

114TH CONGRESS
1ST SESSION

S. 269

To expand sanctions imposed with respect to Iran and to impose additional sanctions with respect to Iran, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 27, 2015

Mr. KIRK (for himself, Mr. MENENDEZ, Mr. McCONNELL, Mr. SCHUMER, Ms. AYOTTE, Mr. BLUMENTHAL, Mr. COATS, Mr. PETERS, Mr. RUBIO, Mr. MANCHIN, Mr. GRAHAM, Mr. DONNELLY, Mr. CRUZ, Mr. CASEY, Mr. BURR, and Mr. BLUNT) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To expand sanctions imposed with respect to Iran and to impose additional sanctions with respect to 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Nuclear Weapon Free Iran Act of 2015”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

- Sec. 2. Definitions.
 Sec. 3. Sense of Congress.

TITLE I—CONGRESSIONAL REVIEW OF AGREEMENTS WITH,
 ECONOMIC SANCTIONS RELIEF PROVIDED TO, IRAN

- Sec. 101. Transmission to Congress of agreements with Iran and assessment reports with respect to such agreements.
 Sec. 102. Period for review by Congress of long-term comprehensive solution.

TITLE II—EXPANSION AND IMPOSITION OF SANCTIONS

- Sec. 201. Effective dates for staged imposition of sanctions if long-term comprehensive solution not reached.
 Sec. 202. Termination of suspension of sanctions.
 Sec. 203. Applicability of sanctions with respect to petroleum transactions.
 Sec. 204. Ineligibility for exception to certain sanctions for countries that do not reduce purchases of petroleum from Iran or of Iranian origin to a de minimis level.
 Sec. 205. Identification of, and imposition of sanctions with respect to, certain Iranian individuals.
 Sec. 206. Imposition of sanctions with respect to transactions in foreign currencies with or for certain sanctioned persons.
 Sec. 207. Imposition of sanctions with respect to ports, special economic zones, and strategic sectors of Iran.
 Sec. 208. Waiver of sanctions.

TITLE III—GENERAL PROVISIONS

- Sec. 301. Exception for Afghanistan reconstruction.
 Sec. 302. Exception for import restrictions.
 Sec. 303. Applicability to certain intelligence activities.
 Sec. 304. Applicability to certain natural gas projects.
 Sec. 305. Rule of construction with respect to the use of force against Iran.
 Sec. 306. Sense of Congress on increased staffing for agencies involved in the implementation and enforcement of sanctions against Iran.

1 SEC. 2. DEFINITIONS.

2 In this Act:

3 (1) APPROPRIATE CONGRESSIONAL COMMIT-
4 TEES.—The term “appropriate congressional com-
5 mittees” has the meaning given that term in section
6 14 of the Iran Sanctions Act of 1996 (Public Law
7 104–172; 50 U.S.C. 1701 note).

8 (2) JOINT PLAN OF ACTION.—The term “Joint
9 Plan of Action”—

(A) means the Joint Plan of Action, signed at Geneva November 24, 2013, by Iran and the P5-plus-1 countries; and

(B) includes all implementing materials and agreements related to the Joint Plan of Action, including the technical understandings reached on January 12, 2014, the extension agreed to on July 19, 2014, the extension agreed to on November 24, 2014, and any extension that is agreed to on or after the date of the enactment of this Act and is transmitted to the appropriate congressional committees pursuant to section 101.

(3) LONG-TERM COMPREHENSIVE SOLUTION.—

The term “long-term comprehensive solution” means any comprehensive agreement, including a framework agreement or political agreement, regarding the nuclear program of Iran as described in the Joint Plan of Action, without regard to whether or not one or more countries other than the United States and Iran are parties to the agreement, and all implementing materials and technical understandings related to that comprehensive agreement.

(4) P5-PLUS-1 COUNTRIES.—The term “P5-plus-1 countries” means the United States, France,

1 the Russian Federation, the People's Republic of
2 China, the United Kingdom, and Germany.

3 **SEC. 3. SENSE OF CONGRESS.**

4 It is the sense of Congress that—

5 (1) it is the policy of the United States that the
6 Government of Iran will not be allowed to develop or
7 otherwise acquire a nuclear weapon capability;

8 (2) all instruments of power and influence of
9 the United States should remain on the table to pre-
10 vent the Government of Iran from developing or oth-
11 erwise acquiring a nuclear weapon capability;

12 (3) a long-term comprehensive solution with
13 Iran will be most sustainable over the long term if
14 the President consults and coordinates closely with
15 Congress to implement a strategy that decisively
16 ends any nuclear threat from Iran;

17 (4) the Government of Iran does not have an
18 absolute or inherent right to enrichment and repro-
19 cessing capabilities and technologies under the Treaty
20 on the Non-Proliferation of Nuclear Weapons, done
21 at Washington, London, and Moscow July 1, 1968,
22 and entered into force March 5, 1970 (commonly re-
23 ferred to as the “Nuclear Non-Proliferation Trea-
24 ty”);

(5) the goal of international negotiations with Iran, led by the United States, should be to conclude a long-term comprehensive solution with parameters that will—

(A) reverse the development of Iran’s illicit nuclear infrastructure, including enrichment and reprocessing capabilities and facilities, the heavy water reactor and production plant at Arak, and any nuclear weapon components and technology, such that Iran is precluded from a nuclear breakout capability and prevented from pursuing both uranium and plutonium pathways to a nuclear weapon;

