

House Office of Legislative Counsel

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Title: To impose additional human rights and economic and financial sanctions with respect to Iran, and for other purposes.

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Nuclear Iran Prevention Act of 2013”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec.1.Short title and table of contents.

Sec.2.Findings and statement of policy.

TITLE I—HUMAN RIGHTS AND TERRORISM SANCTIONS

Sec.101.Mandatory sanctions with respect to financial institutions that engage in certain transactions on behalf of persons involved in human rights abuses or that export sensitive technology to Iran.

Sec.102.Prevention of diversion of certain goods, services and technologies to Iran.

Sec.103.Designation of Iran’s Revolutionary Guard Corps as foreign terrorist organization.

Sec.104.Imposition of sanctions on certain persons responsible for or complicit in human rights abuses, engaging in censorship, or engaging in the diversion of goods intended for the people of Iran.

Sec.105.Sense of Congress on elections in Iran.

Sec.106.Sense of Congress on designation of a Special Coordinator for advancing human rights and political participation for women in Iran.

TITLE II—ECONOMIC AND FINANCIAL SANCTIONS

Subtitle A—Amendments to Iran Sanctions Act of 1996

~~Sec.201.Imposition of sanctions relating to transportation of crude oil from Iran and certain imports and exports to and from Iran.~~

~~Sec.202.Transfer~~ **Sec.201.Transfer** to Iran of goods, services, or technology that would materially contribute to Iran’s ability to mine or mill uranium.

~~Sec.203.Repeal~~ **Sec.202.Repeal** of waiver of sanctions relating to development of weapons of mass destruction or other military capabilities.

Subtitle B—Amendments to Comprehensive Iran

Sanctions, Accountability, and Divestment Act of 2010 and Iran Threat Reduction and Syria Human Rights Act of 2012

Sec.211.Modifications to prohibition on procurement contracts with persons that export sensitive technology to Iran.

Sec.212.Authority of State and local governments to avoid exposure to sanctioned persons and sectors.

Sec.213.Sense of Congress regarding the European Central Bank.

Sec.214.Imposition of sanctions with respect to certain transactions in foreign currencies.

Sec.215.Sanctions with respect to certain transactions with Iran.

Subtitle C—Other Matters

Sec.221.Imposition of sanctions with respect to the Central Bank of Iran and other Iranian financial institutions.

Sec.222.Imposition of sanctions with respect to ports, special economic zones, free economic zones, and strategic sectors of Iran.

Sec.223.Report on determinations not to impose sanctions on persons who allegedly sell, supply, or transfer precious metals to or from Iran.

Sec.224.Imposition of sanctions with respect to foreign financial institutions that facilitate financial transactions on behalf of persons owned or controlled by specially designated nationals.

Sec.225.Repeal of exemptions under sanctions provisions of National Defense Authorization Act for Fiscal Year 2013.

Sec.226.Termination of government contracts with persons who sell goods, services, or technology to, or conduct any other transaction with, Iran.

Sec.227.Conditions for entry and operation of vessels.

TITLE III—ADDITIONAL AUTHORITIES TO PREVENT CENSORSHIP ACTIVITIES IN IRAN

Sec.301.Report on implementation of sanctions against the Islamic Republic of Iran Broadcasting.

Sec.302.List of persons who are high-risk re-exporters of sensitive technologies.

Sec.303.Sense of Congress on provision of intercept technologies to Iran.

Sec.304.Sense of Congress on availability of consumer communication technologies in Iran.

Sec.305.Expedited consideration of requests for authorization of transfer of goods and services to Iran to facilitate the ability of Iranian persons to freely communicate.

TITLE IV—REPORTS AND OTHER MATTERS

Sec.401.National Strategy on Iran.

Sec.402.Report on Iranian nuclear and economic capabilities.

Sec.403.Report on plausibility of expanding sanctions on Iranian oil.

Sec.404.GAO report on Iranian strategy to evade current sanctions and other matters.

Sec.405.Authority to consolidate reports required under Iran sanctions laws.

Sec.406.Amendments to definitions under Iran Sanctions Act of 1996 and Iran Threat Reduction and Syria Human Rights Act of 2012.

~~Sec.407.Implementation; penalties.~~ **Sec.407.Rule of construction.**

~~Sec.408.Severability.~~ **Sec.408.Implementation; penalties.**

Sec.409.Severability.

SEC. 2. FINDINGS AND STATEMENT OF POLICY.

(a) Findings.—Congress finds the following:

(1) Iran’s acquisition of a nuclear weapons capability would—

(A) embolden its already aggressive foreign policy, including its arming of terrorist organizations and other groups, its efforts to destabilize countries in the Middle East, and its efforts to target the United States, United States allies, and United States interests globally;

(B) increase the risk that Iran would share its nuclear technology and expertise with extremist groups and rogue nations;

(C) destabilize global energy markets, posing a direct and devastating threat to the American and global economy; and

(D) likely lead other governments in the region to pursue their own nuclear weapons programs, increasing the prospect of nuclear proliferation throughout the region and effectively ending the viability of the global nonproliferation regime, including the Treaty on the Non-Proliferation of Nuclear Weapons, done at Washington, London, and Moscow July 1, 1968, and entered into force on March 5, 1970.

(2) A nuclear arms-capable Iran possessing intercontinental ballistic missiles, a development most experts expect could occur within a decade, would pose a direct nuclear threat to the United States.

(b) Statement of Policy.—It shall be the policy of the United States to prevent Iran from acquiring a nuclear weapons capability.

TITLE I—HUMAN RIGHTS AND TERRORISM SANCTIONS

SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO FINANCIAL INSTITUTIONS THAT

ENGAGE IN CERTAIN TRANSACTIONS ON BEHALF OF PERSONS INVOLVED IN HUMAN RIGHTS ABUSES OR THAT EXPORT SENSITIVE TECHNOLOGY TO IRAN.

(a) In General.—Section 104(c)(2) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513(c)(2)) is amended—

- (1) in subparagraph (D), by striking “or” at the end;
- (2) in subparagraph (E), by striking the period at the end and inserting “; or”; and
- (3) by adding at the end the following new subparagraph:

“(F) facilitates a significant transaction or transactions or provides significant financial services for—

“(i) a person that is subject to sanctions under section 105(c), 105A(c), 105B(c), or 105C(a); or

“(ii) a person that exports sensitive technology to Iran and is subject to the prohibition on procurement contracts as described in section 106.”.

(b) Effective Date.—The amendments made by subsection (a) take effect on the date of the enactment of this Act and apply with respect to any activity described in subparagraph (F) of section 104(c)(2) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (as added by subsection (a)(3) of this section) initiated on or after the date that is 90 days after such date of enactment.

(c) Regulations.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury shall prescribe regulations to carry out the amendments made by subsection (a).

SEC. 102. PREVENTION OF DIVERSION OF CERTAIN GOODS, SERVICES AND TECHNOLOGIES TO IRAN.

(a) Definitions.—Section 301(1) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8541(1)) is amended by striking “knows or has reason to know” and inserting “knows, has reason to know, or should have known”.

(b) Identification of Countries of Concern With Respect to the Diversion of Certain Goods, Services, and Technologies to or Through Iran.—Section 302(b) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8542(b)) is amended—

- (1) in paragraph (1), by striking “or” at the end;
- (2) in paragraph (2), by striking the period at the end and inserting “; or”; and
- (3) by adding at the end the following new paragraph:

“(3) that are—

“(A) items described in the Nuclear Suppliers Group Guidelines for the Export of Nuclear Material, Equipment and Technology (published by the International Atomic Energy Agency as Information Circular INFCIRC/254/Rev. 3/Part 1, and subsequent revisions) and Guidelines for Transfers of Nuclear-Related Dual-Use Equipment, Material, and Related Technology (published by the International Atomic Energy Agency as Information Circular INFCIRC/254/Rev. 3/Part 2, and subsequent revisions);

“(B) items on the Missile Technology Control Regime Equipment and Technology Annex of June 11, 1996, and subsequent revisions;

“(C) items and substances relating to biological and chemical weapons the export of which is controlled by the Australia Group;

“(D) items on the Schedule One or Schedule Two list of toxic chemicals and precursors the export of which is controlled pursuant to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction; or

“(E) items on the Wassenaar Arrangement list of Dual Use Goods and Technologies and Munitions list of July 12, 1996, and subsequent revisions.”.

(c) Destinations of Diversion Concern.—Section 303(c) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8543(c)) is amended—

(1) by striking “Not later than” and inserting the following:

“(1) IN GENERAL.—Not later than”; and

(2) by adding at the end the following new paragraph:

“(2) ~~ADDITIONAL MEASURES.—~~~~THE MEASURES.—~~

“(A) **IN GENERAL.—Except as provided in this section, the** President may impose restrictions on United States foreign assistance or measures authorized under the International Emergency Economic Powers Act with respect to a country designated as a country of diversion concern if the President determines such restrictions or measures would prevent the transfer of United States-origin goods, services, and technology to ~~Iran~~.”.

Iran.

“(B) **EXCEPTION.—The authority to impose sanctions under subparagraph (A) shall not include the authority to impose sanctions relating to the importation of goods.**

“(C) **GOOD DEFINED.—In this paragraph, the term ‘good’ has the meaning given that term in section 16 of the Export Administration Act of 1979 (50 U.S.C. App. 2415) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)).”.**

(d) Effective Date.—The amendments made by this section take effect on the date of the enactment of this Act and apply with respect to countries identified in any update to

the report that is required under section 302(c) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 and submitted to Congress on or after such date of enactment.

