

106TH CONGRESS  
1ST SESSION

**H. R. 1883**

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**AN ACT**

To provide for the application of measures to foreign persons who transfer to Iran certain goods, services, or technology, and for other purposes.

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## AN ACT

To provide for the application of measures to foreign persons who transfer to Iran certain goods, services, or technology, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Iran Nonproliferation  
3 Act of 1999”.

4 **SEC. 2. REPORTS ON PROLIFERATION TO IRAN.**

5       (a) **REPORTS.**—The President shall, at the times  
6 specified in subsection (b), submit to the Committee on  
7 International Relations of the House of Representatives  
8 and the Committee on Foreign Relations of the Senate  
9 a report identifying every foreign person with respect to  
10 whom there is credible information indicating that that  
11 person, on or after January 1, 1999, transferred to Iran—

12           (1) goods, services, or technology listed on—

13                   (A) the Nuclear Suppliers Group Guide-  
14 lines for the Export of Nuclear Material, Equip-  
15 ment and Technology (published by the Inter-  
16 national Atomic Energy Agency as Information  
17 Circular INFCIRC/254/Rev.3/Part 1, and sub-  
18 sequent revisions) and Guidelines for Transfers  
19 of Nuclear-Related Dual-Use Equipment, Mate-  
20 rial, and Related Technology (published by the  
21 International Atomic Energy Agency as Infor-  
22 mation Circular INFCIRC/254/Rev.3/Part 2,  
23 and subsequent revisions);

24                   (B) the Missile Technology Control Regime  
25 Equipment and Technology Annex of June 11,  
26 1996, and subsequent revisions;

1 (C) the lists of items and substances relat-  
2 ing to biological and chemical weapons the ex-  
3 port of which is controlled by the Australia  
4 Group;

5 (D) the Schedule One or Schedule Two list  
6 of toxic chemicals and precursors the export of  
7 which is controlled pursuant to the Convention  
8 on the Prohibition of the Development, Produc-  
9 tion, Stockpiling and Use of Chemical Weapons  
10 and on Their Destruction; or

11 (E) the Wassenaar Arrangement list of  
12 Dual Use Goods and Technologies and Muni-  
13 tions list of July 12, 1996, and subsequent revi-  
14 sions; or

15 (2) goods, services, or technology not listed on  
16 any list identified in paragraph (1) but which never-  
17 theless would be, if they were United States goods,  
18 services, or technology, prohibited for export to Iran  
19 because of their potential to make a material con-  
20 tribution to the development of nuclear, biological, or  
21 chemical weapons, or of ballistic or cruise missile  
22 systems.

23 (b) TIMING OF REPORTS.—The reports under sub-  
24 section (a) shall be submitted not later than 90 days after  
25 the date of the enactment of this Act, not later than 6

1 months after such date of enactment, and not later than  
2 the end of each 6-month period thereafter.

3 (c) EXCEPTIONS.—Any foreign person who—

4 (1) was identified in a previous report sub-  
5 mitted under subsection (a) on account of a par-  
6 ticular transfer; or

7 (2) has engaged in a transfer on behalf of, or  
8 in concert with, the Government of the United  
9 States,

10 is not required to be identified on account of that same  
11 transfer in any report submitted thereafter under this sec-  
12 tion, except to the degree that new information has  
13 emerged indicating that the particular transfer may have  
14 continued, or been larger, more significant, or different  
15 in nature than previously reported under this section.

16 (d) SUBMISSION IN CLASSIFIED FORM.—When the  
17 President considers it appropriate, reports submitted  
18 under subsection (a), or appropriate parts thereof, may  
19 be submitted in classified form.

20 **SEC. 3. APPLICATION OF MEASURES TO CERTAIN FOREIGN**  
21 **PERSONS.**

22 (a) APPLICATION OF MEASURES.—Subject to sec-  
23 tions 4 and 5, the President is authorized to apply with  
24 respect to each foreign person identified in a report sub-  
25 mitted pursuant to section 2(a), for such period of time

1 as he may determine, any or all of the measures described  
2 in subsection (b).