(B) bring Iran into compliance with all United Nations Security Council resolutions related to Iran’s nuclear program, including Resolutions 1696 (2006), 1737 (2006), 1747 (2007), 1803 (2008), 1835 (2008), and 1929 (2010), with a view toward bringing to a satisfactory conclusion the Security Council’s consideration of matters relating to the nuclear program of Iran;

(C) resolve all issues of past and present concern with the International Atomic Energy Agency, including possible military dimensions

1 of the nuclear program of Iran, and give inspec-
2 tors access to personnel, documents, and facili-
3 ties involved, at any point, with nuclear or nu-
4 clear weapons-related activities of Iran;

5 (D) permit on-site and short-notice inspec-
6 tion, verification, and monitoring of all declared
7 and suspect facilities in Iran, including installa-
8 tion and use of any compliance verification
9 equipment requested by the International Atom-
10 ic Energy Agency, such that any effort by Iran
11 to produce a nuclear weapon will be quickly de-
12 tected;

13 (E) require that Iran fully implement and
14 comply with—

15 (i) the Agreement between Iran and
16 the International Atomic Energy Agency
17 for the Application of Safeguards in Con-
18 nection with the Treaty on the Non-Pro-
19 liferation of Nuclear Weapons, done at Vi-
20 enna June 19, 1973 (commonly referred to
21 as the “Comprehensive Safeguards Agree-
22 ment”);

23 (ii) modified Code 3.1 of the Sub-
24 sidiary Arrangements to the Agreement be-
25 tween Iran and the International Atomic

1 Energy Agency for the Application of Safe-
 2 guards in Connection with the Treaty on
 3 the Non-Proliferation of Nuclear Weapons;
 4 and

5 (iii) ratification and implementation of
 6 the Protocol Additional to the Agreement
 7 between Iran and the International Atomic
 8 Energy Agency for the Application of Safe-
 9 guards in Connection with the Treaty on
 10 the Non-Proliferation of Nuclear Weapons,
 11 done at Vienna December 18, 2003 (com-
 12 monly referred to as the “Additional Pro-
 13 tocol”); and

14 (F) require that Iran implement measures
 15 in addition to the Additional Protocol that in-
 16 clude verification by the International Atomic
 17 Energy Agency of Iran’s centrifuge research,
 18 development, and manufacturing facilities, in-
 19 cluding raw materials and components, and
 20 Iran’s uranium mines, mills, and processing fa-
 21 cilities;

22 (6) the United States should continue to impose
 23 sanctions on the Government of Iran and its proxies
 24 for their continuing sponsorship of terrorism;

1 (7) the United States should continue to impose
 2 sanctions on the Government of Iran and Iranian
 3 persons for—

4 (A) ongoing abuses of human rights; and

5 (B) actions in support of the regime of
 6 Bashar al-Assad in Syria; and

7 (8) the United States should continue to impose
 8 sanctions on the Government of Iran and other gov-
 9 ernments and persons for the procurement, sale, or
 10 transfer of technology, services, or goods that sup-
 11 port the development or acquisition of weapons of
 12 mass destruction or the means of delivery of those
 13 weapons.

14 **TITLE I—CONGRESSIONAL RE-**
 15 **VIEW OF AGREEMENTS WITH,**
 16 **ECONOMIC SANCTIONS RE-**
 17 **LIEF PROVIDED TO, IRAN**

18 **SEC. 101. TRANSMISSION TO CONGRESS OF AGREEMENTS**
 19 **WITH IRAN AND ASSESSMENT REPORTS WITH**
 20 **RESPECT TO SUCH AGREEMENTS.**

21 (a) TRANSMISSION OF AGREEMENTS.—Not later
 22 than 5 days after entering into a long-term comprehensive
 23 solution or any agreement to extend the Joint Plan of Ac-
 24 tion entered into after the date of the enactment of this

1 Act, the President shall transmit to the appropriate con-
2 gressional committees—

3 (1) the text of the agreement;

4 (2) a verification assessment report of the Sec-
5 retary of State prepared under subsection (b) with
6 respect to the agreement; and

7 (3) an economic sanctions relief assessment re-
8 port of the Secretary of the Treasury prepared
9 under subsection (c) with respect to the agreement.

10 (b) VERIFICATION ASSESSMENT REPORT.—

11 (1) IN GENERAL.—The Secretary of State shall,
12 in consultation with the Director of National Intel-
13 ligence, prepare, with respect to each agreement de-
14 scribed in subsection (a), a report assessing the ex-
15 tent to which the Secretary will be able to verify that
16 Iran is complying with its obligations under the
17 agreement.

18 (2) ASSUMPTIONS.—In preparing a report
19 under paragraph (1) with respect to an agreement
20 described in subsection (a), the Secretary shall as-
21 sume that Iran could—

22 (A) use all measures not expressly prohib-
23 ited by the agreement to conceal activities that
24 violate its obligations under the agreement; and

1 (B) alter or deviate from standard prac-
 2 tices in order to impede efforts to verify that
 3 Iran is complying with those obligations.

4 (c) ECONOMIC SANCTIONS RELIEF ASSESSMENT RE-
 5 PORT.—The Secretary of the Treasury shall, in consulta-
 6 tion with the Director of National Intelligence, prepare,
 7 with respect to each agreement described in subsection
 8 (a), a report assessing the extent to which the economy
 9 of Iran—

10 (1) has, as of the date of the report, directly
 11 and indirectly benefited from sanctions relief pursu-
 12 ant to the Joint Plan of Action; and

13 (2) is likely, over the course of the agreement,
 14 to directly and indirectly benefit from proposed sanc-
 15 tions relief, including enhanced trade and market
 16 opportunities, pursuant to the agreement.