SEC. 103. DESIGNATION OF IRAN'S REVOLUTIONARY GUARD CORPS AS FOREIGN TERRORIST ORGANIZATION.

(a) In General.—Subtitle A of title III of the Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8741 et seq.) is amended—

(1) by redesignating section 304 as section 305; and

(2) by inserting after section 303 the following new section:

“SEC. 304. DESIGNATION OF IRAN'S REVOLUTIONARY GUARD CORPS AS FOREIGN TERRORIST ORGANIZATION.

“(a) In General.—Not later than 30 days after the date of the enactment of this section, the Secretary of State shall determine if Iran's Revolutionary Guard Corps meets the criteria for designation as a foreign terrorist organization as set forth in section 219 of the Immigration and Nationality Act (8 U.S.C. 1189).

“(b) Affirmative Determination.—If the Secretary of State determines under subsection (a) that Iran's Revolutionary Guard Corps meets the criteria set forth under such section 219, the Secretary shall designate Iran's Revolutionary Guard Corps as a foreign terrorist organization under such section 219.

“(c) Negative Determination.—

“(1) IN GENERAL.—If the Secretary of State determines under subsection (a) that Iran's Revolutionary Guard Corps does not meet the criteria set forth under such section 219, the Secretary shall submit to the committees of Congress specified in subsection (e) a report that contains a detailed justification as to which criteria have not been met.

“(2) FORM.—The report required under paragraph (1) shall be submitted in unclassified form, but may contain a classified annex, if necessary.

“(d) Applicability of Sanctions to Quds Force.—The sanctions applied to any entity designated as a foreign terrorist organization as set forth in such section 219 shall be applied to the Iran's Revolutionary Guard Corps Quds Force.

“(e) Committees of Congress Specified.—The committees of Congress specified in this subsection are the following:

“(1) The Committee on Foreign Affairs, the Committee on the Judiciary, and the Committee on Homeland Security of the House of Representatives.

“(2) The Committee on Foreign Relations, the Committee on the Judiciary, and

the Committee on Homeland Security and Governmental Affairs of the Senate.”.

(b) Clerical Amendment.—The table of contents for the Iran Threat Reduction and Syria Human Rights Act of 2012 is amended by striking the item relating to section 304 and inserting the following:

“Sec.304.Designation of Iran’s Revolutionary Guard Corps as foreign terrorist organization.

“Sec.305.Rule of construction.”.

SEC. 104. IMPOSITION OF SANCTIONS ON CERTAIN PERSONS RESPONSIBLE FOR OR COMPLICIT IN HUMAN RIGHTS ABUSES, ENGAGING IN CENSORSHIP, OR ENGAGING IN THE DIVERSION OF GOODS INTENDED FOR THE PEOPLE OF IRAN.

(a) Finding and Sense of Congress.—Section 401(a) of the Iran Threat Reduction and Syria Human Rights Act of 2012 (Public Law 112–158; 126 Stat. 1251) is amended to read as follows:

“(a) Finding and Sense of Congress.—

“(1) FINDING.—Congress finds that Iranian persons holding the following positions in the Government of Iran are ultimately responsible for and have and continue to knowingly order, control, direct and implement gross violations of the human rights of the Iranian people, the human rights of persons in other countries, censorship, and the diversion of food, medicine, medical devices, agricultural commodities and other goods intended for the Iranian people:

“(A) The Supreme Leader of Iran.

“(B) The President of Iran.

“(C) Members of the Council of Guardians.

“(D) Members of the Expediency Council.

“(E) The Minister of Intelligence and Security.

“(F) The Commander of the Iran’s Revolutionary Guard Corps.

“(G) The Commander of the Basij-e-Mostaz’afin.

“(H) The Commander of Ansar-e-Hezbollah.

“(I) The Commander of the Quds Force.

“(J) The Commander in Chief of the Police Force.

“(K) Senior officials or key employees of an organization described in any of subparagraphs (C) through (J) or in the Atomic Energy Organization of Iran, the Islamic Consultative Assembly of Iran, the Council of Ministers of Iran, the Assembly of Experts of Iran, the Ministry of Defense and Armed Forces

Logistics of Iran, the Ministry of Justice of Iran, the Ministry of Interior of Iran, the prison system of Iran, or the judicial system of Iran.

“(2) SENSE OF CONGRESS.—It is the sense of Congress that—

“(A) the President should include any Iranian person holding a position in the Government of Iran described in paragraph (1) on one or more of the lists of persons subject to sanctions pursuant to section 105(b), 105A(b), 105B(b), or 105C(b) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8514(b), 8514a(b), 8514b(b), or 8514c(b)); and

“(B) the President should impose sanctions on such Iranian person pursuant to section 105, 105A, 105B, or 105C of such Act (as the case may be).”.

(b) Additional Finding and Sense of Congress.—Section 401 of the Iran Threat Reduction and Syria Human Rights Act of 2012 (Public Law 112–158; 126 Stat. 1251) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

“(b) Additional Finding and Sense of Congress.—

“(1) FINDING.—Congress finds that other senior officials of the Government of Iran, its agencies and instrumentalities, also have and continue to knowingly order, control, direct, and implement gross violations of the human rights of the Iranian people and the human rights of persons in other countries.

“(2) SENSE OF CONGRESS.—It is the sense of Congress that—

“(A) the President should investigate violations of human rights described in paragraph (1) to identify other senior officials of the Government of Iran that also have or continue to knowingly order, control, direct, and implement gross violations of human rights of the Iranian people and the human rights of persons in other countries;

“(B) the President should include any such official on one or more of the lists of persons subject to sanctions pursuant to section 105(b), 105A(b), 105B(b), or 105C(b) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8514(b), 8514a(b), 8514b(b), or 8514c(b)); and

“(C) the President should impose sanctions on any such official pursuant to section 105, 105A, 105B, or 105C of such Act (as the case may be).”.

(c) Report.—Section 401(c)(1) of the Iran Threat Reduction and Syria Human Rights Act of 2012 (Public Law 112–158; 126 Stat. 1251); (as redesignated by subsection (b) of this section;) is amended—

(1) by striking “Not later than” and inserting the following:

“(A) IN GENERAL.—Not later than”;

(2) by striking “this Act” and inserting “the Nuclear Iran Prevention Act of 2013, and annually thereafter for 3 years”;

(3) by striking “otherwise directing the commission of” and inserting “otherwise directing—

“(i) the commission of”;

(4) by striking “Iran.” and inserting “Iran;

“(ii) censorship or related activities with respect to Iran; or

“(iii) the diversion of goods, food, medicine, medical devices, and agricultural commodities, intended for the people of Iran.”;

(5) by striking “For any such person” and inserting the following:

“(B) REQUIREMENT RELATING TO PERSONS NOT INCLUDED.—For any such person”; and

(6) by adding at the end the following new subparagraph:

“(C) REQUIREMENT RELATING TO FINANCIAL NET WORTH.—For each such person described in subparagraph (A) and each such person described in subparagraph (B), the Secretary of State shall include in the report a description of the estimated net worth of the person.”.

(d) Additional Report.—Section 401 of the Iran Threat Reduction and Syria Human Rights Act of 2012 (Public Law 112–158; 126 Stat. 1251), as amended by this section, is further amended by adding at the end the following new subsection:

“(d) Additional Report.—

“(1) IN GENERAL.—Not later than 180 days after the date of the enactment of the Nuclear Iran Prevention Act of 2013, and annually thereafter for 3 years, the Secretary of State shall submit to the appropriate congressional committees a detailed report with respect to whether each person described in subsection (a) or any family member of such person has facilitated deceptive transactions for or on behalf of any person subject to United States sanctions concerning Iran in violation of Executive Order 13608 of May 1, 2012 (77 Fed. Reg. 26409; 50 U.S.C. 1701 note) or any other provision of law.

“(2) FAMILY MEMBER DEFINED.—In this subsection, the term ‘family member’ includes, with respect to a person, any relative of such person to the third degree of consanguinity.”.

(e) Conforming Amendment.—The heading for section 401 of the Iran Threat Reduction and Syria Human Rights Act of 2012 (Public Law 112–158; 126 Stat. 1251) is amended by striking “committed against” and all that follows and inserting “, engaging in censorship, or engaging in the diversion of goods intended for the people of Iran.”.

(~~e~~)(f) Clerical Amendment.—**The table of contents for the Iran Threat Reduction and Syria Human Rights Act of 2012 is amended by striking the item relating to section 401 and inserting the following:**

“Sec.401.Imposition of sanctions on certain persons responsible for or complicit in human rights abuses, engaging in censorship, or engaging in the diversion of goods intended for the people of Iran.”.

SEC. 105. SENSE OF CONGRESS ON ELECTIONS IN IRAN.

(a) Findings.—Congress makes the following findings:

(1) The Iranian people are systematically denied free, fair, and credible elections by the Government of the Islamic Republic of Iran.

(2) The unelected and unaccountable Guardian Council disqualifies hundreds of qualified candidates, including women and most religious minorities, while the regime intimidates others into staying out of elections completely.

(3) Voting inconsistencies, including an absence of international observers, and fraud are commonplace.

(4) The 2009 presidential elections proved that the regime will engage in large scale vote-rigging to ensure a specific result.