3 (b) DESCRIPTION OF MEASURES.—The measures re-  
4 ferred to in subsections (a) are the following:

5 (1) EXECUTIVE ORDER NO. 12938 PROHIBI-  
6 TIONS.—The measures set forth in subsections (b)  
7 and (c) of section 4 of Executive Order No. 12938  
8 shall be applied with respect to that person.

9 (2) ARMS EXPORT PROHIBITION.—The United  
10 States Government shall not sell to that foreign per-  
11 son any item on the United States Munitions List  
12 as in effect on August 8, 1995, and shall terminate  
13 sales to that person of any defense articles, defense  
14 services, or design and construction services under  
15 the Arms Export Control Act.

16 (3) DUAL USE EXPORT PROHIBITION.—The  
17 President shall deny licenses and suspend existing li-  
18 censes for the transfer to that person of items the  
19 export of which is controlled under the Export Ad-  
20 ministration Act of 1979 or the Export Administra-  
21 tion Regulations.

22 (c) EFFECTIVE DATE OF MEASURES.—Measures ap-  
23 plied pursuant to subsection (a) shall be effective with re-  
24 spect to a foreign person no later than—

1           (1) 90 days after the report identifying the for-  
2           foreign person is submitted, if the report is submitted  
3           on or before the date required by section 2(b);

4           (2) 90 days after the date required by section  
5           2(b) for submitting the report, if the report identi-  
6           fying the foreign person is submitted within 60 days  
7           after that date; or

8           (3) on the date that the report identifying the  
9           foreign person is submitted, if that report is sub-  
10          mitted more than 60 days after the date required by  
11          section 2(b).

12          (d) PUBLICATION IN FEDERAL REGISTER.—The ap-  
13          plication of measures to a foreign person pursuant to sub-  
14          section (a) shall be announced by notice published in the  
15          Federal Register.

16          **SEC. 4. PROCEDURES IF MEASURES ARE NOT APPLIED.**

17          (a) REQUIREMENT TO NOTIFY CONGRESS.—Should  
18          the President not exercise the authority of section 3(a)  
19          to apply any or all of the measures described in section  
20          3(b) with respect to a foreign person identified in a report  
21          submitted pursuant to section 2(a), he shall so notify the  
22          Committee on International Relations of the House of  
23          Representatives and the Committee on Foreign Relations  
24          of the Senate no later than the effective date under section  
25          3(c) for measures with respect to that person.

1 (b) WRITTEN JUSTIFICATION.—Any notification sub-  
2 mitted by the President under subsection (a) shall include  
3 a written justification describing in detail the facts and  
4 circumstances relating specifically to the foreign person  
5 identified in a report submitted pursuant to section 2(a)  
6 that support the President’s decision not to exercise the  
7 authority of section 3(a) with respect to that person.

8 (c) SUBMISSION IN CLASSIFIED FORM.—When the  
9 President considers it appropriate, the notification of the  
10 President under subsection (a), and the written justifica-  
11 tion under subsection (b), or appropriate parts thereof,  
12 may be submitted in classified form.

13 **SEC. 5. DETERMINATION EXEMPTING FOREIGN PERSON**  
14 **FROM SECTIONS 3 AND 4.**

15 (a) IN GENERAL.—Sections 3 and 4 shall not apply  
16 to a foreign person 15 days after the President reports  
17 to the Committee on International Relations of the House  
18 of Representatives and the Committee on Foreign Rela-  
19 tions of the Senate that the President has determined, on  
20 the basis of information provided by that person, or other-  
21 wise obtained by the President, that—

22 (1) the person did not, on or after January 1,  
23 1999, knowingly transfer to Iran the goods, services,  
24 or technology the apparent transfer of which caused



1 that person to be identified in a report submitted  
2 pursuant to section 2(a);

3 (2) the goods, services, or technology the trans-  
4 fer of which caused that person to be identified in  
5 a report submitted pursuant to section 2(a) did not  
6 materially contribute to Iran's efforts to develop nu-  
7 clear, biological, or chemical weapons, or ballistic or  
8 cruise missile systems;

