

Public Law 114–102
114th Congress

An Act

To prevent Hizballah and associated entities from gaining access to international financial and other institutions, and for other purposes.

Dec. 18, 2015
[H.R. 2297]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Hizballah International Financing Prevention Act of 2015”.

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

Sec. 1. Short title; table of contents.

Sec. 2. Statement of policy.

TITLE I—PREVENTION OF ACCESS BY HIZBALLAH TO INTERNATIONAL FINANCIAL AND OTHER INSTITUTIONS

Sec. 101. Report on imposition of sanctions on certain satellite providers that carry al-Manar TV.

Sec. 102. Sanctions with respect to financial institutions that engage in certain transactions.

TITLE II—REPORTS AND BRIEFINGS ON NARCOTICS TRAFFICKING AND SIGNIFICANT TRANSNATIONAL CRIMINAL ACTIVITIES OF HIZBALLAH

Sec. 201. Report and briefing on narcotics trafficking by Hizballah.

Sec. 202. Report and briefing on significant transnational criminal activities of Hizballah.

Sec. 203. Rewards for Justice and Hizballah’s fundraising, financing, and money laundering activities.

Sec. 204. Report on activities of foreign governments to disrupt global logistics networks and fundraising, financing, and money laundering activities of Hizballah.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Rule of construction.

Sec. 302. Regulatory authority.

Sec. 303. Termination.

SEC. 2. STATEMENT OF POLICY.

It shall be the policy of the United States to—

(1) prevent Hizballah’s global logistics and financial network from operating in order to curtail funding of its domestic and international activities; and

(2) utilize all available diplomatic, legislative, and executive avenues to combat the global criminal activities of Hizballah as a means to block that organization’s ability to fund its global terrorist activities.

Hizballah
International
Financing
Prevention Act of
2015.
50 USC 1701
note.

TITLE I—PREVENTION OF ACCESS BY HIZBALLAH TO INTERNATIONAL FI- NANCIAL AND OTHER INSTITUTIONS

SEC. 101. REPORT ON IMPOSITION OF SANCTIONS ON CERTAIN SAT- ELLITE PROVIDERS THAT CARRY AL-MANAR TV.

President.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees and leadership a report on the following:

(1) The activities of all satellite, broadcast, Internet, or other providers that have knowingly entered into a contractual relationship with al-Manar TV, and any affiliates or successors thereof.

(2) With respect to all providers described in paragraph (1)—

(A) an identification of those providers that have been sanctioned pursuant to Executive Order 13224 (50 U.S.C. 1701 note; relating to blocking property and prohibiting transactions with persons who commit, threaten to commit, or support terrorism); and

(B) an identification of those providers that have not been sanctioned pursuant to Executive Order 13224 and, with respect to each such provider, any information indicating that the provider has knowingly entered into a contractual relationship with al-Manar TV, and any affiliates or successors of al-Manar TV.

(b) FORM OF REPORT.—The report required by subsection (a) shall be submitted in unclassified form to the greatest extent possible, but may include a classified annex.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES AND LEADERSHIP DEFINED.—In this section, the term “appropriate congressional committees and leadership” means—

(1) the Speaker, the minority leader, the Committee on Foreign Affairs, the Committee on Financial Services, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(2) the majority leader, the minority leader, the Committee on Foreign Relations, the Committee on Banking, Housing, and Urban Affairs, and the Select Committee on Intelligence of the Senate.

SEC. 102. SANCTIONS WITH RESPECT TO FINANCIAL INSTITUTIONS THAT ENGAGE IN CERTAIN TRANSACTIONS.

(a) PROHIBITIONS AND CONDITIONS WITH RESPECT TO CERTAIN ACCOUNTS HELD BY FOREIGN FINANCIAL INSTITUTIONS.—

Deadline.
President.
Regulations.
Determination.

(1) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the President shall prescribe regulations to prohibit, or impose strict conditions on, the opening or maintaining in the United States of a correspondent account or a payable-through account by a foreign financial institution that the President determines, on or after such date of enactment, engages in an activity described in paragraph (2).

