 1994, which
11 called for North Korea to freeze and dismantle its
12 nuclear weapons program in exchange for eased
13 sanctions and normalized relations with the United
14 States, should serve as a reminder of previous failed
15 negotiations resulting in billions of dollars made
16 available for the development of nuclear weapons.

17 (7) Economic sanctions imposed with respect to
18 Iran are designed for the purpose of ending Iran's
19 pursuit of a nuclear weapons capability, not of initi-
20 ating negotiations. Therefore, any easing of sanc-
21 tions in pursuit of negotiations undermines the pur-
22 pose of the sanctions, as is demonstrated by the case
23 of North Korea.

1 **SEC. 3. MODIFICATION AND ELIMINATION OF WAIVER AU-**
2 **THORITIES FOR CERTAIN SANCTIONS WITH**
3 **RESPECT TO IRAN.**

4 (a) MODIFICATION OF WAIVER OF SANCTIONS RE-
5 LATING TO THE TRANSPORTATION OF CRUDE OIL FROM
6 IRAN.—

7 (1) IN GENERAL.—Section 9(c)(1)(A) of the
8 Iran Sanctions Act of 1996 (Public Law 104–172;
9 50 U.S.C. 1701 note) is amended by inserting
10 “(other than the requirement in paragraph (7) of
11 such section)” after “section 5(a)”.

12 (2) TERMINATION OF WAIVERS.—Any waiver of
13 the requirement in section 5(a)(7) of the Iran Sanc-
14 tions Act of 1996 (Public Law 104–172; 50 U.S.C.
15 1701 note) exercised by the President under section
16 9(c)(1)(A) of such Act shall cease to be in effect on
17 and after the date of the enactment of this Act.

18 (b) ELIMINATION OF WAIVER WITH RESPECT TO
19 MANDATORY SANCTIONS WITH RESPECT TO FINANCIAL
20 INSTITUTIONS THAT ENGAGE IN CERTAIN TRANS-
21 ACTIONS.—

22 (1) IN GENERAL.—Section 104 of the Com-
23 prehensive Iran Sanctions, Accountability, and Di-
24 vestment Act of 2010 (22 U.S.C. 8513) is amend-
25 ed—

26 (A) by striking subsection (f); and

1 (B) by redesignating subsections (g)
2 through (i) as subsections (f) through (h), re-
3 spectively.

4 (2) TERMINATION OF WAIVERS.—Any waiver of
5 the imposition of sanctions exercised by the Presi-
6 dent under section 104(f) of the Comprehensive Iran
7 Sanctions, Accountability, and Divestment Act of
8 2010 (22 U.S.C. 8513(f)), as in effect on the day
9 before the date of the enactment of this Act, shall
10 cease to be in effect on and after such date of enact-
11 ment.

12 (3) CONFORMING AMENDMENTS.—

13 (A) SANCTIONS WITH RESPECT TO FINAN-
14 CIAL SECTOR OF IRAN.—Section 1245(h) of the
15 National Defense Authorization Act for Fiscal
16 Year 2012 (22 U.S.C. 8513a(h)) is amended by
17 striking “section 104(i) of the Comprehensive
18 Iran Sanctions, Accountability, and Divestment
19 Act of 2010 (22 U.S.C. 8513(i))” and inserting
20 “section 104 of the Comprehensive Iran Sanc-
21 tions, Accountability, and Divestment Act of
22 2010 (22 U.S.C. 8513)”.

23 (B) EXPANSION OF MANDATORY SANC-
24 TIONS WITH RESPECT TO CERTAIN FINANCIAL
25 INSTITUTIONS.—Section 104A(d)(2) of the

1 Comprehensive Iran Sanctions, Accountability,
2 and Divestment Act of 2010 (22 U.S.C.
3 8513b(d)(2)) is amended by striking “section
4 104(i)” and inserting “section 104”.

5 (C) DEFINITIONS FOR IRAN FREEDOM AND
6 COUNTER-PROLIFERATION ACT OF 2012.—Sec-
7 tion 1242(a)(5) of the Iran Freedom and
8 Counter-Proliferation Act of 2012 (22 U.S.C.
9 8801(a)(5)) is amended by striking “section
10 104(i) of the Comprehensive Iran Sanctions,
11 Accountability, and Divestment Act of 2010 (22
12 U.S.C. 8513(i))” and inserting “section 104 of
13 the Comprehensive Iran Sanctions, Account-
14 ability, and Divestment Act of 2010 (22 U.S.C.
15 8513)”.

16 (c) ELIMINATION OF WAIVER OF SANCTIONS WITH
17 RESPECT TO THE FINANCIAL SECTOR OF IRAN.—

18 (1) IN GENERAL.—Section 1245(d) of the Na-
19 tional Defense Authorization Act for Fiscal Year
20 2012 (22 U.S.C. 8513a(d)) is amended by striking
21 paragraph (5).