9 (3) the person is subject to the primary juris-  
10 diction of a government that is an adherent to one  
11 or more relevant nonproliferation regimes, the per-  
12 son was identified in a report submitted pursuant to  
13 section 2(a) with respect to a transfer of goods,  
14 services, or technology described in section 2(a)(1),  
15 and such transfer was made consistent with the  
16 guidelines and parameters of all such relevant re-  
17 gimes of which such government is an adherent; or

18 (4) the government with primary jurisdiction  
19 over the person has imposed meaningful penalties on  
20 that person on account of the transfer of the goods,  
21 services, or technology which caused that person to  
22 be identified in a report submitted pursuant to sec-  
23 tion 2(a).

24 (b) SUBMISSION IN CLASSIFIED FORM.—When the  
25 President considers it appropriate, the determination and

1 report of the President under subsection (a), or appro-  
2 priate parts thereof, may be submitted in classified form.

3 **SEC. 6. RESTRICTION ON EXTRAORDINARY PAYMENTS IN**  
4 **CONNECTION WITH THE INTERNATIONAL**  
5 **SPACE STATION.**

6 (a) RESTRICTION ON EXTRAORDINARY PAYMENTS IN  
7 CONNECTION WITH THE INTERNATIONAL SPACE STA-  
8 TION.—Notwithstanding any other provision of law, no  
9 agency of the United States Government may make ex-  
10 traordinary payments in connection with the International  
11 Space Station to the Russian Space Agency, any organiza-  
12 tion or entity under the jurisdiction or control of the Rus-  
13 sian Space Agency, or any other organization, entity, or  
14 element of the Government of the Russian Federation, un-  
15 less, during the fiscal year in which the extraordinary pay-  
16 ments in connection with the International Space Station  
17 are to be made, the President has made the determination  
18 described in subsection (b), and reported such determina-  
19 tion to the Committee on International Relations and the  
20 Committee on Science of the House of Representatives  
21 and the Committee on Foreign Relations and the Com-  
22 mittee on Commerce, Science, and Transportation of the  
23 Senate.

24 (b) DETERMINATION REGARDING RUSSIAN CO-  
25 OPERATION IN PREVENTING PROLIFERATION TO IRAN.—

1 The determination referred to in subsection (a) is a deter-  
2 mination by the President that—

3 (1) it is the policy of the Government of the  
4 Russian Federation to oppose the proliferation to  
5 Iran of weapons of mass destruction and missile sys-  
6 tems capable of delivering such weapons;

7 (2) the Government of the Russian Federation  
8 (including the law enforcement, export promotion,  
9 export control, and intelligence agencies of such gov-  
10 ernment) has demonstrated and continues to dem-  
11 onstrate through the implementation of concrete  
12 steps a sustained commitment to seek out and pre-  
13 vent the transfer to Iran of goods, services, and  
14 technology that could make a material contribution  
15 to the development of nuclear, biological, or chemical  
16 weapons, or of ballistic or cruise missile systems, in-  
17 cluding through the imposition of meaningful pen-  
18 alties on persons who make such transfers; and

19 (3) neither the Russian Space Agency, nor any  
20 organization or entity under the jurisdiction or con-  
21 trol of the Russian Space Agency, has, during the 1-  
22 year period prior to the date of the determination  
23 pursuant to this subsection, made transfers to Iran  
24 reportable under section 2(a) of this Act (other than

1 transfers with respect to which a determination pur-  
2 suant to section 5 has been or will be made).

3 (c) PRIOR NOTIFICATION.—Not less than 5 days be-  
4 fore making a determination under subsection (b), the  
5 President shall notify the Committee on International Re-  
6 lations and the Committee on Science of the House of  
7 Representatives and the Committee on Foreign Relations  
8 and the Committee on Commerce, Science, and Transpor-  
9 tation of the Senate of his intention to make such deter-  
10 mination.