(5) The Iranian regime combines electoral manipulation with the ruthless suppression of dissent. Following the 2009 elections, peaceful demonstrators were met with violence by the regime's security apparatus, including arbitrary detentions, beatings, kidnappings, rapes, and murders.

(6) The electoral manipulation and human rights violations are in violation of the Government of Iran's agreed to obligations under the United Nations International Covenant on Civil and Political Rights.

(b) Sense of Congress.—It is the sense of the Congress that—

(1) the Iranian people are deprived by their government of free, fair, and credible elections;

(2) the United States should support freedom, human rights, civil liberties, and the rule of law in Iran, and elections that are free and fair, meet international standards, and allow independent international and domestic electoral observers unrestricted access to polling and counting stations; and

(3) the United States should support the people of Iran in their peaceful calls for a representative and responsive democratic government that respects human rights, civil liberties, and the rule of law.

SEC. 106. SENSE OF CONGRESS ON DESIGNATION OF A SPECIAL COORDINATOR FOR ADVANCING HUMAN RIGHTS AND POLITICAL PARTICIPATION FOR WOMEN IN IRAN.

It is the sense of Congress that the Secretary of State should designate a Special Coordinator position in the Bureau of Near Eastern Affairs whose primary function is to facilitate cooperation across departments for the purpose of advancing human rights and political participation for women in Iran, as well as to prepare evidence and information to be used in identifying Iranian officials for designation as human rights violators for

their involvement in violating the human rights of women in Iran.

TITLE II—ECONOMIC AND FINANCIAL SANCTIONS

Subtitle A—Amendments to Iran Sanctions Act of 1996

~~SEC. 201. IMPOSITION OF SANCTIONS RELATING TO TRANSPORTATION OF CRUDE OIL FROM IRAN AND CERTAIN IMPORTS AND EXPORTS TO AND FROM IRAN.~~

~~(a) In General.—Section 5(a)(7)(A) of the Iran Sanctions Act of 1996 (Public Law 104172; 50 U.S.C. 1701 note) is amended—~~

~~(1) in clause (i)—~~

~~(A) by striking “a vessel that, on or after” and inserting the following: “a vessel that—~~

~~“(I) on or after”; and~~

~~(B) by striking “and” at the end and inserting “or”; and~~

~~(C) by adding at the end the following:~~

~~“(II)(aa) knowingly transports to or from Iran any good if the importation to Iran or exportation from Iran, as the case may be, of that good is subject to sanctions under this Act; or~~

~~“(bb) knowingly engages in a vessel to vessel transfer of crude oil transported from Iran;”;~~

~~(2) in clause (ii), by striking the period at the end and inserting “; or”; and~~

~~(3) by adding at the end the following new clause:~~

~~“(iii) the person is a person who knowingly sells, leases, or otherwise facilitates the transfer of ownership of a vessel to~~

~~the Government of Iran, or any agencies or affiliates thereof, for the purpose of transportation of crude oil from Iran to another country.”.~~

~~(b) Conforming Amendment.—Section 5(a)(7) of the Iran Sanctions Act of 1996 (Public Law 104172; 50 U.S.C. 1701 note) is amended in the paragraph heading by striking “from iran” and inserting “from iran and certain imports and exports to and from iran”.~~

~~(c) Effective Date.—The amendments made by subsection (a) apply with respect to actions described in subclause (II) of section 5(a)(7)(A)(i) of the Iran Sanctions Act of 1996 (as added by such subsection) and actions described in clause (iii) of section 5(a)(7)(A) of the Iran Sanctions Act of 1996 (as added by such subsection), as the case may be, that occur on or after the date that is 90 days after the date of the enactment of this Act.~~

~~SEC. 202. TRANSFER TO IRAN OF GOODS, SERVICES, OR TECHNOLOGY THAT WOULD MATERIALLY CONTRIBUTE TO IRAN’S ABILITY TO MINE OR MILL URANIUM.~~

~~(a) In General.—Section 5(b)(2) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note) is amended by adding at the end the following new subparagraph:~~ **paragraph:**

~~“(C)“(3) TRANSFER TO IRAN OF GOODS, SERVICES, OR TECHNOLOGY THAT CAN BE USED FOR MINING OR MILLING OF URANIUM.—Except as provided in subsection (f), the President shall impose 5 or more of the sanctions described in section 6(a) with respect to a person if the President determines that the person knowingly transferred, on or after the date of the enactment of the Nuclear Iran Prevention Act of 2013, to Iran goods, services, or technology that would materially contribute to Iran’s ability to mine or mill uranium.”.~~

~~(b) Conforming Amendment.—Section 5(b) Amendments.—Section 5 of such Act is amended in the heading for paragraph (2) by adding at the end before the period the following: “and other related activities”. subsection (b)(3), (c), and (f) by striking “paragraph (1) or (2)” each place it appears and inserting “paragraph (1), (2), or~~

(3)".

~~SEC. 203~~ **SEC. 202. REPEAL OF WAIVER OF SANCTIONS RELATING TO DEVELOPMENT OF WEAPONS OF MASS DESTRUCTION OR OTHER MILITARY CAPABILITIES.**

Section 9(c)(1) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note) is amended—

- (1) by striking subparagraph (B);
- (2) by redesignating subparagraph (C) as subparagraph (B); and
- (3) in subparagraph (B) (as redesignated by paragraph (2) of this section)—
 - (A) by striking “or (B)” each place it appears; and
 - (B) by striking “, as applicable”.

Subtitle B—Amendments to Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 and Iran Threat Reduction and Syria Human Rights Act of 2012

SEC. 211. MODIFICATIONS TO PROHIBITION ON PROCUREMENT CONTRACTS WITH PERSONS THAT EXPORT SENSITIVE TECHNOLOGY TO IRAN.

(a) Application to Owners and Subsidiaries.—Subsection (a) of section 106 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8515) is amended—

- (1) by striking “goods or services with a person” and inserting the following:
“goods or services—
 - “(1) with a person”;
 - (2) in paragraph (1), as added by paragraph (1) of this subsection, by striking the period at the end and inserting and inserting “; or”; and
 - (3) by adding at the end the following new paragraph:
“(2) with respect to a person acting on behalf of or at the direction of, or owned or controlled by, a person described in paragraph (1) or a person who owns or controls a person described in paragraph (1).”.

(b) Sensitive Technology Defined.—Subsection (c)(1) of such section is amended by striking “is to be used specifically” and inserting “has been designed or specifically modified”.

(c) Presidential Determination and Imposition of Additional Sanctions.—Such section,

as so amended, is further amended by adding at the end the following new subsection:

“(e) Presidential Determination and Imposition of Additional Sanctions.—The President shall impose 5 or more of the sanctions described in section 6(a) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note) with respect to—

“(1) a person if the President determines that the person knowingly exports sensitive technology to Iran; or

“(2) a person acting on behalf of or at the direction of, or owned or controlled by, a person described in paragraph (1) or a person who owns or controls a person described in paragraph (1).”

(d) Conforming Amendment.—The heading of such section is amended by inserting “and imposition of sanctions against” after “with”.

(e) Clerical Amendment.—The table of contents for the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 is amended by striking the item relating to section 106 and inserting the following:

“Sec.106.Prohibition on procurement contracts with and imposition of sanctions against persons that export sensitive technology to Iran.”

(f) Effective Date.—The amendments made by this section take effect on the date of the enactment of this Act and apply with respect to exports of sensitive technology to Iran that occur on or after such date of enactment.

SEC. 212. AUTHORITY OF STATE AND LOCAL GOVERNMENTS TO AVOID EXPOSURE TO SANCTIONED PERSONS AND SECTORS.

(a) In General.—Section 202 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8532) is amended by striking subsections (a), (b), and (c) and inserting the following:

“(a) Sense of Congress.—It is the sense of Congress that the United States should ~~support~~ **respect** the decision of any State or local government to divest from or prohibit the investment of assets of the State or local government, ~~to prohibit the issuance of licenses to conduct business in the State or locality to, and in a person described in subsection (c) or~~ to impose disclosure and transparency requirements on, ~~a person that invests in or conducts transactions for or with a person or sector subject to sanctions with respect to Iran.~~ **any person subject to the jurisdiction of such government, except with respect to an activity that is exempt, licensed, or otherwise authorized by a Federal department or agency.**

“(b) Authority.—Notwithstanding any other provision of law, a State or local government may adopt and enforce measures that meet the requirements of subsection (d)—

“(1) to divest the assets of the State or local government from a person described in subsection (c);

~~“(2) to prohibit investment of the assets of the State or local government in any such person; or“(3) to prohibit the issuance of licenses to conduct business in the State or locality to any such person; or~~

~~“(4)“(3) to impose disclosure and transparency requirements on any such person.~~
person subject to the jurisdiction of such government, except with respect to an activity that is exempt, licensed, or otherwise authorized by a Federal department or agency.

~~“(c) Persons Described.—A person described in this subsection is a person that invests in or engages in any transaction with or for any person engaged in any activity for which sanctions may be imposed under any provision of Federal law imposing sanctions with respect to Iran.”~~
with respect to which sanctions have been, and continue to be, imposed pursuant to—

“(1) section 104(c) of this Act;

“(2) section 5 of the Iran Sanctions Act of 1996 (50 U.S.C. 1701 note);

“(3) section 1245(d) of the National Defense Authorization Act for Fiscal Year 2012 (22 U.S.C. 8513a(d)); or

“(4) sections 1244, 1245, 1246 or 1247 of the National Defense Authorization Act for Fiscal Year 2013 (22 U.S.C. 8803, 8804, 8805, or 8806).”