22 (2) TERMINATION OF WAIVERS.—Any waiver
23 exercised by the President under section 1245(d)(5)
24 of the National Defense Authorization Act for Fiscal
25 Year 2012 (22 U.S.C. 8513a(d)(5)), as in effect on

1 the day before the date of the enactment of this Act,
2 shall cease to be in effect on and after such date of
3 enactment.

4 (d) ELIMINATION OF WAIVER OF SANCTIONS WITH
5 RESPECT TO PERSONS THAT SUPPORT OR CONDUCT
6 CERTAIN TRANSACTIONS WITH IRAN'S REVOLUTIONARY
7 GUARD CORPS OR OTHER SANCTIONED PERSONS.—

8 (1) IN GENERAL.—Section 302 of the Iran
9 Threat Reduction and Syria Human Rights Act of
10 2012 (22 U.S.C. 8742) is amended by—

11 (A) striking subsections (d) and (e); and

12 (B) redesignating subsection (f) as sub-
13 section (d).

14 (2) TERMINATION OF WAIVERS.—Any waiver
15 exercised by the President under subsection (d) or
16 (e) of section 302 of the Iran Threat Reduction and
17 Syria Human Rights Act of 2012 (22 U.S.C.
18 8742(d)), as in effect on the day before the date of
19 the enactment of this Act, shall cease to be in effect
20 on and after such date of enactment.

21 (e) ELIMINATION OF WAIVER OF SANCTIONS WITH
22 RESPECT TO THE ENERGY, SHIPPING, AND SHIP-
23 BUILDING SECTORS OF IRAN.—

1 (1) IN GENERAL.—Section 1244 of the Iran
2 Freedom and Counter-Proliferation Act of 2012 (22
3 U.S.C. 8803) is amended by striking subsection (i).

4 (2) TERMINATION OF WAIVERS.—Any waiver of
5 the imposition of sanctions under section 1244(i) of
6 the Iran Freedom and Counter-Proliferation Act of
7 2012 (22 U.S.C. 8803(i)), as in effect on the day
8 before the date of the enactment of this Act, shall
9 cease to be in effect on and after such date of enact-
10 ment.

11 (f) ELIMINATION OF WAIVER OF SANCTIONS WITH
12 RESPECT TO THE SALE, SUPPLY, OR TRANSFER OF CER-
13 TAIN MATERIALS TO OR FROM IRAN.—

14 (1) IN GENERAL.—Section 1245 of the Iran
15 Freedom and Counter-Proliferation Act of 2012 (22
16 U.S.C. 8804) is amended—

17 (A) by striking subsection (g); and

18 (B) by redesignating subsection (h) as sub-
19 section (g).

20 (2) TERMINATION OF WAIVERS.—Any waiver of
21 the imposition of sanctions under section 1245(g) of
22 the Iran Freedom and Counter-Proliferation Act of
23 2012 (22 U.S.C. 8804(g)), as in effect on the day
24 before the date of the enactment of this Act, shall

1 cease to be in effect on and after such date of enact-
2 ment.

3 (g) ELIMINATION OF WAIVER OF SANCTIONS WITH
4 RESPECT TO THE PROVISION OF UNDERWRITING SERV-
5 ICES OR INSURANCE OR REINSURANCE FOR ACTIVITIES
6 OR PERSONS WITH RESPECT TO WHICH SANCTIONS
7 HAVE BEEN IMPOSED.—

8 (1) IN GENERAL.—Section 1246 of the Iran
9 Freedom and Counter-Proliferation Act of 2012 (22
10 U.S.C. 8805) is amended by striking subsection (e).

11 (2) TERMINATION OF WAIVERS.—Any waiver of
12 the imposition of sanctions under section 1246(e) of
13 the Iran Freedom and Counter-Proliferation Act of
14 2012 (22 U.S.C. 8805(e)), as in effect on the day
15 before the date of the enactment of this Act, shall
16 cease to be in effect on and after such date of enact-
17 ment.

18 (h) ELIMINATION OF WAIVER OF SANCTIONS WITH
19 RESPECT TO FOREIGN FINANCIAL INSTITUTIONS THAT
20 FACILITATE FINANCIAL TRANSACTIONS ON BEHALF OF
21 SPECIALLY DESIGNATED NATIONALS.—

22 (1) IN GENERAL.—Section 1247 of the Iran
23 Freedom and Counter-Proliferation Act of 2012 (22
24 U.S.C. 8806) is amended by striking subsection (f).