11 (d) WRITTEN JUSTIFICATION.—A determination of  
12 the President under subsection (b) shall include a written  
13 justification describing in detail the facts and cir-  
14 cumstances supporting the President's conclusion.

15 (e) SUBMISSION IN CLASSIFIED FORM.—When the  
16 President considers it appropriate, a determination of the  
17 President under subsection (b), a prior notification under  
18 subsection (c), and a written justification under subsection  
19 (d), or appropriate parts thereof, may be submitted in  
20 classified form.

21 (f) EXCEPTION FOR CREW SAFETY.—

22 (1) EXCEPTION.—The National Aeronautics  
23 and Space Administration may make extraordinary  
24 payments that would otherwise be prohibited under  
25 this section to the Russian Space Agency or any or-

1        ganization or entity under the jurisdiction or control  
2        of the Russian Space Agency if the President has  
3        notified the Congress in writing that such payments  
4        are necessary to prevent the imminent loss of life by  
5        or grievous injury to individuals aboard the Inter-  
6        national Space Station.

7                (2) REPORT.—Not later than 30 days after no-  
8        tifying Congress that the National Aeronautics and  
9        Space Administration will make extraordinary pay-  
10        ments under paragraph (1), the President shall sub-  
11        mit to Congress a report describing—

12                        (A) the extent to which the provisions of  
13                        subsection (b) had been met as of the date of  
14                        notification; and

15                        (B) the measures that the National Aero-  
16                        nautics and Space Administration is taking to  
17                        ensure that—

18                                (i) the conditions posing a threat of  
19                                imminent loss of life by or grievous injury  
20                                to individuals aboard the International  
21                                Space Station necessitating the extraor-  
22                                dinary payments are not repeated; and

23                                (ii) it is no longer necessary to make  
24                                extraordinary payments in order to prevent  
25                                imminent loss of life by or grievous injury

1                   to individuals aboard the International  
2                   Space Station.

3           (g) SERVICE MODULE EXCEPTION.—(1) The Na-  
4 tional Aeronautics and Space Administration may make  
5 extraordinary payments that would otherwise be prohib-  
6 ited under this section to the Russian Space Agency, any  
7 organization or entity under the jurisdiction or control of  
8 the Russian Space Agency, or any subcontractor thereof  
9 for the construction, testing, preparation, delivery, launch,  
10 or maintenance of the Service Module if—

11                   (A) the President has notified Congress at least  
12                   5 days before making such payments;

13                   (B) no report has been made under section 2  
14                   with respect to an activity of the entity to receive  
15                   such payment, and the President has no information  
16                   of any activity that would require such a report; and

17                   (C) the United States will receive goods or serv-  
18                   ices of value to the United States commensurate  
19                   with the value of the extraordinary payments made.

20           (2) For purposes of this subsection, the term “main-  
21 tenance” means activities which cannot be performed by  
22 the National Aeronautics and Space Administration and  
23 which must be performed in order for the Service Module  
24 to provide environmental control, life support, and orbital

1 maintenance functions which cannot be performed by an  
2 alternative means at the time of payment.

3 (3) This subsection shall cease to be effective 60 days  
4 after a United States propulsion module is in place at the  
5 International Space Station.

6 (h) EXCEPTION.—Notwithstanding subsections (a)  
7 and (b), no agency of the United States Government may  
8 make extraordinary payments in connection with the  
9 International Space Station to any foreign person subject  
10 to measures applied pursuant to—

11 (1) section 3 of this Act; or

12 (2) section 4 of Executive Order No. 12938  
13 (November 14, 1994), as amended by Executive  
14 Order No. 13094 (July 28, 1998).

15 Such payments shall also not be made to any other entity  
16 if the agency of the United States Government anticipates  
17 that such payments will be passed on to such a foreign  
18 person.

