

Calendar No. 183

113TH CONGRESS
1ST SESSION

S. 559

[Report No. 113–104]

To establish a fund to make payments to the Americans held hostage in Iran, and to members of their families, who are identified as members of the proposed class in case number 1:08–CV–00487 (EGS) of the United States District Court for the District of Columbia, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 13, 2013

Mr. ISAKSON (for himself, Mr. BLUMENTHAL, Mr. HEINRICH, Mr. COONS, Mrs. MURRAY, Mr. WICKER, Mrs. HAGAN, and Mr. HARKIN) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

SEPTEMBER 12, 2013

Reported by Mr. MENENDEZ, with an amendment and an amendment to the title

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To establish a fund to make payments to the Americans held hostage in Iran, and to members of their families, who are identified as members of the proposed class in case number 1:08–CV–00487 (EGS) of the United States District Court for the District of Columbia, 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 “Justice for Former
 5 American Hostages in Iran Act of 2013”.

6 **SEC. 2. AMERICAN HOSTAGES IN IRAN COMPENSATION**
 7 **FUND.**

8 (a) ESTABLISHMENT.—There is established in the
 9 Treasury a fund, to be known as the “American Hostages
 10 in Iran Compensation Fund” (in this section referred to
 11 as the “Fund”) for the purposes of—

12 (1) making payments to the Americans held
 13 hostage in Iran, and to members of their families,
 14 who are identified as members of the proposed class
 15 in case number ~~1:08-CV-00487~~ (EGS) of the
 16 United States District Court for the District of Co-
 17 lumbia; and

18 (2) satisfying the claims of the members of the
 19 proposed class against Iran relating to the alleged
 20 taking of hostages or treatment of personnel of the
 21 United States embassy in Tehran, Iran, between No-
 22 vember 3, 1979, and January 20, 1981.

23 (b) FUNDING.—

24 (1) IMPOSITION OF SURCHARGE.—

1 (A) ~~IN GENERAL.~~—There is imposed a sur-
 2 charge equal to 30 percent of the amount of
 3 any fine or penalty imposed, in whole or in
 4 part, for a violation of a law or regulation speci-
 5 fied in subparagraph (B) committed on or after
 6 the date of the enactment of this Act.

7 (B) ~~LAWS AND REGULATIONS SPECI-~~
 8 ~~FIED.~~—A law or regulation specified in this
 9 subparagraph is any law or regulation imposing
 10 a fine or penalty for any economic activity re-
 11 lating to Iran that is administered by the De-
 12 partment of State, the Department of the
 13 Treasury, the Department of Justice, the De-
 14 partment of Commerce, or the Department of
 15 Energy.

16 (C) ~~TERMINATION OF DEPOSITS.~~—The im-
 17 position of the surcharge under subparagraph
 18 (A) shall terminate on the date on which all
 19 amounts described in subsection (c)(2) have
 20 been distributed to all recipients described in
 21 that subsection.

22 (2) ~~DEPOSITS INTO FUND; AVAILABILITY OF~~
 23 ~~AMOUNTS.~~—

1 (A) DEPOSITS.—The Secretary of the
 2 Treasury shall deposit in the Fund all sur-
 3 charges collected pursuant to paragraph (1)(A).

4 (B) PAYMENT OF SURCHARGE TO SEC-
 5 RETARY OF THE TREASURY.—A person upon
 6 which a surcharge is imposed under paragraph
 7 (1)(A) shall pay the surcharge to the Secretary
 8 without regard to whether the fine or penalty
 9 with respect to which the surcharge is im-
 10 posed—

11 (i) is paid directly to the Federal
 12 agency that administers the law or regula-
 13 tion pursuant to which the fine or penalty
 14 is imposed; or

15 (ii) is deemed satisfied by a payment
 16 to another Federal agency.

17 (C) AVAILABILITY OF AMOUNTS IN
 18 FUND.—Amounts in the Fund shall be avail-
 19 able, without further appropriation, to make
 20 payments under subsection (c).