(2) **ACTIVITIES DESCRIBED.**—A foreign financial institution engages in an activity described in this paragraph if the foreign financial institution—

(A) knowingly facilitates a significant transaction or transactions for Hizballah;

(B) knowingly facilitates a significant transaction or transactions of a person identified on the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury and the property and interests in property of which are blocked pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) for acting on behalf of or at the direction of, or being owned or controlled by, Hizballah;

(C) knowingly engages in money laundering to carry out an activity described in subparagraph (A) or (B); or

(D) knowingly facilitates a significant transaction or transactions or provides significant financial services to carry out an activity described in subparagraph (A), (B), or (C).

(3) **PENALTIES.**—The penalties provided for in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) shall apply to a person that violates, attempts to violate, conspires to violate, or causes a violation of regulations prescribed under this subsection to the same extent that such penalties apply to a person that commits an unlawful act described in subsection (a) of such section 206.

Applicability.

(4) **PROCEDURES FOR JUDICIAL REVIEW OF CLASSIFIED INFORMATION.**—

(A) **IN GENERAL.**—If a finding under this subsection, or a prohibition, condition, or penalty imposed as a result of any such finding, is based on classified information (as defined in section 1(a) of the Classified Information Procedures Act (18 U.S.C. App.)) and a court reviews the finding or the imposition of the prohibition, condition, or penalty, the President may submit such information to the court ex parte and in camera.

(B) **RULE OF CONSTRUCTION.**—Nothing in this paragraph shall be construed to confer or imply any right to judicial review of any finding under this subsection or any prohibition, condition, or penalty imposed as a result of any such finding.

(b) **WAIVER.**—

(1) **IN GENERAL.**—The President may waive, on a case-by-case basis, the application of a prohibition or condition imposed with respect to a foreign financial institution pursuant to subsection (a) for a period of not more than 180 days, and may renew the waiver for additional periods of not more than 180 days, on and after the date on which the President—

President.
Time periods.

(A) determines that such a waiver is in the national security interests of the United States; and

Determination.

(B) submits to the appropriate congressional committees a report describing the reasons for such determination.

Reports.

(2) **FORM.**—The report required by paragraph (1)(B) shall be submitted in unclassified form, but may contain a classified annex.

President.
Certification.

(c) SPECIAL RULE TO ALLOW FOR TERMINATION OF SANCTIONABLE ACTIVITY.—The President shall not be required to apply sanctions to a foreign financial institution described in subsection (a) if the President certifies in writing to the appropriate congressional committees that—

(1) the foreign financial institution—

(A) is no longer engaging in the activity described in subsection (a)(2); or

(B) has taken and is continuing to take significant verifiable steps toward terminating the activity described in that subsection; and

(2) the President has received reliable assurances from the government with primary jurisdiction over the foreign financial institution that the foreign financial institution will not engage in any activity described in subsection (a)(2) in the future.

(d) REPORT ON FOREIGN CENTRAL BANKS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, and every 180 days thereafter, the Secretary of the Treasury shall submit to the appropriate congressional committees a report that—

(A) identifies each foreign central bank that the Secretary determines engages in one or more activities described in subsection (a)(2)(D); and

(B) provides a detailed description of each such activity.

(2) FORM OF REPORT.—Each report required by paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(e) IMPLEMENTATION.—The President may exercise all authorities provided under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C. 1702 and 1704) to carry out this section.

(f) DEFINITIONS.—

(1) IN GENERAL.—In this section:

(A) ACCOUNT; CORRESPONDENT ACCOUNT; PAYABLE-THROUGH ACCOUNT.—The terms “account”, “correspondent account”, and “payable-through account” have the meanings given those terms in section 5318A of title 31, United States Code.

(B) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(i) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and

(ii) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(C) FINANCIAL INSTITUTION.—The term “financial institution” means a financial institution specified in subparagraph (A), (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), (M), (N), (P), (R), (T), (Y), or (Z) of section 5312(a)(2) of title 31, United States Code.

(D) FOREIGN FINANCIAL INSTITUTION.—The term “foreign financial institution” has the meaning given that term in section 1010.605 of title 31, Code of Federal Regulations.