19 **SEC. 7. DEFINITIONS.**

20 For purposes of this Act, the following terms have  
21 the following meanings:

22 (1) EXTRAORDINARY PAYMENTS IN CONNEC-  
23 TION WITH THE INTERNATIONAL SPACE STATION.—

24 The term “extraordinary payments in connection  
25 with the International Space Station” means pay-

1 ments in cash or in kind made or to be made by the  
2 United States Government—

3 (A) for work on the International Space  
4 Station which the Russian Government pledged  
5 at any time to provide at its expense; or

6 (B) for work on the International Space  
7 Station, or for the purchase of goods or services  
8 relating to human space flight, that are not re-  
9 quired to be made under the terms of a con-  
10 tract or other agreement that was in effect on  
11 January 1, 1999, as those terms were in effect  
12 on such date.

13 (2) FOREIGN PERSON; PERSON.—The terms  
14 “foreign person” and “person” mean—

15 (A) a natural person that is an alien;

16 (B) a corporation, business association,  
17 partnership, society, trust, or any other non-  
18 governmental entity, organization, or group,  
19 that is organized under the laws of a foreign  
20 country or has its principal place of business in  
21 a foreign country;

22 (C) any foreign governmental entity oper-  
23 ating as a business enterprise; and



1 (D) any successor, subunit, or subsidiary  
2 of any entity described in subparagraph (B) or  
3 (C).

4 (3) EXECUTIVE ORDER NO. 12938.—The term  
5 “Executive Order No. 12938” means Executive  
6 Order No. 12938 as in effect on January 1, 1999.

7 (4) ADHERENT TO RELEVANT NONPROLIFERA-  
8 TION REGIME.—A government is an “adherent” to a  
9 “relevant nonproliferation regime” if that  
10 government—

11 (A) is a member of the Nuclear Suppliers  
12 Group with respect to a transfer of goods, serv-  
13 ices, or technology described in section  
14 2(a)(1)(A);

15 (B) is a member of the Missile Technology  
16 Control Regime with respect to a transfer of  
17 goods, services, or technology described in sec-  
18 tion 2(a)(1)(B), or is a party to a binding inter-  
19 national agreement with the United States that  
20 was in effect on January 1, 1999, to control the  
21 transfer of such goods, services, or technology  
22 in accordance with the criteria and standards  
23 set forth in the Missile Technology Control Re-  
24 gime;

1 (C) is a member of the Australia Group  
2 with respect to a transfer of goods, services, or  
3 technology described in section 2(a)(1)(C);

4 (D) is a party to the Convention on the  
5 Prohibition of the Development, Production,  
6 Stockpiling and Use of Chemical Weapons and  
7 on Their Destruction with respect to a transfer  
8 of goods, services, or technology described in  
9 section 2(a)(1)(D); or

10 (E) is a member of the Wassenaar Ar-  
11 rangement with respect to a transfer of goods,  
12 services, or technology described in section  
13 2(a)(1)(E).

14 (5) ORGANIZATION OR ENTITY UNDER THE JU-  
15 RISDICTION OR CONTROL OF THE RUSSIAN SPACE  
16 AGENCY.—(A) The term “organization or entity  
17 under the jurisdiction or control of the Russian  
18 Space Agency” means an organization or entity  
19 that—

20 (i) was made part of the Russian Space  
21 Agency upon its establishment on February 25,  
22 1992;

23 (ii) was transferred to the Russian Space  
24 Agency by decree of the Russian Government  
25 on July 25, 1994, or May 12, 1998;

1           (iii) was or is transferred to the Russian  
2           Space Agency by decree of the Russian Govern-  
3           ment at any other time before, on, or after the  
4           date of the enactment of this Act; or

5           (iv) is a joint stock company in which the  
6           Russian Space Agency has at any time held  
7           controlling interest.

8           (B) Any organization or entity described in subpara-  
9           graph (A) shall be deemed to be under the jurisdic-  
10          tion or control of the Russian Space Agency regard-  
11          less of whether—

12           (i) such organization or entity, after being  
13           part of or transferred to the Russian Space  
14           Agency, is removed from or transferred out of  
15           the Russian Space Agency; or

16           (ii) the Russian Space Agency, after hold-  
17           ing a controlling interest in such organization  
18           or entity, divests its controlling interest.

Passed the House of Representatives September 14,  
1999.

Attest:

*Clerk.*