

110TH CONGRESS
1ST SESSION

H. R. 2880

To amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran to include the importation of refined petroleum.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2007

Mr. KIRK (for himself, Mr. ANDREWS, Mr. KLEIN of Florida, Mr. BOUSTANY, Mr. WEXLER, Mr. CANTOR, Mr. PENCE, Mr. BURTON of Indiana, Mr. SMITH of New Jersey, Mr. SOUDER, Mr. KING of New York, Mrs. WILSON of New Mexico, Mr. CULBERSON, Mr. McCAUL of Texas, Mr. WELDON of Florida, Mr. CARNEY, Mr. CROWLEY, Mr. WILSON of South Carolina, and Mr. MAHONEY of Florida) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, Oversight and Government Reform, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran to include the importation of refined petroleum.

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 Sanctions En-
3 hancement Act of 2007”.

4 **SEC. 2. FINDINGS.**

5 Congress finds the following:

6 (1) The Islamic Republic of Iran is a signatory
7 to the Nuclear Non-Proliferation Treaty (NPT).

8 (2) Iran is a member of the International
9 Atomic Energy Agency (IAEA).

10 (3) Iran has agreed to safeguards to ensure
11 compliance with its non-proliferation commitments
12 under the NPT.

13 (4) The IAEA has reported numerous concerns
14 with the implementation of such safeguards to en-
15 sure Iran’s compliance with its non-proliferation
16 commitments.

17 (5) International inspections in 2003 and 2004
18 of Iran’s nuclear program revealed significant
19 undeclared activities with potential application for
20 the development of nuclear weapons.

21 (6) According to the IAEA, Iran has not de-
22 clared the full scope of its nuclear program and has
23 not allowed full and unrestricted access to all its nu-
24 clear sites.

25 (7) In June 2006, Iran refused to consider eco-
26 nomic incentives offered by the five permanent mem-

1 bers of the United Nations Security Council (UNSC)
2 and Germany in exchange for a permanent halt to
3 Iran's uranium enrichment program.

4 (8) On July 31, 2006, the UNSC adopted Res-
5 olution 1696, setting a deadline of August 31, 2006,
6 for Iran's full, unconditional, and immediate compli-
7 ance with its obligations under the NPT.

8 (9) Iran is in violation of UNSC Resolution
9 1696.

10 (10) On March 23, 2007, the Iranian Revolu-
11 tionary Guard Navy seized 15 British marines and
12 sailors on the same day the UNSC considered a new
13 resolution to sanction the Government of Iran for its
14 continued defiance of the UNSC and the IAEA.

15 (11) On March 24, 2007, the UNSC adopted
16 Resolution 1747, imposing further economic sanc-
17 tions on Iran for its non-compliance with previous
18 UNSC resolutions.

19 (12) Iran is in violation of UNSC Resolution
20 1747.

21 (13) On May 14, 2007, IAEA Director General
22 Mohammed El-Baradei announced that Iran had
23 overcome its technical difficulties and now possesses
24 the knowledge to enrich uranium to weapons-grade
25 level.

1 (14) On May 20, 2007, the head of Iran’s
2 Atomic Energy Organization announced the Iranian
3 nuclear program was moving ahead as scheduled to-
4 wards its previously stated goal of 50,000 cen-
5 trifuges running at its Natanz facility.

6 (15) On May 23, 2007, the IAEA reported that
7 Iran not only ignored the UNSC’s deadline to stop
8 enriching uranium but markedly expanded its en-
9 richment program.

10 (16) More than 40 percent of Iranian gasoline
11 comes from imports.

12 (17) The Government of Iran is set to impose
13 a daily gasoline ration of three liters for private cars
14 and 15 to 20 liters for taxis.

15 (18) If the supply of gasoline to Iran is re-
16 stricted, the impact on Iran’s economy would be con-
17 siderable.

18 (19) Diplomatic means present the most effec-
19 tive way to defuse the crisis regarding the Iranian
20 nuclear program.

21 **SEC. 3. AMENDMENTS TO THE IRAN SANCTIONS ACT OF**

22 **1996.**

23 (a) EXPANSION OF SANCTIONS TO REFINED PETRO-
24 LEUM.—Section 5(a) of the Iran Sanctions Act of 1996
25 (50 U.S.C. 1701 note) is amended to read as follows:

1 “(a) SANCTIONS WITH RESPECT TO THE DEVELOP-
2 MENT OF PETROLEUM RESOURCES OF IRAN AND EXPORT
3 OF REFINED PETROLEUM TO IRAN.—Except as provided
4 in subsection (f), the President shall impose two or more
5 of the sanctions described in paragraphs (1) through (6)
6 of section 6 if the President determines that a person has,
7 with actual knowledge—

8 “(1) on or after the date of the enactment of
9 this Act, made an investment of \$20,000,000 or
10 more (or any combination of investments of at least
11 \$5,000,000 each, which in the aggregate equals or
12 exceeds \$20,000,000 in any 12-month period), that
13 directly and significantly contributed to the enhance-
14 ment of Iran’s ability to develop petroleum resources
15 of Iran; or

16 “(2) on or after December 31, 2007, provided
17 Iran with refined petroleum resources or engaged in
18 an activity that could contribute to the enhancement
19 of Iran’s ability to import refined petroleum re-
20 sources.”.

21 (b) PRESIDENTIAL WAIVER.—Section 9(c)(2)(C) of
22 such Act is amended by striking “section 5(a) or section
23 5(b) to Iran’s ability to, respectively, develop its petroleum
24 resources or its weapons of mass destruction or other mili-
25 tary capabilities” and inserting “section 5(a)(1), section

1 5(a)(2), or section 5(b) to Iran’s ability to, respectively,
2 develop its petroleum resources, enhance its ability to im-
3 port refined petroleum resources, or develop its weapons
4 of mass destruction or other military capabilities”.

5 (c) REPORTS ON UNITED STATES EFFORTS TO CUR-
6 TAIL THE EXPORT OF REFINED PETROLEUM TO IRAN.—
7 Section 10 of such Act is amended by adding at the end
8 the following new subsection:

9 “(d) REPORTS ON REFINED PETROLEUM EXPORTS
10 TO IRAN.—Not later than January 30, 2008, and every
11 six months thereafter, the President shall transmit to the
12 appropriate congressional committees a report on any per-
13 son who has provided Iran with refined petroleum re-
14 sources or any activity by any person that could contribute
15 to the enhancement of Iran’s ability to import refined pe-
16 troleum resources. For each such activity, the President
17 shall provide a description of such activity and what steps
18 the United States has taken to respond to such activity.”.

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