

114TH CONGRESS
1ST SESSION

H. R. 3338

To establish a fund to make payments to the Americans held hostage in Iran and their immediate family members, who are identified as members of the proposed class in case number 1:00–CV–03110 (EGS) of the United States District Court for the District of Columbia, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2015

Mr. DUFFY (for himself, Mr. CONNOLLY, Ms. DELBENE, Ms. ROS-LEHTINEN, Mr. MULVANEY, Mr. AMODEI, Mrs. KIRKPATRICK, Mr. BISHOP of Georgia, Mr. CLYBURN, Ms. JACKSON LEE, Mr. COLE, Mr. SMITH of Nebraska, Mr. ASHFORD, Ms. KUSTER, Mr. SHERMAN, Mr. POLIQUIN, Ms. BROWNLEY of California, Mr. WEBER of Texas, Mr. KILMER, Mr. JODY B. HICE of Georgia, Mr. KING of New York, Mr. BENISHEK, Mr. WESTMORELAND, and Mr. KNIGHT) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committees on Foreign Affairs and Ways and Means, 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 establish a fund to make payments to the Americans held hostage in Iran and their immediate family members, who are identified as members of the proposed class in case number 1:00–CV–03110 (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 2015”.

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

8 (a) SENSE OF CONGRESS.—It is the sense of Con-
9 gress that ensuring justice for United States victims of
10 acts of terrorism by Iran who hold legal judgments against
11 Iran, and for those who have been denied access to such
12 judgments, is of paramount importance and should be ex-
13 peditiously addressed.

14 (b) ESTABLISHMENT.—There is established in the
15 Treasury a fund, to be known as the “American Hostages
16 in Iran Compensation Fund” (in this section referred to
17 as the “Fund”), for the purposes of—

18 (1) making payments to the Americans held
19 hostage in Iran and their immediate family mem-
20 bers, who are identified as members of the proposed
21 class in case number 1:00–CV–03110 (EGS) of the
22 United States District Court for the District of Co-
23 lumbia; and

24 (2) satisfying the claims against Iran relating
25 to the taking of hostages and treatment of personnel

1 of the United States embassy in Tehran, Iran, from
2 November 4, 1979, to January 20, 1981.

3 (c) FUNDING.—

4 (1) IMPOSITION OF SURCHARGE.—

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

7 (i) any fine or monetary penalty im-
8 posed, in whole or in part, for a violation
9 of a law or regulation specified in subpara-
10 graph (B) committed on or after the date
11 of the enactment of this Act; or

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

18 (B) LAWS AND REGULATIONS SPECI-
19 FIED.—A law or regulation specified in this
20 subparagraph is any law or regulation that pro-
21 vides for a civil or criminal fine or monetary
22 penalty for any economic activity relating to
23 Iran that is administered by the Department of
24 State, the Department of the Treasury, the De-

1 partment of Justice, the Department of Com-
2 merce, or the Department of Energy.

3 (C) TERMINATION OF DEPOSITS.—The im-
4 position of the surcharge under subparagraph
5 (A) shall terminate on the date on which all
6 amounts described in subsection (d)(2) have
7 been distributed to all recipients described in
8 that subsection.

9 (D) RULE OF CONSTRUCTION.—Nothing in
10 this paragraph shall be construed to require a
11 person that is found to have violated a law or
12 regulation specified in subparagraph (B) to pay
13 a surcharge under subparagraph (A) if that
14 person has not been assessed a fine or mone-
15 tary penalty described in clause (i) of subpara-
16 graph (A) or entered in to a settlement de-
17 scribed in clause (ii) of that subparagraph for
18 that violation.

19 (2) DEPOSITS INTO FUND; AVAILABILITY OF
20 AMOUNTS.—

21 (A) DEPOSITS.—The Secretary of the
22 Treasury shall deposit into the Fund all sur-
23 charges collected pursuant to paragraph (1)(A),
24 all contributions collected pursuant to para-

graph (3), and any other resources made available pursuant to paragraph (4).

(B) PAYMENT OF SURCHARGE TO SECRETARY OF THE TREASURY.—A person upon which a surcharge is imposed under paragraph (1)(A) shall pay the surcharge to the Secretary without regard to whether the fine or penalty with respect to which the surcharge is imposed—

(i) is paid directly to the Federal agency that administers the law or regulation pursuant to which the fine or penalty is imposed; or

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

(C) AVAILABILITY OF AMOUNTS IN FUND.—Amounts in the Fund shall be available, without further appropriation, to make payments under subsection (d).

(3) CONTRIBUTIONS.—The President is authorized to accept such amounts as may be contributed by individuals, business concerns, governments, or other entities for payments under this Act and such amounts may be deposited directly into the Fund.

1 (4) OTHER RESOURCES.—The President may
2 identify and use other funds available for compen-
3 sating claims under this Act and may deposit such
4 amounts into the Fund.

5 (d) DISTRIBUTION OF FUNDS.—

6 (1) ADMINISTRATION OF FUND.—Payments
7 from the Fund shall be administered by the Sec-
8 retary of State in accordance with such rules and
9 procedures as the Secretary may prescribe.