(b) Conforming Amendments.—Section 202 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8532) is amended—

(1) in subsection (d)(4), by striking “engages in investment activities in Iran described in subsection (c)” and inserting “is a person described in subsection (c)”;

(2) in subsection (f), by striking “or (i)” and inserting “or (g)”;

(3) by striking ~~subsections (g) and~~ **subsection (h)** and by redesignating subsections (i) and (j) as subsections ~~(g)(h)~~ and ~~(h)(i)~~, respectively; and

(4) in paragraph (1) of subsection ~~(g);(i)~~ (as redesignated by paragraph (3) **of this subsection**), by striking “(determined without regard to subsection (c))”.

(c) Effective Date.—The amendments made by this section apply to measures adopted by State and local governments on or after the date of the enactment of this Act.

SEC. 213. SENSE OF CONGRESS REGARDING THE EUROPEAN CENTRAL BANK.

(a) Findings.—Congress finds the following:

(1) The Government of Iran, its agencies and instrumentalities, continue to have access to, and utilize, euro-denominated transactions, including for goods and services that are subject to sanctions imposed by the United States, the European Union and its member states and by the United Nations.

(2) The Guidelines of the European Central Bank (Article 39(1)) states that: “Participants shall be deemed to be aware of, and shall comply with, all obligations on them relating to legislation on data protection, prevention of money laundering

and the financing of terrorism, proliferation-sensitive nuclear activities and the development of nuclear weapons delivery systems, in particular in terms of implementing appropriate measures concerning any payments debited or credited on their PM accounts.”

(3) United States and European convergence with respect to United States sanctions efforts toward the Government of Iran is a vital component of United States policy aimed at preventing the Government of Iran from acquiring a nuclear weapons capability.

(b) Sense of Congress.—It is the sense of Congress that the President should continue to closely coordinate and cooperate with the European Union and its member states to restrict access to and use of the euro currency by the Government of Iran, its agencies and instrumentalities, for transactions with the exception of food, medicine, medical devices, and agricultural commodities.

SEC. 214. IMPOSITION OF SANCTIONS WITH RESPECT TO CERTAIN TRANSACTIONS IN FOREIGN CURRENCIES.

(a) Imposition of Sanctions.—Subtitle B of title II of the Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8721 et seq.) is amended by inserting after section 220 the following:

“SEC. 220A. IMPOSITION OF SANCTIONS WITH RESPECT TO CERTAIN TRANSACTIONS IN FOREIGN CURRENCIES.

“(a) ~~In General.~~—~~The General.~~—**Except as provided in this section, the President—**

“(1) shall prohibit the opening, and prohibit or impose strict conditions on the maintaining, in the United States of a correspondent account or a payable-through account by a foreign financial institution that is a person described in subsection ~~(b)~~**(c)**; and

“(2) may impose sanctions pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) with respect to any other person described in subsection ~~(b)~~**(c)**.

~~(b)~~“(b) **Exception.—The authority to impose sanctions under subsection (a)(2) shall not include the authority to impose sanctions relating to the importation of goods.**

“(c) Person Described.—A person described in this subsection is a person the President determines has—

“(1) knowingly conducted or facilitated a significant transaction involving the currency of a country other than the country in which the person is operating at the time of the transaction with, for, or on behalf of—

“(A) the Central Bank of Iran or another Iranian financial institution designated by the Secretary of the Treasury for the imposition of sanctions pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.); or

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

“(2) knowingly conducted or facilitated a significant transaction by another person involving the currency of a country other than the country in which that other person is operating at the time of the transaction, with, for, or on behalf of a person described in subparagraph (A) or (B) of paragraph (1).

~~“(e)“(d)~~ Waiver.—

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

“(A) determines that the waiver is vital to the national security of the United States; and

“(B) not less than 7 days before the waiver or the renewal of the waiver, as the case may be, takes effect, submits a report to the appropriate congressional committees on the waiver and the reason for the waiver.

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

~~“(d)“(e)~~ Rule of Construction.—Nothing in this section shall be construed to prohibit any person from, or authorize or require the imposition of sanctions with respect to any person for, conducting or facilitating any transaction in the currency of the country in which the person is operating at the time of the transaction for the sale of agricultural commodities, food, medicine, or medical devices.

~~“(e)“(f)~~ Definitions.—In this section:

“(1) 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.

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

“(3) FOREIGN FINANCIAL INSTITUTION.—The term ‘foreign financial institution’ has the meaning given that term in section 561.308 of title 31, Code of Federal Regulations (or any corresponding similar regulation or ruling).

“(4) GOOD.—The term ‘good’ has the meaning given that term in section 16 of the Export Administration Act of 1979 (50 U.S.C. App. 2415) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)).

~~“(5) IRANIAN FINANCIAL INSTITUTION.—~~The term ‘Iranian financial institution’ has the meaning given that term in section 104A(d) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513b(d)).

~~“(5)“(6) MEDICAL DEVICE.—~~The term ‘medical device’ has the meaning given the term ‘device’ in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

~~“(6)“(7) MEDICINE.—~~The term ‘medicine’ has the meaning given the term ‘drug’ in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

~~“(7)“(8) TRANSACTION.—~~The term ‘transaction’ includes a foreign exchange swap, a foreign exchange forward, and any other type of similar currency exchange or conversion or similar derivative instrument.”.

(b) Conforming Amendments.—

(1) IMPLEMENTATION.—Section 601(a)(1) of the Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8781(a)(1)) is amended by inserting “220A,” after “220,”.

(2) PENALTIES.—Section 601(b)(2)(A) of such Act (22 U.S.C. 8781(b)(2)(A)) is amended by striking “and 220,” and inserting “220, and 220A,”.

(3) TERMINATION.—Section 605(a) of such Act (22 U.S.C. 8785(a)) is amended by inserting “220A,” after “220,”.

(c) Clerical Amendment.—The table of contents for the Iran Threat Reduction and Syria Human Rights Act of 2012 is amended by inserting after the item relating to section 220 the following:

“Sec.220A.Imposition of sanctions with respect to certain transactions in foreign currencies.”.

(d) Effective Date.—The amendments made by this section take effect on the date of the enactment of this Act and apply with respect to transactions entered into on or after May 22, 2013.

SEC. 215. SANCTIONS WITH RESPECT TO CERTAIN TRANSACTIONS WITH IRAN.

(a) In General.—Subtitle B of title II of the Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8721 et seq.) is amended by adding at the end the following new section:

“SEC. 225. SANCTIONS WITH RESPECT TO CERTAIN TRANSACTIONS WITH IRAN.

“(a) Authorization of Sanctions.—

“(1) IN GENERAL.—Except as ~~specifically~~ provided in this section, the President may impose sanctions pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) on a foreign person that the President determines has,

on or after the date that is 60 days after the date of the enactment of the Nuclear Iran Prevention Act of 2013, knowingly conducted or facilitated a significant financial transaction with the Central Bank of Iran or other Iranian financial institution that has been designated by the Secretary of the Treasury for the imposition of sanctions pursuant to the International Emergency Economic Powers Act, for—

“(A) the purchase of goods or services by a person in Iran or on behalf of a person in Iran; or

“(B) the purchase of goods or services from a person in Iran or on behalf of a person in Iran.

“(2) EXCEPTION.—

“(A) IN GENERAL.—The authority to impose sanctions under paragraph (1) shall not include the authority to impose sanctions relating to the importation of goods.

“(B) GOOD.—In this paragraph, the term ‘good’ has the meaning given that term in section 16 of the Export Administration Act of 1979 (50 U.S.C. App. 2415) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)).

“(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect the imposition of sanctions with respect to a financial transaction for the purchase of petroleum or petroleum products from Iran under section 1245 of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81; 125 Stat. 1648).

“(b) Exception for Overall Reductions of Exports to and Imports From Iran.—

“(1) IN GENERAL.—The President is authorized not to impose sanctions under subsection (a) on a foreign person if the President determines and submits to the appropriate congressional committees a report that contains a determination of the President that the country with primary jurisdiction over the foreign person has, during the time period described in paragraph (2), significantly reduced the value and volume of imports and exports of goods (other than petroleum or petroleum products) and services between such country and Iran.

“(2) TIME PERIOD DESCRIBED.—The time period referred to in paragraph (1) is the 60-day period ending on the date on which the President makes the determination under paragraph (1) as compared to the immediately preceding 60-day period.

“(c) Exception for Sales of Agricultural Commodities, Food, Medicine and Medical Devices.—The President may not impose sanctions under subsection (a) on a foreign person with respect to a transaction for the sale of agricultural commodities, food, medicine or medical devices to Iran.

“(d) Definitions.—In this section:

“(1) FOREIGN PERSON.—The term ‘foreign person’ has the meaning given that term in section 14 of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note).

“(2) IRANIAN FINANCIAL INSTITUTION.—The term ‘Iranian financial institution’ has the meaning given that term in section 104A(d) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513b(d)).”.

(b) Clerical Amendment.—The table of contents for the Iran Threat Reduction and Syria Human Rights Act of 2012 is amended by inserting after the item relating to section 224 the following:

“Sec.225.Sanctions with respect to certain transactions with Iran.”.