17 (d) FORM OF REPORTS.—Each report under sub-
 18 section (b) or (c) shall be transmitted in unclassified form,
 19 but may include a classified annex.

20 **SEC. 102. PERIOD FOR REVIEW BY CONGRESS OF LONG-**
 21 **TERM COMPREHENSIVE SOLUTION.**

22 (a) TRANSMISSION OF LONG-TERM COMPREHENSIVE
 23 SOLUTION.—

24 (1) IN GENERAL.—After transmitting a long-
 25 term comprehensive solution and the assessment re-

1 ports under section 101(a), the President shall not
2 exercise any waiver authority provided under any
3 provision of law imposing sanctions with respect to
4 Iran, refrain from applying any such sanctions, or
5 take any other action to alter or limit the application
6 of sanctions in connection with or to implement the
7 long-term comprehensive solution, until the date that
8 is 30 days of continuous session of Congress after
9 the President transmits the long-term comprehensive
10 solution and the assessment reports.

11 (2) EXCEPTION.—The prohibition under para-
12 graph (1) does not apply to a renewal of any defer-
13 ral, waiver, or other suspension of sanctions pursu-
14 ant to the Joint Plan of Action if that deferral,
15 waiver, or other suspension is made—

16 (A) consistent with the law in effect on the
17 date of the enactment of this Act; and

18 (B) not later than 45 days before the
19 transmission by the President of the long-term
20 comprehensive solution and the assessment re-
21 ports under section 101(a).

22 (3) RULE OF CONSTRUCTION.—The President
23 shall not construe this subsection to allow any new
24 deferral, waiver, or other suspension of sanctions

1 with respect to Iran during the 30 days of contin-
 2 uous session specified in paragraph (1).

3 (b) COMPUTATION OF CONTINUOUS SESSION
 4 DAYS.—In computing days of continuous session of Con-
 5 gress under subsection (a)—

6 (1) the days on which either House is not in
 7 session because of an adjournment of more than 3
 8 days to a date certain are excluded; and

9 (2) continuity of session is broken only by an
 10 adjournment of Congress sine die.

11 **TITLE II—EXPANSION AND** 12 **IMPOSITION OF SANCTIONS**

13 **SEC. 201. EFFECTIVE DATES FOR STAGED IMPOSITION OF** 14 **SANCTIONS IF LONG-TERM COMPREHENSIVE** 15 **SOLUTION NOT REACHED.**

16 If the President has not transmitted to the appro-
 17 priate congressional committees, pursuant to section 101,
 18 a long-term comprehensive solution and the assessment re-
 19 ports described in that section—

20 (1) by July 6, 2015, section 202 shall take ef-
 21 fect;

22 (2) by August 3, 2015, the provisions of and
 23 amendments made by section 203 shall take effect;

24 (3) by September 7, 2015, the provisions of and
 25 amendments made by section 204 shall take effect;

1 (4) by October 5, 2015, the provisions of and
2 amendments made by section 205 shall take effect;

3 (5) by November 2, 2015, the provisions of and
4 amendments made by section 206 shall take effect;
5 and

6 (6) by December 7, 2015, the provisions of and
7 amendments made by section 207 shall take effect.

8 **SEC. 202. TERMINATION OF SUSPENSION OF SANCTIONS.**

9 Any sanctions imposed pursuant to statute or execu-
10 tive action that are deferred, waived, or otherwise sus-
11 pended by the President before the date of the enactment
12 of this Act pursuant to the Joint Plan of Action shall be
13 reinstated on the effective date specified in section 201(1).

14 **SEC. 203. APPLICABILITY OF SANCTIONS WITH RESPECT TO**
15 **PETROLEUM TRANSACTIONS.**

16 (a) IN GENERAL.—Section 1245(d)(4)(D)(i) of the
17 National Defense Authorization Act for Fiscal Year 2012
18 (22 U.S.C. 8513a(d)(4)(D)(i)) is amended—

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

23 (2) in subclause (II), by striking “crude oil pur-
24 chases from Iran” and inserting “purchases of pe-
25 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, plant conden-
13 sates, fuel oils, other unfinished oils, liquefied petro-
14 leum gases, and other petroleum products.”.

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

18 (1) in paragraph (3)—

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

22 (B) by striking “as amended by section
23 504,”; and

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

4 (d) EFFECTIVE DATE.—The amendments made by
 5 this section shall apply with respect to determinations
 6 under section 1245(d)(4)(D)(i) of the National Defense
 7 Authorization Act for Fiscal Year 2012 (22 U.S.C.
 8 8513a(d)(4)(D)(i)) on or after the effective date specified
 9 in section 201(2).

10 **SEC. 204. INELIGIBILITY FOR EXCEPTION TO CERTAIN**
 11 **SANCTIONS FOR COUNTRIES THAT DO NOT**
 12 **REDUCE PURCHASES OF PETROLEUM FROM**
 13 **IRAN OR OF IRANIAN ORIGIN TO A DE MINI-**
 14 **MIS LEVEL.**

15 (a) STATEMENT OF POLICY.—It shall be the policy
 16 of the United States to seek to ensure that all countries
 17 reduce their purchases of crude oil, lease condensates, fuel
 18 oils, and other unfinished oils from Iran or of Iranian ori-
 19 gin to a de minimis level by the end of the 240-day period
 20 beginning on the effective date specified in section 201(3).