1 (2) TERMINATION OF WAIVERS.—Any waiver of
2 the imposition of sanctions under section 1247(f) of
3 the Iran Freedom and Counter-Proliferation Act of
4 2012 (22 U.S.C. 8806(f)), as in effect on the day
5 before the date of the enactment of this Act, shall
6 cease to be in effect on and after such date of enact-
7 ment.

8 (i) TECHNICAL AMENDMENT.—Section 1253(c) of
9 the Iran Freedom and Counter-Proliferation Act of 2012
10 (22 U.S.C. 8809(c)) is amended, in the matter preceding
11 paragraph (1), by striking “, and, as appropriate, instead
12 of sections 1244(i), 1245(g), and 1246(e) of this Act”.

13 **SEC. 4. SANCTIONS WITH RESPECT TO PURCHASE, ACQUI-**
14 **SITION, SALE, TRANSPORT, OR MARKETING**
15 **OF PETROLEUM, PETROLEUM PRODUCTS, OR**
16 **PETROCHEMICAL PRODUCTS FROM IRAN.**

17 (a) IN GENERAL.—Subtitle B of title II of the Iran
18 Threat Reduction and Syria Human Rights Act of 2012
19 (22 U.S.C. 8721 et seq.) is amended—

20 (1) by redesignating sections 222, 223, and 224
21 as sections 225, 226, and 227, respectively; and

22 (2) by inserting after section 221 the following:

1 **“SEC. 222. IMPOSITION OF SANCTIONS WITH RESPECT TO**
2 **PURCHASE, ACQUISITION, SALE, TRANSPORT,**
3 **OR MARKETING OF PETROLEUM, PETRO-**
4 **LEUM PRODUCTS, AND PETROCHEMICAL**
5 **PRODUCTS FROM IRAN.**

6 “(a) LIMITATIONS ON CORRESPONDENT AND PAY-
7 ABLE-THROUGH ACCOUNTS.—The President shall pro-
8 hibit the opening, and prohibit or impose strict conditions
9 on the maintaining, in the United States of a cor-
10 respondent account or a payable-through account by a for-
11 eign financial institution that the President determines
12 has knowingly conducted or facilitated any significant fi-
13 nancial transaction, on or after July 31, 2012—

14 “(1) for the purchase, acquisition, sale, trans-
15 port, or marketing of petroleum or petroleum prod-
16 ucts from Iran; or

17 “(2) for the purchase, acquisition, sale, trans-
18 port, or marketing of petrochemical products from
19 Iran.

20 “(b) APPLICATION OF SANCTIONS FROM IRAN SANC-
21 TIONS ACT OF 1996.—The President shall impose on a
22 person one or more of the sanctions described in section
23 6(a) of the Iran Sanctions Act of 1996 (Public Law 104–
24 172; 50 U.S.C. 1701 note) upon determining that the per-
25 son knowingly, on or after July 31, 2012, engaged in a

1 significant transaction for the purchase, acquisition, sale,
2 transport, or marketing of—

3 “(1) petroleum or petroleum products from
4 Iran; or

5 “(2) petrochemical products from Iran.

6 “(c) APPLICABILITY.—Subsections (a)(1) and (b)(1)
7 shall apply with respect to a person only if—

8 “(1) the President determines under subpara-
9 graphs (B) and (C) of paragraph (4) of section
10 1245(d) of the National Defense Authorization Act
11 for Fiscal Year 2012 (22 U.S.C. 8513a(d)) that
12 there is a sufficient supply of petroleum and petro-
13 leum products from countries other than Iran to
14 permit a significant reduction in the volume of pe-
15 troleum and petroleum products purchased from
16 Iran by or through foreign financial institutions; and

17 “(2) an exception under subparagraph (D) of
18 that paragraph from the imposition of sanctions
19 under paragraph (1) of that section does not apply
20 with respect to the country with primary jurisdiction
21 over the person.

22 “(d) DEFINITIONS.—In this section:

23 “(1) ACCOUNT; CORRESPONDENT ACCOUNT;
24 PAYABLE-THROUGH ACCOUNT.—The terms ‘ac-
25 count’, ‘correspondent account’, and ‘payable-

1 through account’ have the meanings given those
2 terms in section 5318A of title 31, United States
3 Code.

4 “(2) FINANCIAL INSTITUTION.—The term ‘fi-
5 nancial institution’ means a financial institution
6 specified in subparagraph (A), (B), (C), (D), (E),
7 (F), (G), (H), (I), (J), (M), or (Y) of section
8 5312(a)(2) of title 31, United States Code.

9 “(3) FOREIGN FINANCIAL INSTITUTION.—The
10 term ‘foreign financial institution’ has the meaning
11 of that term as determined by the Secretary of the
12 Treasury pursuant to section 104 of the Comprehen-
13 sive Iran Sanctions, Accountability, and Divestment
14 Act of 2010 (22 U.S.C. 8513).

