

Calendar No. 29

114TH CONGRESS
1ST SESSION**S. 792**

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

MARCH 18, 2015

Mr. SHELBY, from the Committee on Banking, Housing, and Urban Affairs, reported the following original bill; which was read twice and placed on the calendar

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 with respect to Iran.

Sec. 4. Sense of Congress with respect to Israel's right to exist and to defend itself and its people.

TITLE I—CONGRESSIONAL REVIEW OF AGREEMENTS WITH, AND 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.

Sec. 103. Sense of Congress on congressional approval of agreement.

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).

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

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

6 (B) includes all implementing materials
7 and agreements related to the Joint Plan of Ac-
8 tion, including the technical understandings
9 reached on January 12, 2014, the extension
10 agreed to on July 19, 2014, the extension
11 agreed to on November 24, 2014, and any ex-
12 tension that is agreed to on or after the date
13 of the enactment of this Act and is transmitted
14 to the appropriate congressional committees
15 pursuant to section 101.

16 (3) LONG-TERM COMPREHENSIVE SOLUTION.—
17 The term “long-term comprehensive solution” means
18 any comprehensive agreement, including a frame-
19 work agreement or political agreement, regarding
20 the nuclear program of Iran as described in the
21 Joint Plan of Action, without regard to whether or
22 not one or more countries other than the United
23 States and Iran are parties to the agreement, and
24 all implementing materials and technical under-
25 standings related to that comprehensive agreement.

1 (4) P5-PLUS-1 COUNTRIES.—The term “P5-
2 plus-1 countries” means the United States, France,
3 the Russian Federation, the People’s Republic of
4 China, the United Kingdom, and Germany.

5 **SEC. 3. SENSE OF CONGRESS WITH RESPECT TO IRAN.**

6 It is the sense of Congress that—

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

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

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

19 (4) the Government of Iran does not have an
20 absolute or inherent right to enrichment and reproc-
21 essing capabilities and technologies under the Treaty
22 on the Non-Proliferation of Nuclear Weapons, done
23 at Washington, London, and Moscow July 1, 1968,
24 and entered into force March 5, 1970 (commonly re-

1 ferred to as the “Nuclear Non-Proliferation Trea-
2 ty”);

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

7 (A) reverse the development of Iran’s illicit
8 nuclear infrastructure, including enrichment
9 and reprocessing capabilities and facilities, the
10 heavy water reactor and production plant at
11 Arak, and any nuclear weapon components and
12 technology, such that Iran is precluded from a
13 nuclear breakout capability and prevented from
14 pursuing both uranium and plutonium path-
15 ways to a nuclear weapon;

16 (B) bring Iran into compliance with all
17 United Nations Security Council resolutions re-
18 lated to Iran’s nuclear program, including Reso-
19 lutions 1696 (2006), 1737 (2006), 1747
20 (2007), 1803 (2008), 1835 (2008), and 1929
21 (2010), with a view toward bringing to a satis-
22 factory conclusion the Security Council’s consid-
23 eration of matters relating to the nuclear pro-
24 gram of Iran;

1 (C) resolve all issues of past and present
2 concern with the International Atomic Energy
3 Agency, including possible military dimensions
4 of the nuclear program of Iran, and give inspec-
5 tors access to personnel, documents, and facili-
6 ties involved, at any point, with nuclear or nu-
7 clear weapons-related activities of Iran;

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

16 (E) require that Iran fully implement and
17 comply with—

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

1 (ii) modified Code 3.1 of the Sub-
2 subsidiary Arrangements to the Agreement be-
3 tween Iran and the International Atomic
4 Energy Agency for the Application of Safe-
5 guards in Connection with the Treaty on
6 the Non-Proliferation of Nuclear Weapons;
7 and

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

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

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

4 (7) the United States should continue to impose
 5 sanctions on the Government of Iran and Iranian
 6 persons for—

7 (A) ongoing abuses of human rights; and

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

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

17 **SEC. 4. SENSE OF CONGRESS WITH RESPECT TO ISRAEL'S**
 18 **RIGHT TO EXIST AND TO DEFEND ITSELF**
 19 **AND ITS PEOPLE.**

20 (a) FINDINGS.—Congress makes the following find-
 21 ings:

22 (1) Consistent with Article 51 of the Charter of
 23 the United Nations, which recognizes the right of a
 24 country to self-defense, Israel must be allowed to

1 take any actions necessary to remove threats to its
2 existence.