21 (b) INELIGIBILITY FOR EXCEPTIONS TO SANC-
 22 TIONS.—Section 1245(d)(4)(D) of the National Defense
 23 Authorization Act for Fiscal Year 2012 (22 U.S.C.
 24 8513a(d)(4)(D)) is amended by adding at the end the fol-
 25 lowing:

1 “(iii) INELIGIBILITY FOR EXCEP-
2 TION.—

3 “(I) IN GENERAL.—A country
4 that purchased petroleum from Iran
5 or of Iranian origin during the one-
6 year period preceding the effective
7 date specified in section 201(3) of the
8 Nuclear Weapon Free Iran Act of
9 2015 may continue to receive an ex-
10 ception under clause (i) on or after
11 the date that is 240 days after such
12 effective date only—

13 “(aa) if the country reduces
14 its purchases of petroleum from
15 Iran or of Iranian origin to a de
16 minimis level by the end of the
17 240-day period beginning on such
18 effective date; or

19 “(bb) as provided in sub-
20 clause (II) or (III).

21 “(II) COUNTRIES THAT DRA-
22 MATICALLY REDUCE PURCHASES.—

23 “(aa) IN GENERAL.—A
24 country that would otherwise be
25 ineligible pursuant to subclause

1 (I)(aa) to receive an exception
2 under clause (i) may continue to
3 receive such an exception during
4 the one-year period beginning on
5 the date that is 240 days after
6 the effective date specified in sec-
7 tion 201(3) of the Nuclear Weap-
8 on Free Iran Act of 2015 if the
9 country—

10 “(AA) dramatically re-
11 duces by at least 30 percent
12 its purchases of petroleum
13 from Iran or of Iranian ori-
14 gin during the 240-day pe-
15 riod beginning on such effec-
16 tive date, as compared to its
17 average monthly purchases
18 of such petroleum during
19 calendar year 2014; and

20 “(BB) is expected to
21 reduce its purchases of pe-
22 troleum from Iran or of Ira-
23 nian origin to a de minimis
24 level within a defined period
25 of time that is not longer

1 than 2 years after such ef-
2 fective date.

3 “(bb) TERMINATION OF EX-
4 CEPTION.—If a country that con-
5 tinues to receive an exception
6 under clause (i) pursuant to item
7 (aa) does not reduce its pur-
8 chases of petroleum from Iran or
9 of Iranian origin to a de minimis
10 level by the date that is 2 years
11 after the effective date specified
12 in section 201(3) of the Nuclear
13 Weapon Free Iran Act of 2015,
14 that country shall not be eligible
15 for an exception under clause (i)
16 on or after the date that is 2
17 years after such effective date.

18 “(III) REINSTATEMENT OF ELI-
19 GIBILITY FOR EXCEPTION.—A country
20 that becomes ineligible for an excep-
21 tion under clause (i) pursuant to sub-
22 clause (I) or (II) shall be eligible for
23 such an exception in accordance with
24 the provisions of clause (i) on and
25 after the date on which the President

1 determines the country has reduced
 2 its purchases of petroleum from Iran
 3 or of Iranian origin to a de minimis
 4 level.”.

5 (c) CONFORMING AMENDMENT.—Section
 6 1245(d)(4)(D)(i) of the National Defense Authorization
 7 Act for Fiscal Year 2012 (22 U.S.C. 8513a(d)(4)(D)(i))
 8 is amended in the matter preceding subclause (I) by strik-
 9 ing “Sanctions imposed” and inserting “Except as pro-
 10 vided in clause (iii), sanctions imposed”.

11 **SEC. 205. IDENTIFICATION OF, AND IMPOSITION OF SANC-**
 12 **TIONS WITH RESPECT TO, CERTAIN IRANIAN**
 13 **INDIVIDUALS.**

14 (a) EXPANSION OF INDIVIDUALS IDENTIFIED.—Sec-
 15 tion 221(a) of the Iran Threat Reduction and Syria
 16 Human Rights Act of 2012 (22 U.S.C. 8727(a)) is amend-
 17 ed—

18 (1) in paragraph (1)(C), by striking “; or” and
 19 inserting a semicolon;

20 (2) in paragraph (2), by striking the period at
 21 the end and inserting a semicolon; and

22 (3) by adding at the end the following:

23 “(3) an individual who engages in activities for
 24 or on behalf of the Government of Iran that enables

1 Iran to evade sanctions imposed by the United
2 States with respect to Iran;

3 “(4) an individual acting on behalf of the Gov-
4 ernment of Iran who is involved in corrupt activities
5 of that Government or the diversion of humanitarian
6 goods, including agricultural commodities, food,
7 medicine, and medical devices, intended for the peo-
8 ple of Iran; or

9 “(5) a senior official—

10 “(A) of an entity designated for the im-
11 position of sanctions pursuant to the International
12 Emergency Economic Powers Act (50 U.S.C.
13 1701 et seq.) in connection with—

14 “(i) Iran’s illicit nuclear activities or
15 proliferation of weapons of mass destruc-
16 tion or delivery systems for weapons of
17 mass destruction; or

18 “(ii) Iran’s support for acts of inter-
19 national terrorism; and

20 “(B) who was involved in the activity for
21 which the entity was designated for the imposi-
22 tion of sanctions.”.