15 “(4) PETROLEUM.—The term ‘petroleum’
16 means a mixture of hydrocarbons that exists in liq-
17 uid phase in natural underground reservoirs and re-
18 mains liquid at atmospheric pressure after passing
19 through surface separating facilities.

20 “(5) PETROLEUM PRODUCTS.—

21 “(A) IN GENERAL.—The term ‘petroleum
22 products’ includes unfinished oils, liquefied pe-
23 troleum gases, pentanes plus, aviation gasoline,
24 motor gasoline, naphtha-type jet fuel, kerosene-
25 type jet fuel, kerosene, distillate fuel oil, resid-

1 ual fuel oil, petrochemical feedstocks, special
2 naphthas, lubricants, waxes, petroleum coke, as-
3 phalt, road oil, still gas, and miscellaneous
4 products obtained from the processing of crude
5 oil (including lease condensate), natural gas,
6 and other hydrocarbon compounds.

7 “(B) EXCEPTION.—The term ‘petroleum
8 products’ does not include natural gas, liquefied
9 natural gas, biofuels, methanol, and other non-
10 petroleum fuels.

11 “(6) PETROCHEMICAL PRODUCTS.—The term
12 ‘petrochemical products’ includes any aromatic,
13 olefin, and synthesis gas, and any of derivatives of
14 such a gas, including ethylene, propylene, butadiene,
15 benzene, toluene, xylene, ammonia, methanol, and
16 urea.

17 **“SEC. 223. IMPOSITION OF SANCTIONS WITH RESPECT TO**
18 **SUPPORT FOR THE NATIONAL IRANIAN OIL**
19 **COMPANY, THE NAFTIRAN INTERTRADE COM-**
20 **PANY, OR THE CENTRAL BANK OF IRAN.**

21 “The President shall block and prohibit all trans-
22 actions in property and interests in property of a person
23 the President determines has, on or after July 31, 2012,
24 materially assisted, sponsored, or provided financial, mate-
25 rial, or technological support for, or goods or services in

1 support of, the National Iranian Oil Company, the
2 Naftiran Intertrade Company, or the Central Bank of
3 Iran if such property and interests in property are in the
4 United States, come within the United States, or are or
5 come within the possession or control of a United States
6 person.

7 **“SEC. 224. IMPOSITION OF SANCTIONS WITH RESPECT TO**
8 **SUPPORT FOR THE PURCHASE OF UNITED**
9 **STATES BANK NOTES OR PRECIOUS METALS**
10 **BY THE GOVERNMENT OF IRAN.**

11 “The President shall block and prohibit all trans-
12 actions in property and interests in property of a person
13 the President determines has, on or after July 31, 2012,
14 materially assisted, sponsored, or provided financial, mate-
15 rial, or technological support for, or goods or services in
16 support of, the purchase or acquisition of United States
17 bank notes or precious metals by the Government of Iran,
18 if such property and interests in property are in the
19 United States, come within the United States, or are or
20 come within the possession or control of a United States
21 person.”.

22 (b) CLERICAL AMENDMENT.—The table of contents
23 for the Iran Threat Reduction and Syria Human Rights
24 Act of 2012 is amended by striking the items relating to
25 sections 222, 223, and 224 and inserting the following:

“Sec. 222. Imposition of sanctions with respect to purchase, acquisition, sale, transport, or marketing of petroleum, petroleum products, and petrochemical products from Iran.

“Sec. 223. Imposition of sanctions with respect to support for the National Iranian Oil Company, the Naftiran Intertrade Company, or the Central Bank of Iran.

“Sec. 224. Imposition of sanctions with respect to support for the purchase of United States bank notes or precious metals by the Government of Iran.

“Sec. 225. Sense of Congress and rule of construction relating to certain authorities of State and local governments.

“Sec. 226. Government Accountability Office report on foreign entities that invest in the energy sector of Iran or export refined petroleum products to Iran.

“Sec. 227. Reporting on the importation to and exportation from Iran of crude oil and refined petroleum products.”.