3 (2) Iran, which rejects Israel's right to exist as
4 a country, is a continued threat to the safety and se-
5 curity of Israel and the United States through its
6 support of terrorist organizations such as Hamas
7 and Hezbollah.

8 (3) Any efforts by Iran to acquire nuclear
9 weapons are a direct threat to Israel's right to exist
10 as a country.

11 (b) SENSE OF CONGRESS.—It is the sense of Con-
12 gress that the United States supports Israel's rights—

13 (1) to exist as a democratic, Jewish state;

14 (2) to defend itself against threats to its exist-
15 ence; and

16 (3) to protect the lives and safety of the people
17 of Israel.

1 **TITLE I—CONGRESSIONAL RE-**
 2 **VIEW OF AGREEMENTS WITH,**
 3 **AND ECONOMIC SANCTIONS**
 4 **RELIEF PROVIDED TO, IRAN**

5 **SEC. 101. TRANSMISSION TO CONGRESS OF AGREEMENTS**
 6 **WITH IRAN AND ASSESSMENT REPORTS WITH**
 7 **RESPECT TO SUCH AGREEMENTS.**

8 (a) TRANSMISSION OF AGREEMENTS.—Not later
 9 than 5 days after entering into a long-term comprehensive
 10 solution or any agreement to extend the Joint Plan of Ac-
 11 tion entered into after the date of the enactment of this
 12 Act, the President shall transmit to the appropriate con-
 13 gressional committees—

14 (1) the text of the agreement;

15 (2) a verification assessment report of the Sec-
 16 retary of State prepared under subsection (b) with
 17 respect to the agreement; and

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

21 (b) VERIFICATION ASSESSMENT REPORT.—

22 (1) IN GENERAL.—The Secretary of State shall,
 23 in consultation with the Director of National Intel-
 24 ligence, prepare, with respect to each agreement de-
 25 scribed in subsection (a), a report assessing the ex-

1 tent to which the Secretary will be able to verify that
2 Iran is complying with its obligations under the
3 agreement, including an assessment, in conjunction
4 with the Secretary of the Treasury, of existing inad-
5 equacies in the international monitoring and
6 verification system.

7 (2) ASSUMPTIONS.—In preparing a report
8 under paragraph (1) with respect to an agreement
9 described in subsection (a), the Secretary of State
10 shall assume that Iran could—

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

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

17 (c) ECONOMIC SANCTIONS RELIEF ASSESSMENT RE-
18 PORT.—The Secretary of the Treasury shall, in consulta-
19 tion with the Director of National Intelligence, prepare,
20 with respect to each agreement described in subsection
21 (a), a report assessing the extent to which the economy
22 of Iran—

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

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

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

8 **SEC. 102. PERIOD FOR REVIEW BY CONGRESS OF LONG-**
9 **TERM COMPREHENSIVE SOLUTION.**

10 (a) TRANSMISSION OF LONG-TERM COMPREHENSIVE
11 SOLUTION.—

12 (1) IN GENERAL.—After transmitting a long-
13 term comprehensive solution and the assessment re-
14 ports under section 101(a), the President shall not
15 exercise any waiver authority provided under any
16 provision of law imposing sanctions with respect to
17 Iran, refrain from applying any such sanctions, or
18 take any other action to alter or limit the application
19 of sanctions in connection with or to implement the
20 long-term comprehensive solution, until the date that
21 is 30 days of continuous session of Congress after
22 the President transmits the long-term comprehensive
23 solution and the assessment reports.

24 (2) EXCEPTION.—The prohibition under para-
25 graph (1) does not apply to a renewal of any defer-

1 ral, waiver, or other suspension of sanctions pursu-
2 ant to the Joint Plan of Action if that deferral,
3 waiver, or other suspension is made—

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

6 (B) not later than 45 days before the
7 transmission by the President of the long-term
8 comprehensive solution and the assessment re-
9 ports under section 101(a).

10 (3) RULE OF CONSTRUCTION.—The President
11 shall not construe this subsection to allow any new
12 deferral, waiver, or other suspension of sanctions
13 with respect to Iran during the 30 days of contin-
14 uous session specified in paragraph (1).