21 (c) DISTRIBUTION OF FUNDS.—

22 (1) ADMINISTRATION OF FUND.—Payments
 23 from the Fund shall be administered, subject to
 24 oversight by the Secretary of the Treasury, by the
 25 named representatives of the proposed class de-

scribed in subsection (a)(1) and an agent the members of the proposed class designate for the purpose of administering payments from the Fund.

(2) PAYMENTS.—Subject to paragraphs (3) and (4), payments shall be made from the Fund to the following recipients in the following amounts:

(A) To each living former hostage identified as a member of the proposed class described in subsection (a)(1), \$10,000 for each day of captivity of the former hostage.

(B) To the estate of each deceased former hostage identified as a member of the proposed class described in subsection (a)(1), \$10,000 for each day of captivity of the former hostage.

(C) To each spouse or child of a former hostage identified as a member of the proposed class described in subsection (a)(1) if the spouse or child is identified as a member of that proposed class, \$5,000 for each day of captivity of the former hostage.

(3) PRIORITY.—Payments from the Fund shall be distributed under paragraph (2) in the following order:

(A) First, to each living former hostage described in paragraph (2)(A).

1 ~~(B)~~ Second, to the estate of each deceased
 2 former hostage described in paragraph ~~(2)~~(B).

3 ~~(C)~~ Third, to each spouse or child of a
 4 former hostage described in paragraph ~~(2)~~(C).

5 ~~(4)~~ CONSENT OF RECIPIENT.—A payment to a
 6 recipient from the Fund under paragraph ~~(2)~~ shall
 7 be made only after receiving the consent of the re-
 8 cipient.

9 ~~(d)~~ PRECLUSION OF FUTURE ACTIONS AND RELEASE
 10 OF CLAIMS.—

11 ~~(1)~~ PRECLUSION OF FUTURE ACTIONS.—A re-
 12 cipient of a payment under subsection ~~(c)~~ may not
 13 file or maintain an action against Iran in any Fed-
 14 eral or State court for any claim relating to the
 15 events described in subsection ~~(a)~~(2).

16 ~~(2)~~ RELEASE OF ALL CLAIMS.—Upon the pay-
 17 ment of all amounts described subsection ~~(c)~~(2) to
 18 all recipients described in that subsection, all claims
 19 against Iran relating to the events described in sub-
 20 section ~~(a)~~(2) shall be deemed waived and forever re-
 21 leased.

22 ~~(e)~~ DEPOSIT OF REMAINING FUNDS INTO THE
 23 TREASURY.—

24 ~~(1)~~ IN GENERAL.—Any amounts remaining in
 25 the Fund after the date specified in paragraph ~~(2)~~

1 shall be deposited in the general fund of the Treas-
 2 ury.

3 ~~(2) DATE SPECIFIED.~~—The date specified in
 4 this paragraph is the later of—

5 (A) the date on which all amounts de-
 6 scribed in subsection ~~(c)(2)~~ have been made to
 7 all recipients described in that subsection; or

8 (B) the date that is 5 years after the date
 9 of the enactment of this Act.

10 **SECTION 1. SHORT TITLE.**

11 *This Act may be cited as the “Justice for Former*
 12 *American Hostages in Iran Act of 2013”.*

13 **SEC. 2. AMERICAN HOSTAGES IN IRAN COMPENSATION**
 14 **FUND.**

15 (a) *ESTABLISHMENT.*—There is established in the
 16 Treasury a fund, to be known as the “American Hostages
 17 in Iran Compensation Fund” (in this section referred to
 18 as the “Fund”) for the purpose of making payments to the
 19 52 Americans held hostage in the United States embassy
 20 in Tehran, Iran, between November 3, 1979, and January
 21 20, 1981 (in this section referred to as the “former hos-
 22 tages”).