Subtitle C—Other Matters

SEC. 221. IMPOSITION OF SANCTIONS WITH RESPECT TO THE CENTRAL BANK OF IRAN AND OTHER IRANIAN FINANCIAL INSTITUTIONS.

(a) Exception to Applicability of Sanctions With Respect to Petroleum Transactions.—Section 1245(d)(4)(D)(i)(I) of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81; 125 Stat. 1648; 22 U.S.C. 8513a(d)(4)(D)(i)(I)) is amended—

(1) by striking “reduced reduced” and inserting “reduced”;

(2) by inserting “value and” before “volume”;

(3) by inserting “or of Iranian origin” after “from Iran”; and

(4) by adding at the end before the semicolon the following: “, and the President certifies in writing to Congress that the President has based such determination on accurate information on that country’s total purchases of crude oil from Iran or of Iranian origin”.

(b) Financial Transactions Described.—Section 1245(d)(4)(D)(ii)(II) of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81; 125 Stat. 1648) is amended—

(1) by striking “(II)” and inserting “(II)(aa)”;

(2) in item (aa) (as designated by paragraph (1) of this subsection), by striking the period at the end and inserting “; and”;

(3) by adding at the end the following new item:

“(bb) the foreign financial institution holding the account described in item (aa) does not knowingly facilitate any significant financial transfers for, with, or on behalf of the Government of Iran, unless the transaction is excepted from sanctions under paragraph (2) or is a transaction described in subclause (I) and item (aa).”.

(c) Strategy to Reduce Crude Oil Purchases From Iran or of Iranian Origin.—

(1) STATEMENT OF POLICY.—It is the policy of the United States to seek to ensure that countries that have received an exception under subparagraph (D)(i)(I) of section 1245(d)(4) of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81; 125 Stat. 1648) shall reduce their crude oil purchases from Iran

or of Iranian origin so that the aggregate amount of such purchases is reduced by not less than an average of 1,000,000 barrels of crude oil per day by the end of the 1-year period beginning on the date of submission of the strategy described in subparagraph (E)(ii) of such section (as added by paragraph (2) of this subsection).

(2) AMENDMENT.—Section 1245(d)(4) of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81; 125 Stat. 1648) is amended by adding at the end the following new subparagraph:

“(E) STRATEGY TO REDUCE CRUDE OIL PURCHASES FROM IRAN OR OF IRANIAN ORIGIN.—

“(i) IN GENERAL.—Not later than 30 days after the date of the enactment of the Nuclear Iran Prevention Act of 2013, the President shall make a determination, based on the information contained in the most recent report required under subparagraph (A), of whether each country that received an exception under subparagraph (D)(i)(I) before such date of enactment is able to reduce its crude oil purchases from Iran or of Iranian origin so that the aggregate amount of such purchases is reduced by not less than an average of 1,000,000 barrels of crude oil per day by the end of the 1-year period beginning on the date of submission of the strategy described in clause (ii). If the President makes an initial determination under this clause that the requirements of this clause cannot be met, then the President shall continue to make a determination under this clause every 90 days thereafter as to whether or not the requirements of this clause can be met.

“(ii) STRATEGY.—If the President determines that the requirements of clause (i) can be met, then not later than 60 days after the date of such affirmative determination, the President shall develop and submit to the appropriate congressional committees a strategy to seek to ensure that the requirements of clause (i) are met by the end of the 1-year period beginning on such date of submission.

“(iii) FUTURE EXCEPTIONS.—

“(I) AFFIRMATIVE DETERMINATION.—If the President determines that the strategy described in clause (ii) was achieved, then each country described in clause (i) shall be eligible to receive one or more further exceptions under subparagraph (D)(i)(I) in accordance with the provisions of such subparagraph.

“(II) NEGATIVE DETERMINATION.—Except as provided in subclause (III), if the President determines that the strategy described in clause (ii) was not achieved, then each country described in clause (i) shall be ineligible to receive any further exception under subparagraph (D)(i)(I) in accordance with the provisions of such subparagraph.

“(III) EXCEPTION.—

“(aa) IN GENERAL.—Subclause (II) shall not apply with

respect to a country described in clause (i) if the country—

“(AA) dramatically reduced its crude oil purchases from Iran or of Iranian origin during the 1-year period described in clause (ii); and

“(BB) has committed itself to continue to reduce its crude oil purchases from Iran or of Iranian origin to a de minimis level.

“(bb) DATA.—The President shall submit to the appropriate congressional committees all data used to make a determination under item (aa) not later than 15 days before issuing an exception under item (aa).

“(iv) APPROPRIATE CONGRESSIONAL COMMITTEES.—In this subparagraph, 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.”.

(d) Definition of Crude Oil.—Section 1245(d)(4)(D) of the National Defense Authorization Act for Fiscal Year 2012 (22 U.S.C. 8513a(d)(4)(D)) is amended by adding at the end the following new clause:

“(iii) CRUDE OIL.—In this subparagraph, the term ‘crude oil’ includes unfinished oils, liquefied petroleum gases, distillate fuel oil, and residual fuel oil.”.

(e) Waiver.—Section 1245(d)(5)(A) of the National Defense Authorization Act for Fiscal Year 2012 (22 U.S.C. 8513a(d)(5)(A)) is amended by striking “in the national” and inserting “vital to the national”.

(f) Definitions of “Significant Reduction”.—Section 1245(h)(3) of the National Defense Authorization Act for Fiscal Year 2012 (22 U.S.C. 8513a(h)(3)) is amended—

(1) by striking “price or volume” and inserting “price and volume”; and

(2) by adding at the end before the period the following: “and at least a pro rata amount totaling, in the aggregate, not less than an average of 1,000,000 barrels of crude oil per day by the end of the 1-year period beginning on the date of submission of the strategy described in subsection (d)(4)(E)(ii)”.

(g) Effective Date.—The amendments made by this section take effect beginning on the date that is 180 days after the date of the enactment of this Act.

SEC. 222. IMPOSITION OF SANCTIONS WITH RESPECT TO PORTS, SPECIAL ECONOMIC ZONES, FREE ECONOMIC ZONES, AND STRATEGIC

SECTORS OF IRAN.

(a) Findings.—Subsection (a)(1) of section 1244 of the National Defense Authorization Act for Fiscal Year 2013 (22 U.S.C. 8803) is amended by striking “and shipbuilding” and inserting “shipbuilding, automotive, construction, engineering, or mining”.

(b) Designation of Ports, Special Economic Zones, Free Economic Zones, and Entities in Strategic Sectors as Entities of Proliferation Concern.—Subsection (b) of such section is amended—

(1) in the subsection heading, by striking “and Entities in the Energy, Shipping, and Shipbuilding Sectors” and inserting “, Special Economic Zones, Free Economic Zones, and Entities in Strategic Sectors”; and

(2) by striking “and entities in the energy, shipping, and shipbuilding sectors” and inserting “, entities that operate special economic zones or free economic zones, and entities in strategic sectors (as defined in subsection (c)(4))”.

(c) Blocking of Property of Ports, Special Economic Zones, Free Economic Zones, and Entities in Strategic Sectors.—Subsection (c) of such section is amended—

(1) in the subsection heading, by striking “Entities in Energy, Shipping, and Shipbuilding Sectors” and inserting “Ports, Special Economic Zones, Free Economic Zones, and Entities in Strategic Sectors”;

(2) in paragraph (2)—

(A) by striking “the energy, shipping, or shipbuilding sectors” each place it appears and inserting “a strategic sector (as defined in paragraph (4)(A))”; and

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

(3) by adding at the end the following new paragraphs:

“(4) STRATEGIC SECTOR DEFINED.—In this section, the term ‘strategic sector’ means—

“(A) the energy, shipping, shipbuilding, automotive, or mining sector of Iran;
and

“(B) the construction or engineering sector of Iran if the President determines and reports to Congress not later than 45 days after the date of the enactment of the Nuclear Iran Prevention Act of 2013 that the construction or engineering sector of Iran, as the case may be, is of strategic importance to Iran.; ~~and~~

~~“(C) any other sector that the President designates as of strategic importance to Iran.~~

“(5) NOTIFICATION AND REPORT RELATING TO STRATEGIC SECTORS.—

“(A) NOTIFICATION.—The President shall submit to Congress a notification of the designation of a sector as a strategic sector of Iran for purposes of

paragraph (4)(C) not later than 30 days after the date on which the President makes such designation.

“(B) REPORT.—Not later than 90 days after the date on which the President submits to Congress a notification of the designation of a sector as a strategic sector of Iran under subparagraph (A), the Comptroller General of the United States shall submit to Congress a report that contains—

“(i) a review and comment on such designation; and

“(ii) recommendations regarding the designation of additional sectors as strategic sectors of Iran for purposes of paragraph (4).”.

(d) Additional Sanctions With Respect to Strategic Sectors.—Subsection (d) of such section is amended—

(1) in the subsection heading, by striking “the Energy, Shipping, and Shipbuilding Sectors” and inserting “Strategic Sectors”; and

(2) in paragraph (3), by striking “the energy, shipping, or shipbuilding sectors” and inserting “a strategic sector (as defined in subsection (c)(4)(A))”.