1 **SEC. 5. IMPOSITION OF SANCTIONS WITH RESPECT TO**
 2 **TRANSACTIONS WITH SPECIALLY DES-**
 3 **IGNATED NATIONALS AND WITH RESPECT TO**
 4 **THE AUTOMOTIVE SECTOR OF IRAN.**

5 (a) IN GENERAL.—The Iran Freedom and Counter-
 6 Proliferation Act of 2012 (22 U.S.C. 1241 et seq.) is
 7 amended by inserting after section 1247 the following:

8 **“SEC. 1247A. IMPOSITION OF SANCTIONS WITH RESPECT TO**
 9 **CERTAIN TRANSACTIONS WITH SPECIALLY**
 10 **DESIGNATED NATIONALS.**

11 “(a) BLOCKING OF PROPERTY.—The President shall
 12 block and prohibit all transactions in property and inter-
 13 ests in property of a person the President determines has,
 14 on or after June 1, 2013, materially assisted, sponsored,
 15 or provided financial, material, or technological support
 16 for, or goods or services in support of, any person specified
 17 in subsection (b) if such property and interests in property
 18 are in the United States, come within the United States,

1 or are or come within the possession or control of a United
2 States person.

3 “(b) PERSONS SPECIFIED.—A person specified in
4 this subsection is any person as follows:

5 “(1) Any Iranian person included on the list of
6 specially designated nationals and blocked persons
7 maintained by the Office of Foreign Assets Control
8 of the Department of the Treasury (other than an
9 Iranian depository institution whose property and in-
10 terests in property are blocked solely pursuant to
11 Executive Order 13599 (78 Fed. Reg. 33,951)).

12 “(2) Any person included on such list whose
13 property and interests in property are blocked pur-
14 suant to subsection (a) or Executive Order 13599
15 (other than an Iranian depository institution whose
16 property and interests in property are blocked solely
17 pursuant to Executive Order 13599).

18 **“SEC. 1247B. IMPOSITION OF SANCTIONS WITH RESPECT TO**
19 **THE AUTOMOTIVE SECTOR OF IRAN.**

20 “(a) IN GENERAL.—The President shall impose sanc-
21 tions described in one or more of paragraphs (1), (2), (4),
22 (5), (10), and (11) of section 6(a) of the Iran Sanctions
23 Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note)
24 with respect to a person that the President determines
25 has, on or after June 1, 2013, knowingly engaged in a

1 significant financial transaction for the sale, supply, or
2 transfer to Iran of significant goods or services used in
3 connection with the automotive sector of Iran.

4 “(b) FACILITATION OF CERTAIN TRANSACTIONS.—
5 The President shall prohibit the opening, and prohibit or
6 impose strict conditions on the maintaining, in the United
7 States of a correspondent account or a payable-through
8 account by a foreign financial institution that the Presi-
9 dent determines has, on or after June 1, 2013, knowingly
10 facilitated a significant financial transaction for the sale,
11 supply, or transfer to Iran of significant goods or services
12 used in connection with the automotive sector of Iran.

13 **“SEC. 1247C. CERTIFICATION REQUIRED FOR GOVERN-**
14 **MENT CONTRACTS WITH PERSONS IN AUTO-**
15 **MOTIVE SECTOR OF ANY COUNTRY.**

16 “(a) MODIFICATION OF FEDERAL ACQUISITION REG-
17 ULATION.—Not later than 30 days after the date of the
18 enactment of the Sanction Iran, Safeguard America Act
19 of 2014, the Federal Acquisition Regulation shall be re-
20 vised to require a certification from each person described
21 in subsection (b) that is a prospective contractor that the
22 person, and any person owned or controlled by the per-
23 son—

24 “(1) has not, in the previous 90 days, con-
25 ducted any transaction with an Iranian person or

1 any entity owned or controlled by an Iranian person;
2 and

3 “(2) does not have a business relationship with
4 the Government of Iran.

5 “(b) PERSONS DESCRIBED.—A person described in
6 this subsection is a person that is part of the automotive
7 sector of any foreign country.

8 “(c) REMEDIES.—

9 “(1) IN GENERAL.—If the head of an executive
10 agency determines that a person has submitted a
11 false certification under subsection (a) on or after
12 the date on which the revision of the Federal Acquisition
13 Regulation required by this subsection becomes effective,
14 the head of that executive agency shall terminate a contract
15 with such person or debar or suspend such person from
16 eligibility for Federal contracts for a period of not less than
17 2 years. Any such debarment or suspension shall be subject
18 to the procedures that apply to debarment and suspension
19 under the Federal Acquisition Regulation under subpart
20 9.4 of part 9 of title 48, Code of Federal Regulations.
21
22

23 “(2) INCLUSION ON LIST OF PARTIES EXCLUDED FROM
24 FEDERAL PROCUREMENT AND NON-PROCUREMENT PROGRAMS.—The
25 Administrator of

1 General Services shall include on the List of Parties
2 Excluded from Federal Procurement and Non-
3 procurement Programs maintained by the Adminis-
4 trator under part 9 of the Federal Acquisition Regu-
5 lation each person that is debarred, suspended, or
6 proposed for debarment or suspension by the head
7 of an executive agency on the basis of a determina-
8 tion of a false certification under paragraph (1).