15 (b) COMPUTATION OF CONTINUOUS SESSION
16 DAYS.—In computing days of continuous session of Con-
17 gress under subsection (a)—

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

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

1 **SEC. 103. SENSE OF CONGRESS ON CONGRESSIONAL AP-**
2 **PROVAL OF AGREEMENT.**

3 It is the sense of Congress that the President should
4 transmit to Congress any agreement subject to section
5 101(a), and that such agreement should be voted on by
6 Congress prior to becoming effective.

7 **TITLE II—EXPANSION AND**
8 **IMPOSITION OF SANCTIONS**

9 **SEC. 201. EFFECTIVE DATES FOR STAGED IMPOSITION OF**
10 **SANCTIONS IF LONG-TERM COMPREHENSIVE**
11 **SOLUTION NOT REACHED.**

12 If the President has not transmitted to the appro-
13 priate congressional committees, pursuant to section 101,
14 a long-term comprehensive solution and the assessment re-
15 ports described in that section—

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

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

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

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

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

26 and

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

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

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

9 **SEC. 203. APPLICABILITY OF SANCTIONS WITH RESPECT TO**
 10 **PETROLEUM TRANSACTIONS.**

11 (a) IN GENERAL.—Section 1245(d)(4)(D)(i) of the
 12 National Defense Authorization Act for Fiscal Year 2012
 13 (22 U.S.C. 8513a(d)(4)(D)(i)) is amended—

14 (1) in subclause (I), by striking “reduced re-
 15 duced its volume of crude oil purchases from Iran”
 16 and inserting “reduced the volume of its purchases
 17 of petroleum from Iran or of Iranian origin”; and

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

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

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

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

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

6 “(4) PETROLEUM.—The term ‘petroleum’ in-
7 cludes crude oil, lease condensates, plant conden-
8 sates, fuel oils, other unfinished oils, liquefied petro-
9 leum gases, and other petroleum products.”.

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

13 (1) in paragraph (3)—

14 (A) by striking “crude oil purchases from
15 Iran” and inserting “purchases of petroleum
16 from Iran or of Iranian origin”; and

17 (B) by striking “as amended by section
18 504,”; and

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

22 (d) EFFECTIVE DATE.—The amendments made by
23 this section shall apply with respect to determinations
24 under section 1245(d)(4)(D)(i) of the National Defense
25 Authorization Act for Fiscal Year 2012 (22 U.S.C.

1 8513a(d)(4)(D)(i)) on or after the effective date specified
 2 in section 201(2).

3 **SEC. 204. INELIGIBILITY FOR EXCEPTION TO CERTAIN**
 4 **SANCTIONS FOR COUNTRIES THAT DO NOT**
 5 **REDUCE PURCHASES OF PETROLEUM FROM**
 6 **IRAN OR OF IRANIAN ORIGIN TO A DE MINI-**
 7 **MIS LEVEL.**

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

14 (b) INELIGIBILITY FOR EXCEPTIONS TO SANC-
 15 TIONS.—Section 1245(d)(4)(D) of the National Defense
 16 Authorization Act for Fiscal Year 2012 (22 U.S.C.
 17 8513a(d)(4)(D)) is amended by adding at the end the fol-
 18 lowing:

19 “(iii) INELIGIBILITY FOR EXCEP-
 20 TION.—

21 “(I) IN GENERAL.—A country
 22 that purchased petroleum from Iran
 23 or of Iranian origin during the one-
 24 year period preceding the effective
 25 date specified in section 201(3) of the

1 Nuclear Weapon Free Iran Act of
2 2015 may continue to receive an ex-
3 ception under clause (i) on or after
4 the date that is 240 days after such
5 effective date only—

6 “(aa) if the country reduces
7 its purchases of petroleum from
8 Iran or of Iranian origin to a de-
9 minimis level by the end of the
10 240-day period beginning on such
11 effective date; or

12 “(bb) as provided in sub-
13 clause (II) or (III).

14 “(II) COUNTRIES THAT DRA-
15 MATICALLY REDUCE PURCHASES.—

16 “(aa) IN GENERAL.—A
17 country that would otherwise be
18 ineligible pursuant to subclause
19 (I)(aa) to receive an exception
20 under clause (i) may continue to
21 receive such an exception during
22 the one-year period beginning on
23 the date that is 240 days after
24 the effective date specified in sec-
25 tion 201(3) of the Nuclear Weap-

1 on Free Iran Act of 2015 if the
2 country—

3 “(AA) dramatically re-
4 duces by at least 30 percent
5 its purchases of petroleum
6 from Iran or of Iranian ori-
7 gin during the 240-day pe-
8 riod beginning on such effec-
9 tive date, as compared to its
10 average monthly purchases
11 of such petroleum during
12 calendar year 2014; and

13 “(BB) is expected to
14 reduce its purchases of pe-
15 troleum from Iran or of Ira-
16 nian origin to a de minimis
17 level within a defined period
18 of time that is not longer
19 than 2 years after such ef-
20 fective date.