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

13 (A) To each living former hostage identi-
14 fied as a member of the proposed class de-
15 scribed in subsection (b)(1), \$6,750 for each
16 day of captivity of the former hostage.

17 (B)(i) Except as provided in clause (ii), to
18 the estate of each deceased former hostage
19 identified as a member of the proposed class de-
20 scribed in subsection (b)(1), \$6,750 for each
21 day of captivity of the former hostage.

22 (ii) If the estate of a deceased former hos-
23 tage identified as a member of the proposed
24 class described in subsection (b)(1) has no im-
25 mediate direct heirs as of the date of the enact-

1 ment of this Act, amounts from the Fund shall
2 be paid to the heirs at law as determined by the
3 intestacy laws of the State of the deceased
4 former hostage at the time of death of the de-
5 ceased former hostage.

6 (C) To each spouse of a former hostage
7 identified as a member of the proposed class de-
8 scribed in subsection (b)(1) if the spouse is
9 identified as a member of that proposed class,
10 \$600,000.

11 (D) To the estate of each deceased spouse
12 of a former hostage identified as a member of
13 the proposed class described in subsection
14 (b)(1) if the spouse is identified as a member
15 of that proposed class, \$600,000.

16 (E) To each child of a former hostage
17 identified as a member of the proposed class de-
18 scribed in subsection (b)(1) if the child is iden-
19 tified as a member of that proposed class,
20 \$600,000.

21 (F) To the estate of each deceased child of
22 a former hostage identified as a member of the
23 proposed class described in subsection (b)(1) if
24 the child is identified as a member of that pro-
25 posed class, \$600,000.

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

4 (A) First, to each living former hostage de-
5 scribed in paragraph (2)(A).

6 (B) Second, to the estate of each deceased
7 former hostage described in paragraph
8 (2)(B)(i).

9 (C) Third, to each spouse of a former hos-
10 tage described in paragraph (2)(C).

11 (D) Fourth, to the estate of each deceased
12 spouse of a former hostage described in para-
13 graph (2)(D).

14 (E) Fifth, to each child of a former hos-
15 tage described in paragraph (2)(E).

16 (F) Sixth, to the estate of each deceased
17 child of a former hostage described in para-
18 graph (2)(F).

19 (G) Seventh, to the heirs at law of the es-
20 tate of each deceased former hostage described
21 in paragraph (2)(B)(ii).

22 (4) CONSENT OF RECIPIENT.—A payment to a
23 recipient from the Fund under paragraph (2) shall
24 be made only after receiving the consent of the re-
25 cipient.

1 (e) PRECLUSION OF FUTURE ACTIONS AND RELEASE
2 OF CLAIMS.—

3 (1) PRECLUSION OF FUTURE ACTIONS.—A re-
4 cipient of a payment under subsection (d) may not
5 file or maintain an action against Iran in any Fed-
6 eral or State court for any claim relating to the
7 events described in subsection (b)(2).

8 (2) RELEASE OF ALL CLAIMS.—Upon the pay-
9 ment of all amounts described in subsection (d)(2)
10 to all recipients described in that subsection, all
11 claims against Iran relating to the events described
12 in subsection (b)(2) shall be deemed waived and for-
13 ever released.

14 (f) DEPOSIT OF REMAINING FUNDS INTO THE
15 TREASURY.—

16 (1) IN GENERAL.—Any amounts remaining in
17 the Fund after the date specified in paragraph (2)
18 shall be deposited in the general fund of the Treas-
19 ury.

20 (2) DATE SPECIFIED.—The date specified in
21 this paragraph is the later of—

22 (A) the date on which all amounts de-
23 scribed in subsection (d)(2) have been made to
24 all recipients described in that subsection; or

1 (B) the date that is 5 years after the date
2 of the enactment of this Act.

3 (g) NO JUDICIAL REVIEW.—Decisions made under
4 this Act shall not be subject to review in any judicial, ad-
5 ministrative, or other proceeding.

6 (h) TAX TREATMENT OF PAYMENTS.—

7 (1) INDIVIDUALS.—In the case of an individual
8 described in subsection (d)(2) who receives a pay-
9 ment pursuant to this Act, such payment shall not
10 be subject to any tax under subtitle A of the Inter-
11 nal Revenue Code of 1986 (relating to income
12 taxes).

13 (2) ESTATES.—In the case of an estate de-
14 scribed in subsection (d)(2) that receives a payment
15 pursuant to this Act, a transfer of such payment by
16 the estate shall not be subject to any tax imposed
17 by chapter 11 of such Code (relating to estate tax)
18 or chapter 13 of such Code (relating to tax on gen-
19 eration-skipping transfers).

20 (i) REPORT TO CONGRESS ON COMPLETION OF PAY-
21 MENTS.—Not later than 60 days after determining that
22 a law or regulation specified in subsection (c)(1)(B) is ter-
23 minated or suspended or that amounts in the Fund will
24 be insufficient for the payment of all amounts described
25 in subsection (d)(2) to all recipients described in that sub-

1 section by the date that is 444 days after the date of the
2 enactment of this Act, the Secretary of State shall submit
3 to Congress recommendations to expedite the completion
4 of the payment of those amounts.