(E) HIZBALLAH.—The term “Hizballah” means—

Determination.

(i) the entity known as Hizballah and designated by the Secretary of State as a foreign terrorist organization pursuant to section 219 of the Immigration and Nationality Act (8 U.S.C. 1189); or

(ii) any person—

(I) the property or interests in property of which are blocked pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.); and

(II) who is identified on the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury as an agent, instrumentality, or affiliate of Hizballah.

(F) MONEY LAUNDERING.—The term “money laundering” includes the movement of illicit cash or cash equivalent proceeds into, out of, or through a country, or into, out of, or through a financial institution.

(2) OTHER DEFINITIONS.—The President may further define the terms used in this section in the regulations prescribed under this section.

TITLE II—REPORTS AND BRIEFINGS ON NARCOTICS TRAFFICKING AND SIG- NIFICANT TRANSNATIONAL CRIMINAL ACTIVITIES OF HIZBALLAH

SEC. 201. REPORT AND BRIEFING ON NARCOTICS TRAFFICKING BY HIZBALLAH.

President.

(a) REPORT.—

(1) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees and leadership a report on the activities of Hizballah related to narcotics trafficking worldwide.

(2) FORM.—The report required by paragraph (1) shall be submitted in unclassified form to the greatest extent possible, but may include a classified annex.

(b) BRIEFING.—Not later than 30 days after the submission of the report required by subsection (a), the President shall provide to the appropriate congressional committees and leadership a briefing on—

(1) the report;

(2) procedures for designating Hizballah as a significant foreign narcotics trafficker under the Foreign Narcotics Kingpin Designation Act (21 U.S.C. 1901 et seq.); and

(3) Government-wide efforts to combat the narcotics trafficking activities of Hizballah.

Procedures.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES AND LEADERSHIP DEFINED.—In this section, the term “appropriate congressional committees and leadership” means—

(1) the Speaker, the minority leader, the Committee on Foreign Affairs, the Committee on Financial Services, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(2) the majority leader, the minority leader, the Committee on Foreign Relations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Judiciary, and the Select Committee on Intelligence of the Senate.

President.

SEC. 202. REPORT AND BRIEFING ON SIGNIFICANT TRANSNATIONAL CRIMINAL ACTIVITIES OF HIZBALLAH.

(a) REPORT.—

(1) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees and leadership a report on the significant transnational criminal activities of Hizballah, including human trafficking.

(2) FORM.—The report required by paragraph (1) shall be submitted in unclassified form to the greatest extent possible, but may include a classified annex.

(b) BRIEFING.—Not later than 30 days after the submission of the report required by subsection (a), the President shall provide to the appropriate congressional committees and leadership a briefing on—

(1) the report;

Procedures.

(2) procedures for designating Hizballah as a significant transnational criminal organization under Executive Order 13581 (75 Fed. Reg. 44,757); and

(3) Government-wide efforts to combat the transnational criminal activities of Hizballah.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES AND LEADERSHIP DEFINED.—In this section, the term “appropriate congressional committees and leadership” means—

(1) the Speaker, the minority leader, the Committee on Foreign Affairs, the Committee on Financial Services, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(2) the majority leader, the minority leader, the Committee on Foreign Relations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Judiciary, and the Select Committee on Intelligence of the Senate.

SEC. 203. REWARDS FOR JUSTICE AND HIZBALLAH'S FUNDRAISING, FINANCING, AND MONEY LAUNDERING ACTIVITIES.

(a) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report that details actions taken by the Department of State through the Department of State rewards program under section 36 of the State Department Basic Authorities Act (22 U.S.C. 2708) to obtain information on fundraising, financing, and money laundering activities of Hizballah and its agents and affiliates.

Deadlines.

(b) BRIEFING.—Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the Secretary of State shall provide a briefing to the appropriate congressional

committees on the status of the actions described in subsection (a).

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means—

- (1) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and
- (2) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.