9 “(d) CLARIFICATION REGARDING CERTAIN PROD-
10 UCTS.—The remedies set forth in subsection (c) shall not
11 apply with respect to the procurement of eligible products,
12 as defined in section 308(4) of the Trade Agreements Act
13 of 1974 (19 U.S.C. 2518(4)), of any foreign country or
14 instrumentality designated under section 301(b) of that
15 Act (19 U.S.C. 2511(b)).

16 “(e) RULE OF CONSTRUCTION.—This section shall
17 not be construed to limit the use of other remedies avail-
18 able to the head of an executive agency or any other offi-
19 cial of the Federal Government on the basis of a deter-
20 mination of a false certification under subsection (a).

21 “(f) APPLICABILITY.—The revisions to the Federal
22 Acquisition Regulation required under subsection (a) shall
23 apply with respect to contracts for which solicitations are
24 issued on or after the date of the enactment of the Sanc-
25 tion Iran, Safeguard America Act of 2014.

1 “(g) GOVERNMENT ACCOUNTABILITY OFFICE RE-
2 PORT.—Not later than 30 days after the date of the enact-
3 ment of the Sanction Iran, Safeguard America Act of
4 2014, and every 30 days thereafter, the Comptroller Gen-
5 eral of the United States shall submit to the appropriate
6 congressional committees a list of all persons that are part
7 of the automotive sector of any foreign country that—

8 “(1) during the 30-day period preceding the
9 submission of the report, have conducted a trans-
10 action with an Iranian person or any entity owned
11 or controlled by an Iranian person; or

12 “(2) have a business relationship with the Gov-
13 ernment of Iran.

14 “(h) DEFINITIONS.—In this section:

15 “(1) EXECUTIVE AGENCY.—The term ‘executive
16 agency’ has the meaning given that term in section
17 133 of title 41, United States Code.

18 “(2) FEDERAL ACQUISITION REGULATION.—
19 The term ‘Federal Acquisition Regulation’ means
20 the regulation issued pursuant to section 1303(a)(1)
21 of title 41, United States Code.”.

22 (b) DEFINITIONS.—Section 1242 of the Iran Free-
23 dom and Counter-Proliferation Act of 2012 (22 U.S.C.
24 8801) is amended—

25 (1) in subsection (a)—

1 (A) by redesignating paragraphs (7)
2 through (14) as paragraphs (9) through (16),
3 respectively;

4 (B) by redesignating paragraphs (3)
5 through (6) as paragraphs (4) through (7), re-
6 spectively; and

7 (C) by inserting after paragraph (2) the
8 following:

9 “(3) AUTOMOTIVE SECTOR.—The term ‘auto-
10 motive sector’ means, with respect to a country, the
11 following:

12 “(A) The manufacturing or assembling in
13 that country of vehicles, including passenger
14 cars, trucks, buses, minibuses, pick-up trucks,
15 and motorcycles.

16 “(B) The manufacturing in that country of
17 original equipment relating to such vehicles.

18 “(C) The manufacturing in that country of
19 after-market parts relating to such vehicles.”;
20 and

21 (D) by inserting after paragraph (7), as
22 redesignated by subparagraph (B), the fol-
23 lowing:

1 “(8) IRANIAN DEPOSITORY INSTITUTION.—The
2 term ‘Iranian depository institution’ means an entity
3 that—

4 “(A) is—

5 “(i) organized under the laws of Iran
6 or any jurisdiction within Iran, including a
7 foreign branch of such an institution;

8 “(ii) located in Iran;

9 “(iii) owned or controlled by the Gov-
10 ernment of Iran; or

11 “(iv) owned or controlled by an entity
12 described in clause (i), (ii), or (iii); and

13 “(B) is engaged primarily in the business
14 of banking, as determined by the Secretary of
15 the Treasury.”; and

16 (2) in subsection (b)—

17 (A) by striking “financial transactions or
18 financial services” and inserting “financial
19 transactions, financial services, goods, or other
20 services”; and

21 (B) by inserting “, with respect to finan-
22 cial transactions or financial services,” after
23 “including”.