21 “(bb) TERMINATION OF EX-
22 CEPTION.—If a country that con-
23 tinues to receive an exception
24 under clause (i) pursuant to item
25 (aa) does not reduce its pur-

1 chases of petroleum from Iran or
 2 of Iranian origin to a de minimis
 3 level by the date that is 2 years
 4 after the effective date specified
 5 in section 201(3) of the Nuclear
 6 Weapon Free Iran Act of 2015,
 7 that country shall not be eligible
 8 for an exception under clause (i)
 9 on or after the date that is 2
 10 years after such effective date.

11 “(III) REINSTATEMENT OF ELI-
 12 GIBILITY FOR EXCEPTION.—A country
 13 that becomes ineligible for an excep-
 14 tion under clause (i) pursuant to sub-
 15 clause (I) or (II) shall be eligible for
 16 such an exception in accordance with
 17 the provisions of clause (i) on and
 18 after the date on which the President
 19 determines the country has reduced
 20 its purchases of petroleum from Iran
 21 or of Iranian origin to a de minimis
 22 level.”.

23 (c) CONFORMING AMENDMENT.—Section
 24 1245(d)(4)(D)(i) of the National Defense Authorization
 25 Act for Fiscal Year 2012 (22 U.S.C. 8513a(d)(4)(D)(i))

1 is amended in the matter preceding subclause (I) by striking
2 ing “Sanctions imposed” and inserting “Except as provided
3 in clause (iii), sanctions imposed”.

4 **SEC. 205. IDENTIFICATION OF, AND IMPOSITION OF SANCTIONS WITH RESPECT TO, CERTAIN IRANIAN**
5 **INDIVIDUALS.**
6

7 (a) EXPANSION OF INDIVIDUALS IDENTIFIED.—Section 221(a) of the Iran Threat Reduction and Syria
8 Human Rights Act of 2012 (22 U.S.C. 8727(a)) is amended—
9
10 ed—

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

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

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

16 “(3) an individual who engages in activities for
17 or on behalf of the Government of Iran that enables
18 Iran to evade sanctions imposed by the United
19 States with respect to Iran;

20 “(4) an individual acting on behalf of the Government of Iran who is involved in corrupt activities
21 of that Government or the diversion of humanitarian
22 goods, including agricultural commodities, food,
23 medicine, and medical devices, intended for the people of Iran; or
24
25

1 “(5) a senior official—

2 “(A) of an entity designated for the im-
3 position of sanctions pursuant to the International
4 Emergency Economic Powers Act (50 U.S.C.
5 1701 et seq.) in connection with—

6 “(i) Iran’s illicit nuclear activities or
7 proliferation of weapons of mass destruc-
8 tion or delivery systems for weapons of
9 mass destruction; or

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

12 “(B) who was involved in the activity for
13 which the entity was designated for the imposi-
14 tion of sanctions.”.

15 (b) EXPANSION OF SENIOR OFFICIALS DE-
16 SCRIBED.—Section 221(b) of the Iran Threat Reduction
17 and Syria Human Rights Act of 2012 (22 U.S.C. 8727(b))
18 is amended—

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

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

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

24 “(7) a senior official of—

1 “(A) the Office of the Supreme Leader of
2 Iran;

3 “(B) the Atomic Energy Organization of
4 Iran;

5 “(C) the Islamic Consultative Assembly of
6 Iran;

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

8 “(E) the Ministry of Defense and Armed
9 Forces Logistics of Iran;

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

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

12 “(H) the prison system of Iran; or

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

14 (c) BLOCKING OF PROPERTY.—Section 221 of the
15 Iran Threat Reduction and Syria Human Rights Act of
16 2012 (22 U.S.C. 8727) is amended—

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

19 (2) by inserting after subsection (c) the fol-
20 lowing:

21 “(d) BLOCKING OF PROPERTY.—

22 “(1) OFFICIALS AND OTHER ACTORS.—In the
23 case of an individual described in paragraph (1), (3),
24 (4), or (5) of subsection (a) who is on the list re-
25 quired by that subsection, the President shall, pur-

1 suant to the International Emergency Economic
 2 Powers Act (50 U.S.C. 1701 et seq.), block and pro-
 3 hibit all transactions in all property and interests in
 4 property of that individual if such property or inter-
 5 ests in property are in the United States, come with-
 6 in the United States, or are or come within the pos-
 7 session or control of a United States person.

