deliver one of the greatest speeches in the history of mankind.

Scholars indicate that President Abraham Lincoln knew and recited the very speech I just alluded to. The American author Washington Irving wrote of Emmet, and many schoolchildren across our country memorized parts of the speech I just referred to. I, myself, learned of that passage during time spent at my high school, my alma mater, Power Memorial Academy in New York City.

Emmet and his speech also had a real and concrete impact on our own American history. In fact, organizations called the Emmet Monument Association sprung up in the United States. Their goal was to build a burial monument to Emmet on which that promised epitaph, one day, could be written. Since Emmet had requested that Ireland be free before his epitaph were written, these were really Fenian freedom organizations.

□ 1815

Over the years, these and other organizations were supported by countless Americans not only in New York, Boston, and Washington, D.C., but throughout our land, Irish and non-Irish alike. Their work was the precursor to later American roles in the struggle for Ireland's independence, and their presence played a major part in American political life for many, many, many decades.

When the Emmet statue was moved to its current location 50 years ago, many leading American figures served on the bipartisan dedication committee, including then-Speaker of the House John W. McCormack and Senators Everett Dirksen and Mike Mansfield. They were joined by the Secretary of the Interior Stewart Udall and Rector of St. Matthews Catholic Cathedral, John Cartwright.

President Lyndon Johnson also conveyed his admiration for Emmet in a message to the event writing, '' . . . the sheer patriotism and the gallant courage of Robert Emmet has inspired Americans no less than Irishmen . . . We Americans are proud to accord a place of honor here in the Nation's Capital to Robert Emmet, whose struggles and sacrifices bespeak the yearnings of mankind throughout the ages.''

Mr. Speaker, it is clear that Congress and the U.S. Government have long recognized the significance of this park and its central statue in keeping alive not only the memory of Robert Emmet but the ideals that he fought and what he was executed for.

I hope we can continue that record and the bipartisan cooperation here today by passing this legislation. This bill doesn't require spending funds. It doesn't require undue efforts. It doesn't significantly rearrange any current setup of the park or the park system. It would simply attach the name ''Robert Emmet Park'' to the existing small piece of land where that statue rests.

I respectfully urge its passage.

In closing, I thank the members and staff of the Natural Resources Committee for their work and their support of this measure. I greatly appreciate their work in ensuring that this is on the floor and that the bill passes today.

I can't do enough justice to the life of Robert Emmet, nor his brother, Thomas, for that matter, and all those who followed afterwards. He was an incredible inspiration, as I said, not only to Ireland but well beyond the shores of Ireland as well, including the United States of America.

Mr. HUFFMAN. Mr. Speaker, I have no additional speakers, and I reserve the balance of my time.

Mr. DENHAM. Mr. Speaker, I yield back the balance of my time.

Mr. HUFFMAN. Mr. Speaker, in closing, I would just like to thank Mr. CROWLEY for offering this important issue. It is important to Irish heritage, and it certainly deserves the recognition as a park right here in our local area of Washington, D.C.

I yield back the balance of my time.

The SPEAKER pro tempore (Mr. YOUNG of Iowa). The question is on the motion offered by the gentleman from California (Mr. DENHAM) that the House suspend the rules and pass the bill, H.R. 4564.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PROHIBITING FUTURE RANSOM PAYMENTS TO IRAN ACT

GENERAL LEAVE

Mr. ROYCE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and to include any extraneous materials they might want to include on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 879 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 5931.

The Chair appoints the gentleman from Oklahoma (Mr. RUSSELL) to preside over the Committee of the Whole.

□ 1820

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 5931) to provide for the prohibition on cash payments to the Government of Iran, and for other purposes, with Mr. RUSSELL in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentleman from California (Mr. ROYCE) and the gentleman from New York (Mr. ENGEL) each will control 30 minutes.

The Chair recognizes the gentleman from California.

Mr. ROYCE. Mr. Chairman, I yield myself such time as I may consume.

I raise this issue because, on three occasions now, we have had the transfer of pallets of cash to the Government of Iran, and this legislation would make certain that that does not happen again.

The reason we do not want to pay cash to the Government of Iran has to do with all of the efforts that the international community has put into trying to track the conduct of that regime, which is a primary money laundering concern for the international financial community, and for the fact that particular government in Iran, the Iranian Revolutionary Guard Corps, has been the primary source of cash support for Hamas in the past and also today for Hezbollah.

We could add to that the work of the IRGC in trying to get parts for their ballistic missile program as their agents are out and about Europe trying to buy this equipment.

It is not in the interest of the United States to have the regime have cold, hard cash. So this legislation would put an end to that.

As the Members of the House will recall, the President announced in January that the United States would pay Iran $1.7 billion to settle a dispute involving a 1979 arms deal. This payment came out of the blue.

From the start, by the way, Iranian military commanders were saying that a hostage exchange, which I think most of us originally assumed, was going to be nine prisoners who were in the process of being convicted in the United States, of Iranian nationality, were going to be exchanged for the four hostages, the four Americans, that Iran was holding.

Yet, from the beginning, as this was announced, you saw the Iranian Revolutionary Guard Corps speaking to this issue saying there was going to be a transfer of cash. Basically, there was going to be a ransom payment here in exchange for letting the Americans go.