1 **SEC. 6. EXPANSION OF SANCTIONS WITH RESPECT TO FOR-**
2 **EIGN FINANCIAL INSTITUTIONS THAT FACILI-**
3 **TATE FINANCIAL TRANSACTIONS WITH SPE-**
4 **CIALY DESIGNATED NATIONALS.**

5 Section 1247(a) of the Iran Freedom and Counter-
6 Proliferation Act of 2012 (22 U.S.C. 8806(a)) is amended
7 by striking “the President determines has” and all that
8 follows through the period at the end and inserting “the
9 President determines has—

10 “(1) on or after the date that is 180 days after
11 the date of the enactment of this Act, knowingly fa-
12 cilitated a significant financial transaction on behalf
13 of any Iranian person included on the list of spe-
14 cially designated nationals and blocked persons
15 maintained by the Office of Foreign Assets Control
16 of the Department of the Treasury (other than an
17 Iranian financial institution described in subsection
18 (b)); or

19 “(2) on or after June 1, 2013, knowingly facili-
20 tated a significant financial transaction on behalf of
21 any person included on such list whose property and
22 interests in property are blocked pursuant to section
23 1247A or Executive Order 13599 (78 Fed. Reg.
24 33,951) (other than an Iranian depository institu-
25 tion whose property and interests in property are

1 blocked solely pursuant to Executive Order
2 13599).”.

3 **SEC. 7. TERMINATION OF LOOPHOLE ALLOWING IMPORTA-**
4 **TION OF REFINED PETROLEUM PRODUCTS**
5 **MADE FROM IRANIAN ORIGIN CRUDE OIL.**

6 (a) IN GENERAL.—Section 103(b)(1) of the Com-
7 prehensive Iran Sanctions, Accountability, and Divestment
8 Act of 2010 (22 U.S.C. 8512(b)(1)) is amended by adding
9 at the end the following:

10 “(C) APPLICATION TO REFINED PETRO-
11 LEUM PRODUCTS MADE FROM IRANIAN ORIGIN
12 CRUDE OIL.—The prohibition in subparagraph
13 (A) includes a prohibition on the importation
14 into the United States of refined petroleum
15 products produced using Iranian origin crude
16 oil without regard to whether such crude oil
17 was commingled with crude oil not of Iranian
18 origin during the process of producing the re-
19 fined petroleum products.”.

20 (b) TERMINATION OF REGULATORY EXCEPTIONS.—

21 (1) IN GENERAL.—Section 103(d) of the Com-
22 prehensive Iran Sanctions, Accountability, and Di-
23 vestment Act of 2010 (22 U.S.C. 8512(d)) is
24 amended to read as follows:

25 “(d) REGULATORY AUTHORITY.—

1 “(1) IN GENERAL.—The President shall pre-
2 scribe regulations to carry out this section.

3 “(2) PROHIBITION ON REGULATORY EXCEP-
4 TIONS.—No exception to the prohibition under sub-
5 section (b)(1) may be made by regulation.”.

6 (2) TERMINATION OF EXCEPTIONS.—Any regu-
7 latory exception to the prohibition under section
8 103(b)(1) of the Comprehensive Iran Sanctions, Ac-
9 countability, and Divestment Act of 2010 (22 U.S.C.
10 8512(b)(1)) in effect on the day before the date of
11 the enactment of this Act shall cease to be in effect
12 on and after such date of enactment.

13 **SEC. 8. APPLICABILITY OF SANCTIONS WITH RESPECT TO**
14 **PETROLEUM TRANSACTIONS.**

15 (a) IN GENERAL.—Section 1245(d)(4)(D)(i) of the
16 National Defense Authorization Act for Fiscal Year 2012
17 (22 U.S.C. 8513a(d)(4)(D)(i)) is amended—

18 (1) in subclause (I), by striking “reduced re-
19 duced its volume of crude oil purchases from Iran”
20 and inserting “reduced the volume of its purchases
21 of petroleum from Iran or of Iranian origin”; and

22 (2) in subclause (II), by striking “crude oil pur-
23 chases from Iran” and inserting “purchases of pe-
24 troleum from Iran or of Iranian origin”.

1 (b) DEFINITIONS.—Section 1245(h) of the National
2 Defense Authorization Act for Fiscal Year 2012 (22
3 U.S.C. 8513a(h)) is amended—

4 (1) by redesignating paragraphs (3) and (4) as
5 paragraphs (5) and (6), respectively; and

6 (2) by inserting after paragraph (2) the fol-
7 lowing:

8 “(3) IRANIAN ORIGIN.—The term ‘Iranian ori-
9 gin’, with respect to petroleum, means extracted,
10 produced, or refined in Iran.

11 “(4) PETROLEUM.—The term ‘petroleum’ in-
12 cludes crude oil, lease condensates, fuel oils, and
13 other unfinished oils.”.