23 (b) EXPANSION OF SENIOR OFFICIALS DE-
24 SCRIBED.—Section 221(b) of the Iran Threat Reduction

1 and Syria Human Rights Act of 2012 (22 U.S.C. 8727(b))

2 is amended—

3 (1) in paragraph (5), by striking “; or” and in-
4 serting a semicolon;

5 (2) in paragraph (6), by striking the period at
6 the end and inserting “; or”; and

7 (3) by adding at the end the following:

8 “(7) a senior official of—

9 “(A) the Office of the Supreme Leader of
10 Iran;

11 “(B) the Atomic Energy Organization of
12 Iran;

13 “(C) the Islamic Consultative Assembly of
14 Iran;

15 “(D) the Council of Ministers of Iran;

16 “(E) the Ministry of Defense and Armed
17 Forces Logistics of Iran;

18 “(F) the Ministry of Justice of Iran;

19 “(G) the Ministry of Interior of Iran;

20 “(H) the prison system of Iran; or

21 “(I) the judicial system of Iran.”.

22 (c) BLOCKING OF PROPERTY.—Section 221 of the
23 Iran Threat Reduction and Syria Human Rights Act of
24 2012 (22 U.S.C. 8727) is amended—

1 (1) by redesignating subsections (d) and (e) as
2 subsections (e) and (f), respectively; and

3 (2) by inserting after subsection (c) the fol-
4 lowing:

5 “(d) BLOCKING OF PROPERTY.—

6 “(1) OFFICIALS AND OTHER ACTORS.—In the
7 case of an individual described in paragraph (1), (3),
8 (4), or (5) of subsection (a) who is on the list re-
9 quired by that subsection, the President shall block
10 and prohibit all transactions in all property and in-
11 terests in property of that individual if such property
12 or interests in property are in the United States,
13 come within the United States, or are or come with-
14 in the possession or control of a United States per-
15 son.

16 “(2) FAMILY MEMBERS.—In the case of an in-
17 dividual described in paragraph (2) of subsection (a)
18 who is on the list required by that subsection, the
19 President shall block and prohibit a transaction in
20 property or an interest in property of that individual
21 if the property or interest in property—

22 “(A) was transferred to that individual
23 from an individual described in paragraph (1)
24 of subsection (a) who is on the list required by
25 that subsection; and

1 “(B) is in the United States, comes within
 2 the United States, or is or comes within the
 3 possession or control of a United States per-
 4 son.”.

5 (d) CONFORMING AMENDMENTS.—Section 221 of the
 6 Iran Threat Reduction and Syria Human Rights Act of
 7 2012 (22 U.S.C. 8727), as amended by subsections (a),
 8 (b), and (c), is further amended—

9 (1) by striking the section heading and insert-
 10 ing “**IDENTIFICATION OF, AND IMPOSITION OF**
 11 **SANCTIONS WITH RESPECT TO, CERTAIN IRA-**
 12 **NIAN INDIVIDUALS**”;

13 (2) in subsection (a), by striking “Not later
 14 than 180 days after the date of the enactment of
 15 this Act” and inserting “Not later than 90 days
 16 after the effective date specified in section 201(4) of
 17 the Nuclear Weapon Free Iran Act of 2015”; and

18 (3) in subsection (c), by striking “subsection
 19 (d)” and inserting “subsection (e)”.

20 (e) CLERICAL AMENDMENT.—The table of contents
 21 for the Iran Threat Reduction and Syria Human Rights
 22 Act of 2012 (22 U.S.C. 8701 et seq.) is amended by strik-
 23 ing the item relating to section 221 and inserting the fol-
 24 lowing:

“Sec. 221. Identification of, and imposition of sanctions with respect to, certain
 Iranian individuals.”.

1 **SEC. 206. IMPOSITION OF SANCTIONS WITH RESPECT TO**
 2 **TRANSACTIONS IN FOREIGN CURRENCIES**
 3 **WITH OR FOR CERTAIN SANCTIONED PER-**
 4 **SONS.**

5 (a) IN GENERAL.—Title II of the Iran Threat Reduc-
 6 tion and Syria Human Rights Act of 2012 (22 U.S.C.
 7 8721 et seq.) is amended—

8 (1) by inserting after section 221 the following:

9 **“Subtitle C—Other Matters”;**

10 (2) by redesignating sections 222, 223, and 224
 11 as sections 231, 232, and 233, respectively; and

12 (3) by inserting after section 221 the following:

13 **“SEC. 222. IMPOSITION OF SANCTIONS WITH RESPECT TO**
 14 **TRANSACTIONS IN FOREIGN CURRENCIES**
 15 **WITH CERTAIN SANCTIONED PERSONS.**

16 “(a) IMPOSITION OF SANCTIONS.—The President—

17 “(1) shall prohibit the opening, and prohibit or
 18 impose strict conditions on the maintaining, in the
 19 United States of a correspondent account or a pay-
 20 able-through account by a foreign financial institu-
 21 tion that knowingly conducts or facilitates a trans-
 22 action described in subsection (b)(1); and

23 “(2) may impose sanctions pursuant to the
 24 International Emergency Economic Powers Act (50
 25 U.S.C. 1701 et seq.) with respect to any other per-

1 son that knowingly conducts or facilitates such a
2 transaction.

3 “(b) TRANSACTIONS DESCRIBED.—

4 “(1) IN GENERAL.—A transaction described in
5 this subsection is a significant transaction conducted
6 or facilitated by a person related to the currency of
7 a country other than the country with primary juris-
8 diction over the person with, for, or on behalf of—

9 “(A) the Central Bank of Iran or an Ira-
10 nian financial institution designated by the Sec-
11 retary of the Treasury for the imposition of
12 sanctions pursuant to the International Emer-
13 gency Economic Powers Act (50 U.S.C. 1701 et
14 seq.); or

15 “(B) a person described in section
16 1244(c)(2) of the Iran Freedom and Counter-
17 Proliferation Act of 2012 (22 U.S.C.
18 8803(c)(2)) (other than a person described in
19 subparagraph (C)(iii) of that section).