(e) Exception for Afghanistan Reconstruction.—Subsection (f) of such section is amended—

(1) in the matter preceding paragraph (1), by inserting “for a period of not more than 1 year, and may renew that exception for additional periods of not more than 1 year” after “economic development for Afghanistan”;

(2) in paragraph (1)—

(A) by striking “to the extent that” and inserting “if”;

(B) by inserting “or the renewal of the exception, as the case may be,” after “such an exception”; and

(C) by striking “in the national interest” and inserting “in the national security interest”; and

(3) in paragraph (2)—

(A) by inserting “or the renewal of the exception, as the case may be,” before “not later than 15 days”; and

(B) by inserting at the end before the period the following: “or the renewal of the exception”.

(f) Conforming Amendment.—Such section is further amended in the section heading by striking “the energy, shipping, and shipbuilding sectors” and inserting “ports, special economic zones, free economic zones, and strategic sectors”.

(g) Effective Date.—The amendments made by this section—

(1) take effect on the date that is 90 days after the date of the enactment of this Act; and

(2)(A) with respect to subsection (c) of section 1244 of the National Defense

Authorization Act for Fiscal Year 2013, as so amended, apply with respect to all transactions in all property and interests in property of any person described in subsection (c)(2) of such section that occur on or after the date that is 180 days after such date of enactment; and

(B)(i) with respect to subsection (d)(1) of section 1244 of the National Defense Authorization Act for Fiscal Year 2013, apply with respect to the sale, supply, or transfer to or from Iran of goods or services described in subsection (d)(3) of such section, as so amended, that occurs on or after the date that is 180 days after such date of enactment; and

(ii) with respect to subsection (d)(2) of section 1244 of the National Defense Authorization Act for Fiscal Year 2013, apply with respect to the conduct or facilitation of a significant financial transaction for the sale, supply, or transfer to or from Iran of goods or services described in subsection (d)(3) of such section, as so amended, that occurs on or after the date that is 180 days after such date of enactment.

SEC. 223. REPORT ON DETERMINATIONS NOT TO IMPOSE SANCTIONS ON PERSONS WHO ALLEGEDLY SELL, SUPPLY, OR TRANSFER PRECIOUS METALS TO OR FROM IRAN.

Section 1245 of the National Defense Authorization Act for Fiscal Year 2013 (22 U.S.C. 8804) is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection:

“(h) Report on Determinations Not to Impose Sanctions on Persons Who Allegedly Sell, Supply, or Transfer Precious Metals to or From Iran.—

“(1) IN GENERAL.—Not later than 90 days after the date of the enactment of Nuclear Iran Prevention Act of 2013, and every 90 days thereafter, the President shall submit to the appropriate congressional committees a report on each determination of the President during the preceding 90-day period not to impose sanctions under subsection (a) or (c) with respect to a person who allegedly sells, supplies, or transfers precious metals, directly or indirectly, to or from Iran, together with the reasons for such determination.

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

SEC. 224. IMPOSITION OF SANCTIONS WITH RESPECT TO FOREIGN FINANCIAL INSTITUTIONS THAT FACILITATE FINANCIAL TRANSACTIONS ON BEHALF OF PERSONS OWNED OR CONTROLLED

BY SPECIALLY DESIGNATED NATIONALS.

Section 1247 of the National Defense Authorization Act for Fiscal Year 2013 (22 U.S.C. 8806) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection:

“(f) Persons Owned or Controlled by Specially Designated Nationals.—

“(1) IN GENERAL.—The President shall impose sanctions described in subsection (a) with respect to a foreign financial institution, including but not limited to a foreign central bank, that the President determines has, on or after the date that is 90 days after the date of the enactment of the Nuclear Iran Prevention Act of 2013, knowingly facilitated a significant financial transaction on behalf of any person determined by the President to be directly owned or controlled by an Iranian person included on the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury (other than an Iranian financial institution described in subsection (b)).

“(2) SENSE OF CONGRESS.—It is the sense of Congress that the President routinely should determine on or after the date of the enactment of the Nuclear Iran Prevention Act of 2013 those persons that are directly or indirectly owned or controlled by an Iranian person included on the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury (other than an Iranian financial institution described in subsection (b)).

“(3) CONSIDERATION OF DATA FROM OTHER COUNTRIES AND NONGOVERNMENTAL ORGANIZATIONS.—The President shall consider credible data already obtained by other countries and nongovernmental organizations in making determinations described in paragraph (1).”.

SEC. 225. REPEAL OF EXEMPTIONS UNDER SANCTIONS PROVISIONS OF NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2013.

Subtitle D of title XII of the National Defense Authorization Act for Fiscal Year 2013 (22 U.S.C. 8801 et seq.) is amended—

(1) in section 1244—

(A) in subsection (c)(1)—

(i) by striking “(1) BLOCKING OF PROPERTY.—” and all that follows through “On and after” and inserting “(1) BLOCKING OF PROPERTY.—On and after”; and

(ii) by striking subparagraph (B); and

(B) in subsection (d)(1)—

(i) by striking “(1) SALE, SUPPLY, OR TRANSFER OF CERTAIN GOODS AND SERVICES.—” and all that follows through “Except as provided” and inserting “(1) SALE, SUPPLY, OR TRANSFER OF CERTAIN GOODS AND SERVICES.—Except as provided”; and

(ii) by striking subparagraph (B);

(2) in section 1245(a)—

(A) by striking “(a) Sale, Supply, or Transfer of Certain Materials.—” and all that follows through “The President” and inserting “(a) Sale, Supply, or Transfer of Certain Materials.—The President”;

(B) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively (and by redesignating all sub-units therein accordingly);

(C) in paragraph (3)(B) (as redesignated)— **by subparagraph (B) of this paragraph)—**

(i) in clause (i), by striking “subclause (I) of clause (i)” and inserting “clause (i) of subparagraph (A)”;

(ii) in clause (ii), by striking “subclause (II) of that clause” and inserting “clause (ii) of that subparagraph”; and

(iii) in clause (iii), by striking “subclause (III) of that clause” and inserting “clause (iii) of that subparagraph”; and

(D) by striking “(2) EXCEPTION.—” and all that follows through “paragraph (1).”; and

(3) in section 1246(a)—

(A) by striking “(a) Imposition of Sanctions.—” and all that follows through “Except as provided” and inserting “(a) Imposition of Sanctions.—Except as provided”;

(B) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively (and by redesignating all sub-units therein accordingly); and

(C) by striking “(2) EXCEPTION.—” and all that follows through “paragraph (1).”; and

SEC. 226. TERMINATION OF GOVERNMENT CONTRACTS WITH PERSONS WHO SELL GOODS, SERVICES, OR TECHNOLOGY TO, OR CONDUCT ANY OTHER TRANSACTION WITH, IRAN.

(a) Modification of Federal Acquisition Regulation.—Not later than 90 days after the date of the enactment of this Act, the Federal Acquisition Regulation shall be revised to require a certification from each person that is a prospective contractor that the person, and any person under common ownership or control with the person, does not sell goods,

services, or technology to, or conduct any other transaction with, Iran for which sanctions may be imposed under this Act.

(b) Remedies.—

(1) IN GENERAL.—If the head of an executive agency determines that a person has submitted a false certification under subsection (a) on or after the date on which the applicable revision of the Federal Acquisition Regulation required by this section becomes effective, the head of that executive agency shall terminate a contract with such person or debar or suspend such person from eligibility for Federal contracts for a period of not less than 2 years. Any such debarment or suspension shall be subject to the procedures that apply to debarment and suspension under the Federal Acquisition Regulation under subpart 9.4 of part 9 of title 48, Code of Federal Regulations.

(2) INCLUSION ON LIST OF PARTIES EXCLUDED FROM FEDERAL PROCUREMENT AND NONPROCUREMENT PROGRAMS.—The Administrator of General Services shall include on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs maintained by the Administrator under part 9 of the Federal Acquisition Regulation each person that is debarred, suspended, or proposed for debarment or suspension by the head of an executive agency on the basis of a determination of a false certification under paragraph (1).

(c) Rule of Construction.—This section shall not be construed to limit the use of other remedies available to the head of an executive agency or any other official of the Federal Government on the basis of a determination of a false certification under subsection (a).

(d) Waivers.—

(1) IN GENERAL.—The President may on a case-by-case basis waive the requirement that a person make a certification under subsection (a) if the President determines and certifies in writing to the congressional committees described in paragraph (2) that it is essential to the national security interests of the United States to do so.

(2) CONGRESSIONAL COMMITTEES DESCRIBED.—The congressional committees referred to in paragraph (1) are—

(A) the Committee on Foreign Affairs, the Committee on Armed Services, and the Committee on Oversight and Government Reform of the House of Representatives; and

(B) the Committee on Foreign Relations, the Committee on Armed Services, and the Committee on Homeland Security and Governmental Affairs of the Senate.

(e) Definitions.—In this section:

(1) EXECUTIVE AGENCY.—The term “executive agency” has the meaning given that term in section 133 of title 41, United States Code.

(2) FEDERAL ACQUISITION REGULATION.—The term “Federal Acquisition Regulation” means the regulation issued pursuant to section 1303(a)(1) of title 41,

United States Code.

(f) Applicability.—The revisions to the Federal Acquisition Regulation required under subsection (a) shall apply with respect to contracts for which solicitations are issued on or after the date that is 90 days after the date of the enactment of this Act.

SEC. 227. CONDITIONS FOR ENTRY AND OPERATION OF VESSELS.