8 “(2) FAMILY MEMBERS.—In the case of an in-
 9 dividual described in paragraph (2) of subsection (a)
 10 who is on the list required by that subsection, the
 11 President shall, pursuant to the International Emer-
 12 gency Economic Powers Act (50 U.S.C. 1701 et
 13 seq.), block and prohibit a transaction in property or
 14 an interest in property of that individual if the prop-
 15 erty or interest in property—

16 “(A) was transferred to that individual
 17 from an individual described in paragraph (1)
 18 of subsection (a) who is on the list required by
 19 that subsection; and

20 “(B) is in the United States, comes within
 21 the United States, or is or comes within the
 22 possession or control of a United States per-
 23 son.”.

24 (d) CONFORMING AMENDMENTS.—Section 221 of the
 25 Iran Threat Reduction and Syria Human Rights Act of

1 2012 (22 U.S.C. 8727), as amended by subsections (a),
 2 (b), and (c), is further amended—

3 (1) by striking the section heading and insert-
 4 ing “**IDENTIFICATION OF, AND IMPOSITION OF**
 5 **SANCTIONS WITH RESPECT TO, CERTAIN IRA-**
 6 **NIAN INDIVIDUALS**”;

7 (2) in subsection (a), by striking “Not later
 8 than 180 days after the date of the enactment of
 9 this Act” and inserting “Not later than 90 days
 10 after the effective date specified in section 201(4) of
 11 the Nuclear Weapon Free Iran Act of 2015”; and

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

14 (e) CLERICAL AMENDMENT.—The table of contents
 15 for the Iran Threat Reduction and Syria Human Rights
 16 Act of 2012 (22 U.S.C. 8701 et seq.) is amended by strik-
 17 ing the item relating to section 221 and inserting the fol-
 18 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”; and

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, takes effect—

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 time frame
 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 (a) IN GENERAL.—Nothing in this Act or any
3 amendment made by this Act authorizes or requires the
4 President to impose sanctions relating to the importation
5 of goods.

6 (b) GOOD DEFINED.—In this section, the term
7 “good” has the meaning given that term in section 16 of
8 the Export Administration Act of 1979 (50 U.S.C. App.
9 2415) (as continued in effect pursuant to the Inter-
10 national Emergency Economic Powers Act (50 U.S.C.
11 1701 et seq.)).

12 **SEC. 303. APPLICABILITY TO CERTAIN INTELLIGENCE AC-**
13 **TIVITIES.**

14 Nothing in this Act or any amendment made by this
15 Act shall apply to the authorized intelligence activities of
16 the United States.

17 **SEC. 304. APPLICABILITY TO CERTAIN NATURAL GAS**
18 **PROJECTS.**

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

1 **SEC. 305. RULE OF CONSTRUCTION WITH RESPECT TO THE**
2 **USE OF FORCE AGAINST IRAN.**

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

6 **SEC. 306. SENSE OF CONGRESS ON INCREASED STAFFING**
7 **FOR AGENCIES INVOLVED IN THE IMPLEMEN-**
8 **TATION AND ENFORCEMENT OF SANCTIONS**
9 **AGAINST IRAN.**

10 It is the sense of Congress that—

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

15 (A) resources for the Office of Foreign As-
16 sets Control for the Department of Treasury
17 dedicated to the implementation and enforce-
18 ment of sanctions with respect to Iran; and

19 (B) resources for the Department of State
20 dedicated to the implementation and enforce-
21 ment of sanctions with respect to Iran; and

22 (2) the appropriate committees of the Senate
23 and the House of Representatives should prioritize
24 the resources described in subparagraphs (A) and
25 (B) of paragraph (1) during consideration of author-

- 1 ization and appropriations legislation in future fiscal
- 2 years.

Calendar No. 29

114TH CONGRESS
1ST Session

S. 792

A BILL

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

MARCH 18, 2015

Read twice and placed on the calendar