20 “(2) PRIMARY JURISDICTION.—For purposes of
21 paragraph (1), a country in which a person operates
22 shall be deemed to have primary jurisdiction over
23 the person only with respect to the operations of the
24 person in that country.

1 “(c) APPLICABILITY.—Subsection (a) shall apply
2 with respect to a transaction described in subsection
3 (b)(1) conducted or facilitated—

4 “(1) on or after the effective date specified in
5 section 201(5) of the Nuclear Weapon Free Iran Act
6 of 2015 pursuant to a contract entered into on or
7 after such effective date; and

8 “(2) on or after the date that is 90 days after
9 such effective date pursuant to a contract entered
10 into before such effective date.

11 “(d) INAPPLICABILITY TO HUMANITARIAN TRANS-
12 ACTIONS.—The President may not impose sanctions under
13 subsection (a) with respect to any person for conducting
14 or facilitating a transaction for the sale of agricultural
15 commodities, food, medicine, or medical devices to Iran or
16 for the provision of humanitarian assistance to the people
17 of Iran.

18 “(e) WAIVER.—

19 “(1) IN GENERAL.—The President may waive
20 the application of subsection (a) with respect to a
21 person for a period of not more than 180 days, and
22 may renew that waiver for additional periods of not
23 more than 180 days, if the President—

1 “(A) determines that the waiver is impor-
 2 tant to the national interest of the United
 3 States; and

4 “(B) not less than 15 days after the waiver
 5 or the renewal of the waiver, as the case may
 6 be, takes effect, submits a report to the appro-
 7 priate congressional committees on the waiver
 8 and the reason for the waiver.

9 “(2) FORM OF REPORT.—Each report sub-
 10 mitted under paragraph (1)(B) shall be submitted in
 11 unclassified form but may contain a classified annex.

12 “(f) DEFINITIONS.—In this section:

13 “(1) FINANCIAL INSTITUTION; IRANIAN FINAN-
 14 CIAL INSTITUTION.—The terms ‘financial institution’
 15 and ‘Iranian financial institution’ have the meanings
 16 given those terms in section 104A(d) of the Com-
 17 prehensive Iran Sanctions, Accountability, and Di-
 18 vestment Act of 2010 (22 U.S.C. 8513b(d)).

19 “(2) TRANSACTION.—The term ‘transaction’ in-
 20 cludes a foreign exchange swap, a foreign exchange
 21 forward, and any other type of currency exchange or
 22 conversion or derivative instrument.”.

23 (b) ADDITIONAL DEFINITIONS.—Section 2 of the
 24 Iran Threat Reduction and Syria Human Rights Act of
 25 2012 (22 U.S.C. 8701) is amended—

1 (1) by redesignating paragraphs (2), (3), and
2 (4) as paragraphs (5), (6), and (9), respectively;

3 (2) by striking paragraph (1) and inserting the
4 following:

5 “(1) ACCOUNT; CORRESPONDENT ACCOUNT;
6 PAYABLE-THROUGH ACCOUNT.—The terms ‘ac-
7 count’, ‘correspondent account’, and ‘payable-
8 through account’ have the meanings given those
9 terms in section 5318A of title 31, United States
10 Code.

11 “(2) AGRICULTURAL COMMODITY.—The term
12 ‘agricultural commodity’ has the meaning given that
13 term in section 102 of the Agricultural Trade Act of
14 1978 (7 U.S.C. 5602).

15 “(3) APPROPRIATE CONGRESSIONAL COMMIT-
16 TEES.—The term ‘appropriate congressional com-
17 mittees’ has the meaning given that term in section
18 14 of the Iran Sanctions Act of 1996 (Public Law
19 104–172; 50 U.S.C. 1701 note).

20 “(4) DOMESTIC FINANCIAL INSTITUTION; FOR-
21 EIGN FINANCIAL INSTITUTION.—The terms ‘domes-
22 tic financial institution’ and ‘foreign financial insti-
23 tution’ have the meanings determined by the Sec-
24 retary of the Treasury pursuant to section 104(i) of
25 the Comprehensive Iran Sanctions, Accountability,

1 and Divestment Act of 2010 (22 U.S.C. 8513(i)).”;
 2 and

3 (3) by inserting after paragraph (6), as redesignig-
 4 nated by paragraph (1), the following:

5 “(7) MEDICAL DEVICE.—The term ‘medical de-
 6 vice’ has the meaning given the term ‘device’ in sec-
 7 tion 201 of the Federal Food, Drug, and Cosmetic
 8 Act (21 U.S.C. 321).

9 “(8) MEDICINE.—The term ‘medicine’ has the
 10 meaning given the term ‘drug’ in section 201 of the
 11 Federal Food, Drug, and Cosmetic Act (21 U.S.C.
 12 321).”.

13 (c) CLERICAL AMENDMENT.—The table of contents
 14 for the Iran Threat Reduction and Syria Human Rights
 15 Act of 2012 is amended by striking the items relating to
 16 sections 222, 223, and 224 and inserting the following:

“Sec. 222. Imposition of sanctions with respect to transactions in foreign cur-
 rencies with certain sanctioned persons.

“Subtitle C—Other Matters

“Sec. 231. Sense of Congress and rule of construction relating to certain au-
 thorities of State and local governments.

“Sec. 232. Government Accountability Office report on foreign entities that in-
 vest in the energy sector of Iran or export refined petroleum
 products to Iran.