23 (b) *FUNDING.*—

24 (1) *IMPOSITION OF SURCHARGE.*—

1 (A) *IN GENERAL.*—*There is imposed a sur-*
 2 *charge equal to 30 percent of the amount of—*

3 (i) *any fine or monetary penalty as-*
 4 *essed, in whole or in part, on a person for*
 5 *a violation of a law or regulation specified*
 6 *in subparagraph (B) related to activities*
 7 *undertaken on or after the date of the enact-*
 8 *ment of this Act; or*

9 (ii) *the monetary amount of a settle-*
 10 *ment entered into by a person with respect*
 11 *to a suspected violation of a law or regula-*
 12 *tion specified in subparagraph (B) related*
 13 *to activities undertaken on or after such*
 14 *date of enactment.*

15 (B) *LAWS AND REGULATIONS SPECIFIED.*—
 16 *A law or regulation specified in this subpara-*
 17 *graph is any law or regulation that provides for*
 18 *a civil or criminal fine or other monetary pen-*
 19 *alty for any economic activity relating to Iran*
 20 *that is administered by the Department of the*
 21 *Treasury, the Department of Justice, or the De-*
 22 *partment of Commerce.*

23 (C) *TERMINATION OF DEPOSITS.*—*The im-*
 24 *position of the surcharge under subparagraph*
 25 *(A) shall terminate on the date on which all*

1 *amounts described in subsection (c)(2) have been*
 2 *distributed to all recipients described in that*
 3 *subsection.*

4 (2) *DEPOSITS INTO FUND; AVAILABILITY OF*
 5 *AMOUNTS.—*

6 (A) *DEPOSITS.—All surcharges collected*
 7 *pursuant to paragraph (1)(A) shall be deposited*
 8 *into the Fund.*

9 (B) *PAYMENT OF SURCHARGE.—A person*
 10 *on whom a surcharge is imposed under para-*
 11 *graph (1)(A) shall pay the surcharge to the Fund*
 12 *without regard to whether the fine, penalty, or*
 13 *settlement to which the surcharge applies—*

14 (i) *is paid directly to the Federal agen-*
 15 *cy that administers the relevant law or reg-*
 16 *ulation specified in paragraph (1)(B); or*

17 (ii) *is deemed satisfied by a payment*
 18 *to another Federal agency.*

19 (C) *CONTRIBUTIONS.—The Secretary of*
 20 *State is authorized to accept such amounts as*
 21 *may be contributed by individuals, business con-*
 22 *cerns, foreign governments, or other entities for*
 23 *payments under this Act. Such amounts shall be*
 24 *deposited directly into the Fund.*

1 (D) *AVAILABILITY OF AMOUNTS IN FUND.*—

2 *Amounts in the Fund shall be available, without*
 3 *further appropriation, to make payments under*
 4 *subsection (c).*

5 (c) *DISTRIBUTION OF FUNDS.*—

6 (1) *ADMINISTRATION OF FUND.*—*Payments from*
 7 *the Fund shall be administered by the Secretary of*
 8 *State, pursuant to such rules and processes as the*
 9 *Secretary, in the Secretary's sole discretion, may es-*
 10 *tablish.*

11 (2) *PAYMENTS.*—*Subject to paragraphs (3) and*
 12 *(4), payments shall be made from the Fund to the fol-*
 13 *lowing recipients in the following amounts:*

14 (A) *To each living former hostage,*
 15 *\$150,000, plus \$5,000 for each day of captivity*
 16 *of the former hostage.*

17 (B) *To the estate of each deceased former*
 18 *hostage, \$150,000, plus \$5,000 for each day of*
 19 *captivity of the former hostage.*

20 (3) *PRIORITY.*—*Payments from the Fund shall*
 21 *be distributed under paragraph (2) in the following*
 22 *order:*

23 (A) *First, to each living former hostage de-*
 24 *scribed in paragraph (2)(A).*

1 (B) *Second, to the estate of each deceased*
2 *former hostage described in paragraph (2)(B).*