14 (c) CONFORMING AMENDMENTS.—Section 102(b) of
15 the Iran Threat Reduction and Syria Human Rights Act
16 of 2012 (22 U.S.C. 8712(b)) is amended—

17 (1) in paragraph (3)—

18 (A) by striking “crude oil purchases from
19 Iran” and inserting “purchases of petroleum
20 from Iran or of Iranian origin”; and

21 (B) by striking “as amended by section
22 504,”; and

23 (2) in paragraph (4), by striking “crude oil pur-
24 chases” and inserting “purchases of petroleum from
25 Iran or of Iranian origin”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply with respect to determinations
3 under section 1245(d)(4)(D)(i) of the National Defense
4 Authorization Act for Fiscal Year 2012 (22 U.S.C.
5 8513a(d)(4)(D)(i)) on or after the date that is 90 days
6 after the date of the enactment of this Act.

7 **SEC. 9. SANCTIONS WITH RESPECT TO PROLIFERATORS OF**
8 **WEAPONS OF MASS DESTRUCTION.**

9 (a) IN GENERAL.—The President shall block and
10 prohibit all transactions in property and interests in prop-
11 erty of a person the President determines knowingly, on
12 or after June 29, 2005, provides, or attempts to provide,
13 financial, material, technological or other support for, or
14 goods or services in support of, any activity or transaction
15 described in subsection (b) or any person whose property
16 and interests in property are blocked pursuant to Execu-
17 tive Order 13382 (70 Fed. Reg. 38,567; relating to block-
18 ing property of weapons of mass destruction proliferators
19 and their supporters), if such property and interests in
20 property are in the United States, come within the United
21 States, or are or come within the possession or control
22 of a United States person.

23 (b) ACTIVITIES AND TRANSACTIONS DESCRIBED.—
24 An activity or transaction described in this subsection is
25 an activity or transaction that has materially contributed

1 to, or poses a risk of materially contributing to, the pro-
2 liferation of weapons of mass destruction or the means
3 of delivery of such weapons (including missiles capable of
4 delivering such weapons), including any efforts to manu-
5 facture, acquire, possess, develop, transport, transfer or
6 use such weapons or means of delivery, by any person or
7 foreign country the President determines to be of pro-
8 liferation concern.

9 (c) UNITED STATES PERSON DEFINED.—In this sec-
10 tion, the term “United States person” has the meaning
11 given that term in section 101 of the Comprehensive Iran
12 Sanctions, Accountability, and Divestment Act of 2010
13 (22 U.S.C. 8511).

14 **SEC. 10. PROHIBITION ON FUNDING FOR NEGOTIATIONS**
15 **WITH IRAN WITHOUT CONSENT OF CON-**
16 **GRESS.**

17 No funds authorized to be appropriated for fiscal year
18 2014 or any fiscal year thereafter may be obligated or ex-
19 pended to participate in a diplomatic negotiation with Iran
20 until the date of the enactment of a joint resolution certi-
21 fying that—

22 (1) the Government of Iran has freed all Amer-
23 ican prisoners of conscience who are being unjustly
24 held in Iranian jails;

1 (2) the Government of Iran is complying with
2 all inspections conducted by the International Atom-
3 ic Energy Agency to fulfill its obligations under the
4 Treaty on the Non-Proliferation of Nuclear Weap-
5 ons, done at Washington, London, and Moscow July
6 1, 1968, and entered into force March 5, 1970 (com-
7 monly known as the “Nuclear Non-Proliferation
8 Treaty”), to which Iran is a party; and

9 (3) the United States can verifiably determine,
10 through certification by the International Atomic
11 Energy Agency, that the Government of Iran—

12 (A) has dismantled its nuclear program in
13 its entirety, including all centrifuges, capabili-
14 ties, and facilities for enrichment and reprocess-
15 ing of uranium and plutonium;

16 (B) has relinquished all stockpiles of en-
17 riched uranium; and

18 (C) does not have any ballistic missiles
19 with a range of 300 kilometers or more and a
20 payload of 500 kilograms or more and has dis-
21 mantled its research and development programs
22 for such weapons;

23 (4) the Secretary of the Treasury no longer
24 finds that the Central Bank of Iran is a financial in-
25 stitution of primary money laundering concern pur-

1 suant to section 5318A of title 31, United States
2 Code; and

3 (5) the Government of Iran has demonstrated
4 its renunciation of state-sponsored terrorism by ac-
5 knowledging its participation in, assisting the inves-
6 tigation, if any, into, relinquishing any suspects cur-
7 rently harbored by the Government of Iran, and ac-
8 cepting legal responsibility for—

9 (A) the bombing of the Israeli embassy in
10 Buenos Aires, Argentina, on March 17, 1992;

11 (B) the bombing of the World Trade Cen-
12 ter in New York on February 26, 1993;

13 (C) the bombing of the Asociación Mutual
14 Israelita Argentina Jewish Community Center
15 in Buenos Aires, Argentina, on July 18, 1994;
16 and

17 (D) the bombing of the Khobar Towers in
18 Khobar, Saudi Arabia, on June 25, 1996.

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