(a) In General.—The Ports and ~~Waterways~~ **Waters** Safety Act (33 U.S.C. 1221 et seq.) is amended by adding at the end the following:

“SEC. 16. PROHIBITION ON ENTRY AND OPERATION.

“(a) ~~In General.—No Prohibition.—~~

“(1) **IN GENERAL.—No** foreign vessel described in subsection (b) shall enter or operate in the navigable waters of the United States or transfer cargo in any port or place under the jurisdiction of the United States.

“(2) **LIMITATION ON APPLICATION.—Paragraph (1) shall not apply with respect to a vessel described in subsection (b)(2) on and after any date on which the Secretary of State determines that the vessel is no longer registered as described in that subsection. The Secretary of State shall publish a notice of each such determination in the Federal Register.**

“(b) ~~Vessels Described.—A vessel referred to in subsection (a) is a foreign vessel~~

~~“(1) for which a Notice of Arrival is required to be filed under section 160 of title 33, Code of Federal Regulations, as in effect on the date of enactment of the Nuclear Iran Prevention Act of 2013; and, and that—~~

~~“(2) that is knowingly”~~“(1) **is on a list of vessels published in Federal Register under subsection (c)(2); or**

“(2) **more than 180 days after the publication of such a list, is registered, pursuant to the Geneva Convention on the High Seas (13 U.S.T. 2312; TIAS 5200; 450 UNTS 82), by a ship registry that is government the agents or instrumentalities of which are** maintaining a registration of a vessel that is included in ~~the list published under subsection (e):~~ **such list.**

~~“(c) Notification of Governments.—The~~“(c) **Information and Publication.—The** Secretary of Transportation, in consultation with the Secretary of State, shall—

“(1) maintain timely information on registrations of all foreign vessels over 300 gross tons that are—

“(A) owned or operated by or on behalf of—

“(i) the National Iran Tanker Company or the Islamic Republic of Iran Shipping Line; or

“(ii) any successor to an entity referred to in clause (i); or

~~“(B) otherwise owned or operated by or on behalf of Iran; and“(2) notify each government the agents or instrumentalities of which are maintaining a registration of a foreign vessel described in paragraph (1), that all vessels registered under such government’s authority are prohibited from entering or operating in the navigable waters of the United States or transferring cargo in any port or place under the jurisdiction of the United States; and~~

~~“(3)“(2) publish in the Federal Register a list of vessels described in paragraph (1), including periodic updates of such list.~~

“(d) Notification of Vessels.— Governments.—The Secretary of State shall notify each government the agents or instrumentalities of which are maintaining a registration of a foreign vessel that is included on the list published under subsection (c)(2), that all vessels registered under such government’s authority are subject to the prohibition under subsection (a) if more than 180 days after such publication the government continues to maintain a registration for a vessel that is included on the list published under subsection (c)(2).

~~“(1) In general.—Except as provided in paragraphs (2) and (3), upon~~**“(e) Notification of Vessels.—Upon** receiving a Notice of Arrival under section 160 of title 33, Code of Federal Regulations (as in effect on the date of enactment of the Nuclear Iran Prevention Act of 2013) from a vessel described in (b), the Secretary shall notify the master of such vessel that the vessel may not enter or operate in the navigable waters of the United States or transfer cargo in any port or place under the jurisdiction of the United States, **unless—**

~~“(2) Provisional entry.—The~~**“(1) the Secretary has made a determination described in subsection (a)(2); or**

“(2) the Secretary allows provisional entry of the vessel, or transfer of cargo from the vessel, under subsection (f).

“(f) Provisional Entry or Cargo Transfer.—Notwithstanding subsection (e), the Secretary may allow provisional entry of, or transfer of cargo from, a foreign vessel described in subsection (b), if such entry or transfer is necessary for the safety of the vessel or persons aboard.

~~“(3) Entry for due diligence.—The Secretary may allow entry of, and transfer of cargo from, a vessel described in subsection (b) if the master shows the owner and operator of the vessel exercised due diligence to avoid registration of the vessel by a registry that registers vessels described in subsection (e).~~

~~“(e)“(g) Right of Innocent Passage.—This section shall not be construed as authority to restrict the right of innocent passage as recognized under international law.~~

~~“(f)“(h) Foreign Vessel Defined.—In this section the term ‘foreign vessel’ has the meaning given that term in section 2101 110 of title 46, United States Code.”.~~

(b) Deadline for Publication.—The Secretary shall publish a list under section 16(e)(3)

16(c)(2) of the Ports and ~~Waters~~ **Waterways** Safety Act, as amended by this section, by not later than ~~30~~ **180** days after the date of the enactment of this Act.

~~(c) Limitation on Application of Prohibition.—Subsection (a) of section 16 of the Ports and Waters Safety Act, as amended by this section, shall not apply until 90 days after the date of publication of the list required by subsection (c) of such section.~~ **Conforming Amendments.—**

(1) Section 13(e) of the Ports and Waterways Safety Act (33 U.S.C. 1232(e)) is amended by striking “section 9” and inserting “sections 9 and 16”.

(2) Section 4(b)(2) of the Ports and Waterways Safety Act (33 U.S.C. 1223(b)(2)) is amended by striking “section 9” and inserting “section 9 or 16”.

TITLE III—ADDITIONAL AUTHORITIES TO PREVENT CENSORSHIP ACTIVITIES IN IRAN

SEC. 301. REPORT ON IMPLEMENTATION OF SANCTIONS AGAINST THE ISLAMIC REPUBLIC OF IRAN BROADCASTING.

(a) In General.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall submit to Congress a report on the following:

(1) The current status of availability of the Islamic Republic of Iran Broadcasting (IRIB) on international satellites, entities that facilitate its operation by providing services or equipment, and the technical means that it engages in jamming.

(2) The instances, since January 1, 2012, in which the IRIB engaged in activities that violated Article 19 of the International Covenant on Civil and Political Rights, including broadcasting forced confessions and hate speech against minorities.

(3) The instances, since January 1, 2012, in which international broadcasting programs originating from the United States and Europe have been subject to disruption in Iran, with relevant details such as which programs were disrupted, available location information on the origin of the disruption, and the extent of the disruption.

(b) Coordination.—In developing the report required by subsection (a), the Secretary of State shall coordinate with the Broadcasting Board of Governors, the Secretary of the Treasury, and the heads of other relevant Federal departments and agencies.

(c) Public Availability.—All unclassified portions of the report required by subsection (a) shall be made publicly available on the Internet web site of the Department of State.

SEC. 302. LIST OF PERSONS WHO ARE HIGH-RISK RE-EXPORTERS OF SENSITIVE TECHNOLOGIES.

(a) In General.—Not later than 90 days after the date of the enactment of this Act, and every 90 days thereafter, the Secretary of Commerce, in conjunction with the Secretary of

State and the Secretary of the Treasury, shall make publicly available and update as appropriate a list of persons who are high-risk re-exporters of sensitive technologies in order to seek to ensure that the Government of Iran or an entity owned or controlled by that Government is unable to obtain sensitive technologies through the re-export of such sensitive technologies by third-party intermediaries.

(b) Definition.—In this section, the term “sensitive technology” has the meaning given that term in section 106 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8515).

SEC. 303. SENSE OF CONGRESS ON PROVISION OF INTERCEPT TECHNOLOGIES TO IRAN.

It is the sense of Congress that—

(1) those that provide intercept technologies that limit freedom of speech or expression to the Government of Iran should be held accountable for the repression of the Iranian people; and

(2) no person should use an existing contract with the Government of Iran as a justification to continue to supply intercept technologies to the Government of Iran for purposes of restricting the free flow of information.

SEC. 304. SENSE OF CONGRESS ON AVAILABILITY OF CONSUMER COMMUNICATION TECHNOLOGIES IN IRAN.

It is the sense of Congress that—

(1) the ~~Department of the Treasury and~~ Department of State should encourage the free flow of information in Iran to counter the Government of Iran’s repression of its own people; and

(2) in order to facilitate the free flow of information in Iran, the Department of ~~Treasury State~~ should ~~ensure that~~ **promote the availability of** certain consumer communication technologies ~~are available~~ to Iranian civil society and the Iranian people.

SEC. 305. EXPEDITED CONSIDERATION OF REQUESTS FOR AUTHORIZATION OF TRANSFER OF GOODS AND SERVICES TO IRAN TO FACILITATE THE ABILITY OF IRANIAN PERSONS TO FREELY COMMUNICATE.

(a) In General.—Section 413 of the Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8753) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection:

“(e) Rule of Construction.—The expedited process for the consideration of complete requests for authorization to engage in the activities described in subsection (a) shall be construed to also apply to the transfer of goods and services to Iran to facilitate the ability of Iranian persons to freely communicate, obtain information, and access the Internet and other communications systems.”.

(b) Effective Date.—The amendments made by subsection (a) take effect on the date of the enactment of this Act and apply with respect to requests described in section 413 of the Iran Threat Reduction and Syria Human Rights Act of 2012, as so amended, that are submitted to the Office of Foreign Assets Control on or after such date of enactment.

TITLE IV—REPORTS AND OTHER MATTERS

SEC. 401. NATIONAL STRATEGY ON IRAN.

(a) National Strategy Required.—The President shall develop a strategy, to be known as the “National Strategy on Iran”, that provides strategic guidance for activities that support the objective of addressing the threats posed by Iran.