3 (4) *CONSENT OF RECIPIENT.—A payment to a*
4 *recipient from the Fund under paragraph (2) shall be*
5 *made only after receiving the consent of the recipient.*

6 (d) *WAIVER.—A recipient of a payment under sub-*
7 *section (c) shall waive and forever release all existing claims*
8 *against Iran and the United States arising out of the events*
9 *described in subsection (a).*

10 (e) *NOTIFICATION OF CLAIMANTS; LIMITATION ON RE-*
11 *VIEW.—*

12 (1) *NOTIFICATION.—The Secretary of State shall*
13 *notify, in a reasonable manner, each individual*
14 *qualified to receive a payment under subsection (c) of*
15 *the status of the individual's claim for such a pay-*
16 *ment.*

17 (2) *SUBMISSION OF ADDITIONAL INFORMA-*
18 *TION.—If the claim of an individual to receive a pay-*
19 *ment under subsection (c) is denied, or is approved*
20 *for payment of less than the full amount of the claim,*
21 *the individual shall be entitled to submit to the Sec-*
22 *retary additional information with respect to the*
23 *claim. Upon receipt and consideration of that infor-*
24 *mation, the Secretary may affirm, modify, or revise*

1 *the former action of the Secretary with respect to the*
 2 *claim.*

3 (3) *LIMITATION ON REVIEW.*—*The actions of the*
 4 *Secretary in identifying qualifying claimants and in*
 5 *disbursing amounts from the Fund shall be final and*
 6 *conclusive on all questions of law and fact and shall*
 7 *not be subject to review by any other official, agency,*
 8 *or establishment of the United States or by any court*
 9 *by mandamus or otherwise.*

10 (f) *DEPOSIT OF REMAINING FUNDS INTO THE TREAS-*
 11 *URY.*—

12 (1) *IN GENERAL.*—*Any amounts remaining in*
 13 *the Fund after the date specified in paragraph (2)*
 14 *shall be deposited in the general fund of the Treasury.*

15 (2) *DATE SPECIFIED.*—*The date specified in this*
 16 *paragraph is the later of—*

17 (A) *the date on which all amounts described*
 18 *in subsection (c)(2) have been made to all recipi-*
 19 *ents described in that subsection; or*

20 (B) *the date that is 5 years after the date*
 21 *of the enactment of this Act.*

22 (g) *REPORT TO CONGRESS.*—*Not later than one year*
 23 *after the date of the enactment of this Act, and annually*
 24 *thereafter until the date specified in subsection (f)(2), the*
 25 *Secretary of State shall submit to the appropriate congres-*

1 sional committees a report on the status of the Fund, in-
 2 cluding—

3 (1) the amounts and sources of money deposited
 4 into the Fund;

5 (2) the rules and processes established to admin-
 6 ister the Fund; and

7 (3) the distribution of payments from the Fund.

8 (h) *DEFINITIONS.*—In this section:

9 (1) *APPROPRIATE CONGRESSIONAL COMMIT-*
 10 *TEES.*—The term “appropriate congressional commit-
 11 tees” means—

12 (A) the Committee on Foreign Relations
 13 and the Committee on Banking, Housing, and
 14 Urban Affairs of the Senate; and

15 (B) the Committee on Foreign Affairs and
 16 the Committee on Financial Services of the
 17 House of Representatives.

18 (2) *PERSON.*—The term “person” includes any
 19 individual or entity subject to the civil or criminal
 20 jurisdiction of the United States.

Amend the title so as to read: “A bill to establish
 a fund to make payments to the Americans held hostage
 in Iran, and for other purposes.”.

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[Report No. 113-104]

A BILL

To establish a fund to make payments to the Americans held hostage in Iran, and to members of their families, who are identified as members of the proposed class in case number 1:08-CV-00487 (EGS) of the United States District Court for the District of Columbia, and for other purposes.

SEPTEMBER 12, 2013

Reported with an amendment and an amendment to the title