“Sec. 233. Reporting on the importation to and exportation from Iran of crude
 oil and refined petroleum products.”.

1 **SEC. 207. IMPOSITION OF SANCTIONS WITH RESPECT TO**
 2 **PORTS, SPECIAL ECONOMIC ZONES, AND**
 3 **STRATEGIC SECTORS OF IRAN.**

4 (a) FINDINGS.—Section 1244(a)(1) of the Iran Free-
 5 dom and Counter-Proliferation Act of 2012 (22 U.S.C.
 6 8803(a)(1)) is amended by striking “and shipbuilding”
 7 and inserting “shipbuilding, automotive, construction, en-
 8 gineering, and mining”.

9 (b) EXPANSION OF DESIGNATION OF ENTITIES OF
 10 PROLIFERATION CONCERN.—Section 1244(b) of the Iran
 11 Freedom and Counter-Proliferation Act of 2012 (22
 12 U.S.C. 8803(b)) is amended by striking “in Iran and enti-
 13 ties in the energy, shipping, and shipbuilding sectors” and
 14 inserting “, special economic zones, or free economic zones
 15 in Iran, and entities in strategic sectors”.

16 (c) EXPANSION OF ENTITIES SUBJECT TO BLOCKING
 17 OF PROPERTY.—Section 1244(c) of the Iran Freedom and
 18 Counter-Proliferation Act of 2012 (22 U.S.C. 8803(c)) is
 19 amended—

20 (1) in paragraph (1)(A), by striking “the date
 21 that is 180 days after the date of the enactment of
 22 this Act” and inserting “the effective date specified
 23 in section 201(6) of the Nuclear Weapon Free Iran
 24 Act of 2015”;

25 (2) in paragraph (2)—

1 (A) in the matter preceding subparagraph
 2 (A), by striking “the date that is 180 days after
 3 the date of the enactment of this Act” and in-
 4 serting “the effective date specified in section
 5 201(6) of the Nuclear Weapon Free Iran Act of
 6 2015”;

7 (B) by striking “the energy, shipping, or
 8 shipbuilding sectors” each place it appears and
 9 inserting “a strategic sector”; and

10 (C) by inserting “, special economic zone,
 11 or free economic zone” after “port” each place
 12 it appears; and

13 (3) by adding at the end the following:

14 “(4) STRATEGIC SECTOR DEFINED.—

15 “(A) IN GENERAL.—In this section, the
 16 term ‘strategic sector’ means—

17 “(i) the energy, shipping, ship-
 18 building, automotive, and mining sectors of
 19 Iran;

20 “(ii) except as provided in subpara-
 21 graph (B), the construction and engineer-
 22 ing sectors of Iran; and

23 “(iii) any other sector the President
 24 designates as of strategic importance to
 25 Iran.

“(B) EXCEPTION FOR CONSTRUCTION AND
ENGINEERING OF SCHOOLS, HOSPITALS, AND
SIMILAR FACILITIES.—For purposes of this sec-
tion, a project to construct or engineer a school,
hospital, or similar facility (as determined by
the President) shall not be considered part of a
strategic sector of Iran.

“(C) NOTIFICATION OF STRATEGIC SEC-
TOR DESIGNATION.—The President shall sub-
mit to Congress a notification of the designa-
tion of a sector as a strategic sector of Iran for
purposes of subparagraph (A)(iii) not later than
5 days after the date on which the President
makes the designation.”.

(d) ADDITIONAL SANCTIONS WITH RESPECT TO
STRATEGIC SECTORS.—Section 1244(d) of the Iran Free-
dom and Counter-Proliferation Act of 2012 (22 U.S.C.
8803(d)) is amended—

(1) in paragraph (1)(A), by striking “the date
that is 180 days after the date of the enactment of
this Act” and inserting “the effective date specified
in section 201(6) of the Nuclear Weapon Free Iran
Act of 2015”;

(2) in paragraph (2), by striking “the date that
is 180 days after the date of the enactment of this

1 Act” and inserting “the effective date specified in
 2 section 201(6) of the Nuclear Weapon Free Iran Act
 3 of 2015”; and

4 (3) in paragraph (3), by striking “the energy,
 5 shipping, or shipbuilding sectors” and inserting “a
 6 strategic sector”.

7 (e) SALE, SUPPLY, OR TRANSFER OF CERTAIN MA-
 8 TERIALS TO OR FROM IRAN.—Section 1245 of the Iran
 9 Freedom and Counter-Proliferation Act of 2012 (22
 10 U.S.C. 8804) is amended—

11 (1) in subsection (a)(1)—

12 (A) in the matter preceding subparagraph
 13 (A), by striking “the date that is 180 days after
 14 the date of the enactment of this Act” and in-
 15 serting “the effective date specified in section
 16 201(6) of the Nuclear Weapon Free Iran Act of
 17 2015”; and

18 (B) in subparagraph (C)(i)(I), by striking
 19 “the energy, shipping, or shipbuilding sectors”
 20 and inserting “a strategic sector (as defined in
 21 section 1244(c)(4))”; and

22 (2) in subsection (c), by striking “the date that
 23 is 180 days after the date of the enactment of this
 24 Act” and inserting “the effective date specified in

1 section 201(6) of the Nuclear Weapon Free Iran Act
2 of 2015”.