SEC. 204. REPORT ON ACTIVITIES OF FOREIGN GOVERNMENTS TO DISRUPT GLOBAL LOGISTICS NETWORKS AND FUND-RAISING, FINANCING, AND MONEY LAUNDERING ACTIVITIES OF HIZBALLAH.

(a) REPORT.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report that includes—

Lists.
Assessments.

(A) a list of countries that support Hizballah or in which Hizballah maintains important portions of its global logistics networks;

(B) with respect to each country on the list required by subparagraph (A)—

(i) an assessment of whether the government of the country is taking adequate measures to disrupt the global logistics networks of Hizballah within the territory of the country; and

(ii) in the case of a country the government of which is not taking adequate measures to disrupt such networks—

(I) an assessment of the reasons that government is not taking such adequate measures; and

(II) a description of measures being taken by the United States to encourage that government to improve measures to disrupt such networks;

(C) a list of countries in which Hizballah, or any of its agents or affiliates, conducts significant fundraising, financing, or money laundering activities;

(D) with respect to each country on the list required by subparagraph (C)—

(i) an assessment of whether the government of the country is taking adequate measures to disrupt the fundraising, financing, or money laundering activities of Hizballah and its agents and affiliates within the territory of the country; and

(ii) in the case of a country the government of which is not taking adequate measures to disrupt such activities—

(I) an assessment of the reasons that government is not taking such adequate measures; and

(II) a description of measures being taken by the United States to encourage that government to improve measures to disrupt such activities; and

(E) a list of methods that Hizballah, or any of its agents or affiliates, utilizes to raise or transfer funds,

including trade-based money laundering, the use of foreign exchange houses, and free-trade zones.

(2) FORM.—The report required by paragraph (1) shall be submitted in unclassified form to the greatest extent possible, and may contain a classified annex.

Definition.

(3) GLOBAL LOGISTICS NETWORKS OF HIZBALLAH.—In this subsection, the term “global logistics networks of Hizballah”, “global logistics networks”, or “networks” means financial, material, or technological support for, or financial or other services in support of, Hizballah.

Deadlines.

(b) BRIEFING ON HIZBALLAH’S ASSETS AND ACTIVITIES RELATED TO FUNDRAISING, FINANCING, AND MONEY LAUNDERING WORLDWIDE.—Not later than 90 days after the date of the enactment of this Act, and every 180 days thereafter, the Secretary of State, the Secretary of the Treasury, and the heads of other applicable Federal departments and agencies shall provide to the appropriate congressional committees a briefing on the disposition of Hizballah’s assets and activities related to fundraising, financing, and money laundering worldwide.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means—

(1) the Committee on Foreign Affairs, the Committee on Financial Services, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(2) the Committee on Foreign Relations, the Committee on Banking, Housing, and Urban Affairs, and the Select Committee on Intelligence of the Senate.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. RULE OF CONSTRUCTION.

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

President.
Deadlines.

SEC. 302. REGULATORY AUTHORITY.

(a) IN GENERAL.—The President shall, not later than 120 days after the date of the enactment of this Act, promulgate regulations as necessary for the implementation of this Act and the amendments made by this Act.

(b) NOTIFICATION TO CONGRESS.—Not less than 10 days before the promulgation of regulations under subsection (a), the President shall notify the appropriate congressional committees of the proposed regulations and the provisions of this Act and the amendments made by this Act that the regulations are implementing.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means—

(1) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and

(2) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.

SEC. 303. TERMINATION.President.
Certification.

This Act shall terminate on the date that is 30 days after the date on which the President certifies to Congress that Hizballah—

(1) is no longer designated as a foreign terrorist organization pursuant to section 219 of the Immigration and Nationality Act (8 U.S.C. 1189); and

(2) is no longer designated for the imposition of sanctions pursuant to Executive Order 13224 (50 U.S.C. 1701 note; relating to blocking property and prohibiting transactions with persons who commit, threaten to commit, or support terrorism).

Approved December 18, 2015.

LEGISLATIVE HISTORY—H.R. 2297:

CONGRESSIONAL RECORD, Vol. 161 (2015):

May 14, considered and passed House.

Nov. 17, considered and passed Senate, amended.

Dec. 16, House concurred in Senate amendments.