(b) Annual Report.—Not later than 180 days after the date of the enactment of this Act or January 30, 2014, whichever occurs first, and every January 30 thereafter, the President shall submit to the appropriate congressional committees the National Strategy on Iran required under subsection (a).

(c) Matters To Be Included.—The report required under subsection (b) shall include, at a minimum, the following:

(1) A description of Iran’s grand strategy and security strategy, including strategic objectives, and the security posture and objectives of Iran.

(2) A description of the United States strategy to—

(A) address and counter the capabilities of Iran’s conventional forces and Iran’s unconventional forces;

(B) disrupt and deny Iranian efforts to develop or augment capabilities related to nuclear, unconventional, and missile forces development;

(C) address the Government of Iran’s economic strategy to enable the objectives described in this subsection;

(D) exploit key vulnerabilities; and

(E) combat Iranian efforts to suppress Internet freedom, including actions of the United States to—

(i) work to promote expanded Internet access for democracy activists in Iran;

(ii) add a public diplomacy page to the United States’ virtual embassy in Iran; and

(iii) leverage multilateral organizations committed to Internet

connectivity in Iran.

(3) An implementation plan for the United States strategy described in paragraph (2).

(d) Form.—The report required under subsection (b) shall be submitted in unclassified form to the greatest extent possible, but may include a classified annex, if necessary.

(e) Appropriate Congressional Committees.—In this section, the term “appropriate congressional committees” means—

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

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

SEC. 402. REPORT ON IRANIAN NUCLEAR AND ECONOMIC CAPABILITIES.

(a) In General.—Not later than 60 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report on the following:

(1) An estimate of the timeline for Iranian capabilities to develop nuclear weapons, including—

(A) an estimate of the period of time it would take Iran to produce enough weapons-grade uranium for a single implosion-type nuclear weapon, taking into account all known relevant technical data;

(B) an estimate of the period of time it would take Iran to produce sufficient separated plutonium for a single nuclear weapon;

(C) a description of the assumptions underlying the estimates referred to in subparagraphs (A) and (B), and any information about developments that might alter or otherwise affect those assumptions;

(D) an estimate of the date by which the periods of time referred to in subparagraphs (A) and (B) will be less than 45 days; and

(E) a description of any efforts by the United States to increase the frequency of inspections by the International Atomic Energy Agency of nuclear facilities in Iran.

(2) An assessment of Iranian strategy and capabilities relating to development of nuclear weapons, including—

(A) a summary and analysis of current nuclear weapons capabilities;

(B) an estimate of the amount and sources of funding expended by, and an analysis of procurement networks utilized by, Iran to develop its nuclear weapons capabilities;

(C) a summary of the capabilities of Iran's unconventional weapons and Iran's ballistic missile forces and Iran's cruise missile forces;

(D) a detailed analysis of the effectiveness of Iran's unconventional weapons and Iran's ballistic missile forces and Iran's cruise missile forces as delivery systems for a nuclear device;

(E) a description of all efforts of Iran to design and develop a nuclear weapon, including efforts to design or fit warheads, and any other possible military dimensions of the nuclear program of Iran; and

(F) an analysis of the procurement network, including the amount and sources of funding expended by Iran on programs to develop a nuclear weapons capability.

(3) Projected economic effects of international sanctions on Iran, including—

(A) an estimate of the capital accounts, current accounts, and amounts of foreign exchange reserves (including access to foreign exchange reserves) of the Government of Iran, and other leading indicators of the status of the economy of Iran;

(B) an estimate of timelines with respect to macroeconomic viability of Iran, including the time by which the Government of Iran will exhaust its foreign exchange reserves;

(C) an estimate of the date by which the reserves of the Central Bank of Iran will be insufficient for the Government of Iran to avoid a severe balance of payments crisis that prevents it from maintaining a functioning economy, including—

(i) the inflation rate, exchange rates, unemployment rate, and budget deficits in Iran; and

(ii) other leading macroeconomic indicators used by the International Monetary Fund, professional rating agencies, and other credible sources to assess the economic health of a country;

(D) a description of the assumptions underlying the estimate referred to in paragraph (3) and an indication of how changes in each of those assumptions could affect the estimate;

(E) an assessment of the effect of sanctions imposed with respect to Iran on moving forward the date referred to in subparagraph (C); and

(F) a description of actions taken by the Government of Iran to delay the date referred to in subparagraph (C).

(b) Update.—The President shall submit to the appropriate congressional committees an update of the report required by subsection (a) every 60 days after the date of submission of the report that includes any pertinent developments to Iranian nuclear or economic capabilities.

(c) Form.—The report required under subsection (a) and the update required under

subsection (b) shall be submitted in unclassified form to the greatest extent possible, but may include a classified annex, if necessary.

(d) Definitions.—In this section:

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

(A) the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on Financial Services, the Committee on Ways and Means, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(B) the Committee on Foreign Relations, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, and the Select Committee on Intelligence of the Senate.

(2) NUCLEAR EXPLOSIVE DEVICE.—The term “nuclear explosive device” means any device, whether assembled or disassembled, that is designed to produce an instantaneous release of an amount of nuclear energy from special nuclear material that is greater than the amount of energy that would be released from the detonation of one pound of trinitrotoluene (TNT).

SEC. 403. REPORT ON PLAUSIBILITY OF EXPANDING SANCTIONS ON IRANIAN OIL.

(a) In General.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report assessing the following:

(1) Whether petroleum and petroleum products originating in and exported from Iran are refined and sold outside of Iran.

(2) Whether products that contain Iranian-origin petroleum or petroleum products as part of their contents are imported into the United States and, if any such products are imported into the United States, whether such importation violates the ban on importation into the United States of Iranian-origin petroleum or petroleum products.

(3) Whether it is feasible to ban the importation into the United States of products described in paragraph (2), regardless of whether the ban on importation into the United States of Iranian-origin petroleum or petroleum products applies to such products.

(b) Basis of Report.—The report required under subsection (a) may be based on publicly-available information and classified information. The information that is not classified information shall be made publically available.

(c) Appropriate Congressional Committees.—In this section, the term “appropriate congressional committees” means—

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

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

SEC. 404. GAO REPORT ON IRANIAN STRATEGY TO EVADE CURRENT SANCTIONS AND OTHER MATTERS.

Not later than 90 days after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report that—

(1) evaluates the strategy of the Government of Iran to evade current economic and financial sanctions; and

(2) specifically evaluates the ability of Iran to successfully diversify its economy beyond its energy sector, thereby lessening the impact and effectiveness of economic and financial sanctions.

SEC. 405. AUTHORITY TO CONSOLIDATE REPORTS REQUIRED UNDER IRAN SANCTIONS LAWS.

(a) In General.—Any or all reports required to be submitted to Congress under the provisions of law described in subsection (c) ~~on or after the date of the enactment of this Act may, notwithstanding the deadline requirements for submission under such provisions of law,~~ **that are subject to a deadline for submission consisting of the same unit of time may** be consolidated into a single report that is submitted to Congress ~~on an annual basis pursuant to such deadline.~~

(b) Exception.—Subsection (a) shall not apply with respect to the initial report of any report described in subsection (a).

(c) Provisions of Law Described.—The provisions of law referred to in this section are the following:

- (1) This Act and the amendments made by this Act.
- (2) The Iran Freedom and Counter-Proliferation Act of 2012 (22 U.S.C. 8801 et seq.).
- (3) The Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8701 et seq.).
- (4) The Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8501 et seq.).

(d) Effective Date.—This section takes effect on the date of the enactment of this Act and applies with respect to reports required to be submitted to Congress under the provisions of law described in subsection (c) on or after such date of enactment.

SEC. 406. AMENDMENTS TO DEFINITIONS UNDER IRAN SANCTIONS ACT OF 1996 AND IRAN THREAT

REDUCTION AND SYRIA HUMAN RIGHTS ACT OF 2012.

(a) Iran Sanctions Act of 1996.—Section 14(4)(B) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note) is amended by striking “may include, in the discretion of the President” and inserting “includes”.

(b) Iran Threat Reduction and Syria Human Rights Act of 2012.—Section 211 of the Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8721) is amended by adding at the end the following new subsection:

“(f) Definition.—In this section, the term ‘appropriate congressional committees’ includes the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.”.

SEC. 407. RULE OF CONSTRUCTION.

Nothing in this Act or any amendment made by this Act shall be construed to apply with respect to—

(1) any activity relating to a project described in subsection (a) of section 603 of the Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8783) to which the exception under that section applies at the time of the activity; or

(2) any authorized intelligence activity of the United States.

SEC. 408. IMPLEMENTATION; PENALTIES.

(a) 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 Act and the amendments made by this Act.

(b) 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 this Act or any amendment made by this Act or regulations prescribed under this Act to the same extent that such penalties apply to a person that commits an unlawful act described in section 206(a) of the International Emergency Economic Powers Act (50 U.S.C. 1705(a)).

SEC. ~~408~~ 409. SEVERABILITY.

(a) In General.—If any provision of this Act, or the application of such provision to any person or circumstance, is found to be unconstitutional, the remainder of this Act, or the application of that provision to other persons or circumstances, shall not be affected.

(b) Effective Date Under Section 214.—If subsection (d) of section 214 is found to be unconstitutional in accordance with subsection (a), the amendments made by such section 214 take effect on the date of the enactment of this Act and apply with respect to

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transactions entered into on or after such date of enactment.