3 (f) PROVISION OF INSURANCE TO SANCTIONED PER-
4 SONS.—Section 1246(a)(1) of the Iran Freedom and
5 Counter-Proliferation Act of 2012 (22 U.S.C. 8805(a)(1))
6 is amended—

7 (1) in the matter preceding subparagraph (A),
8 by striking “the date that is 180 days after the date
9 of the enactment of this Act” and inserting “the ef-
10 fective date specified in section 201(6) of the Nu-
11 clear Weapon Free Iran Act of 2015”; and

12 (2) in subparagraph (B)(i), by striking “the en-
13 ergy, shipping, or shipbuilding sectors” and insert-
14 ing “a strategic sector (as defined in section
15 1244(c)(4))”.

16 (g) CONFORMING AMENDMENTS.—Section 1244 of
17 the Iran Freedom and Counter-Proliferation Act of 2012
18 (22 U.S.C. 8803), as amended by subsections (a), (b), (c),
19 and (d), is further amended—

20 (1) in the section heading, by striking “**THE**
21 **ENERGY, SHIPPING, AND SHIPBUILDING**” and
22 inserting “**CERTAIN PORTS, ECONOMIC ZONES,**
23 **AND**”;

24 (2) in subsection (b), in the subsection heading,
25 by striking “PORTS AND ENTITIES IN THE ENERGY,

1 SHIPPING, AND SHIPBUILDING SECTORS OF IRAN
2 AS”;

3 (3) in subsection (c), in the subsection heading,
4 by striking “ENTITIES IN ENERGY, SHIPPING, AND
5 SHIPBUILDING SECTORS” and inserting “CERTAIN
6 ENTITIES”; and

7 (4) in subsection (d), in the subsection heading,
8 by striking “THE ENERGY, SHIPPING, AND SHIP-
9 BUILDING” and inserting “STRATEGIC”.

10 **SEC. 208. WAIVER OF SANCTIONS.**

11 The President may waive the application of any sanc-
12 tion pursuant to a provision of or amendment made by
13 this title for a 30-day period, and may renew the waiver
14 for additional 30-day periods, if the President, before the
15 waiver or renewal, as the case may be—

16 (1) certifies to the appropriate congressional
17 committees that—

18 (A) the waiver or renewal, as the case may
19 be, is in the national security interest of the
20 United States;

21 (B) the waiver or renewal, as the case may
22 be, is necessary to and likely to result in achiev-
23 ing a long-term comprehensive solution with
24 Iran; and

1 (C) Iran is not making further progress on
 2 its nuclear weapons program and is in compli-
 3 ance with all interim agreements with respect to
 4 that program; and

5 (2) submits to the appropriate congressional
 6 committees a comprehensive report on the status of
 7 the negotiations toward a long-term comprehensive
 8 solution that includes an assessment of the likeli-
 9 hood of reaching that solution and the timeframe
 10 anticipated for achieving that solution.

11 **TITLE III—GENERAL** 12 **PROVISIONS**

13 **SEC. 301. EXCEPTION FOR AFGHANISTAN RECONSTRUC-** 14 **TION.**

15 The President may provide for an exception from the
 16 imposition of sanctions under the provisions of or amend-
 17 ments made by this Act for reconstruction assistance or
 18 economic development for Afghanistan—

19 (1) to the extent that the President determines
 20 that such an exception is in the national interest of
 21 the United States; and

22 (2) if, not later than 15 days before issuing the
 23 exception, the President submits a notification of
 24 and justification for the exception to the appropriate
 25 congressional committees.

1 **SEC. 302. EXCEPTION FOR IMPORT RESTRICTIONS.**

2 Nothing in this Act or any amendment made by this
3 Act authorizes or requires the President to impose sanc-
4 tions relating to the importation of goods.

5 **SEC. 303. APPLICABILITY TO CERTAIN INTELLIGENCE AC-**
6 **TIVITIES.**

7 Nothing in this Act or any amendment made by this
8 Act shall apply to the authorized intelligence activities of
9 the United States.

10 **SEC. 304. APPLICABILITY TO CERTAIN NATURAL GAS**
11 **PROJECTS.**

12 Nothing in this Act or any amendment made by this
13 Act shall be construed to apply with respect to any activity
14 relating to a project described in subsection (a) of section
15 603 of the Iran Threat Reduction and Syria Human
16 Rights Act of 2012 (22 U.S.C. 8783) to which the excep-
17 tion under that section applies at the time of the activity.

18 **SEC. 305. RULE OF CONSTRUCTION WITH RESPECT TO THE**
19 **USE OF FORCE AGAINST IRAN.**

20 Nothing in this Act or any amendment made by this
21 Act shall be construed as a declaration of war or an au-
22 thorization of the use of force against Iran.

1 **SEC. 306. SENSE OF CONGRESS ON INCREASED STAFFING**
 2 **FOR AGENCIES INVOLVED IN THE IMPLEMEN-**
 3 **TATION AND ENFORCEMENT OF SANCTIONS**
 4 **AGAINST IRAN.**

5 It is the sense of Congress that—

6 (1) when the President submits the President's
 7 budget for fiscal year 2016 to Congress under sec-
 8 tion 1105(a) of title 31, United States Code, the
 9 President should, in that budget, prioritize—

10 (A) resources for the Office of Foreign As-
 11 sets Control for the Department of the Treas-
 12 ury dedicated to the implementation and en-
 13 forcement of sanctions with respect to Iran; and

14 (B) resources for the Department of State
 15 dedicated to the implementation and enforce-
 16 ment of sanctions with respect to Iran; and

17 (2) the appropriate committees of the Senate
 18 and the House of Representatives should prioritize
 19 the resources described in subparagraphs (A) and
 20 (B) of paragraph (1) during consideration of author-
 21 ization and appropriations legislation in future fiscal
 22 years.