Well, it turns out that, after months of pressing from the Foreign Affairs Committee and the media, the Obama administration finally admitted that it had ignored the concerns from the Justice Department.

Now, what was the Justice Department's concerns? It had to do with the way in which the payment was being made. It had to do with the transfer of cash.

As the Justice Department said, there is a longstanding U.S. policy against this process. Why? Because when you do so, you can expect to get more of the same kind of action from a state like Iran.

Indeed, once the $1.7 billion in these three tranches of cash were paid, the

result, after the release of Americans held hostage in Iran and after they announced in Iran that this was linked to these pallets of cash, then they took three more American hostages. They detained three more Americans and held them, plus a Canadian, plus a Frenchman, and a Brit. So, not surprisingly, I guess, Iran is continuing in this behavior.

I think now the administration claims also that cash was the only way they could do this particular transaction, but that is simply not true. It could have permitted a transaction to go through the international financial system. How do we know this? Because they were making other payments through the international financial system to Iran as sanctions were being lifted through the proper procedure there.

Just this week, the Treasury Department confirmed that other recent transactions with Iran were conducted through traditional banking channels.

I think the reason this was done in pallets of cash, in my opinion, was because that is what the Iranians were demanding. The reason I think that is because that is what they are saying in terms of their television coverage of this.

So the administration did choose to deliver $1.7 billion in untraceable assets to Iran's radical regime. And that is problematic when the international body charged with developing policies to combat money laundering and combat terrorism financing tells us that, in their words, physical transportation of currency is one of the main methods used to move criminal assets, to launder money, and—to me, most importantly—to ''finance terrorism.''

I believe that, again, that is why the Iranian regime wanted the cash. It is not a coincidence to me that the desire for cash comes just as this committee's legislation to crack down on banks that finance Hezbollah is having an impact. What kind of an impact? We have made it very, very hard for those in Hezbollah and Hamas to now get their hands on the support that previously had come through Iran.

Iran and its proxies need cash, and we should not be transferring it to them. So this legislation, which passed out of the Foreign Affairs Committee last week, has two core elements: One, it prohibits future cash payments for any reason to Iran. And, two, it demands transparency and advanced notification of any future settlements related to the U.S.-Iran Hague Tribunal so that the Congress is not surprised again.

It poses a fundamental question: Are we comfortable providing Iran, the world's leading state sponsor of terrorism that is fueling a bloodbath in Syria, with billions of dollars in cash that they can turn around and funnel to the Assad regime, to Hezbollah, and to Hamas? I think, for all Members, the answer to that question is clear.

I would urge an ''aye'' vote on this bill.

I reserve the balance of my time.

Mr. ENGEL. Mr. Chairman, I yield myself such time as I may consume, and I rise in opposition to this bill.

Let me start by underscoring my respect and admiration for our chairman of the Foreign Affairs Committee and my friend, ED ROYCE. It is unusual that we debate a Foreign Affairs bill subject to a rule because the vast majority of our legislation is the product of strong bipartisan collaboration.

So I regret that the bill we are debating today doesn't have support across the aisle, and all you need to do is read the bill's title to know what I mean. There were 50 Republican sponsors and no Democrats. We really weren't part of putting this bill together. And again and again in the bill, we see the word ''ransom.''

Now, I know that some of my colleagues and the chairman believe sincerely that the latest payment to Iran was a ransom. I happen to disagree. I think holding Iran's money until Iran released American detainees was a pretty shrewd bargain. Whatever we think, using the word ''ransom'' turns this bill into a political hot button, a poke in the eye of the administration.

Now, I don't like or trust the Government of Iran. I voted against the Iran bill last year, and it is no secret that I have some differences with the President's Iran policy. But I do know that pushing legislation just to embarrass the White House won't help to resolve those differences we might have.

□ 1830

I also question the bill's focus on cash. Look, I share the view that any sum dumped into Iran's bank account may be put to bad use. But, Mr. Chairman, I would have that concern whether the money got to Iran via cash, check, wire transfer, or stacks of gold bars. Money is money; it is fungible. We have no way of knowing what happens to it once it is in Iran's hands. We can guess, but we have no way of knowing.

Does that irk me? Sure, it does. Iran's leaders do all sorts of things that irk me and, more important, that make the world less safe. But whether we like it or not, the payment we are talking about was Iran's money. We paid it as part of a settlement under the Algiers Accords, which the United States signed in 1981. We have been making payments like this for decades—under Ronald Reagan, under George H.W. Bush, and now under Barack Obama—and in that time, regardless of how we sent the money, we haven't had any control over what Iran does with it. I agree, it is deeply frustrating because we know what Iran is up to.

We can't control that, Mr. Chairman. But there are some things we can control. For instance, I agree with Chairman ROYCE that the way we found out about this payment gave Congress short shrift. We did receive a briefing, but we did not learn how and when the payment was going forward. Congress can, and should, make sure that happens with respect to future payments. That is what my amendment does, which I am going to introduce.

In my view, that is what the Committee on Foreign Affairs would have done if we had advanced this bill according to our normal bipartisan process. Again, as I said, there was no input from the minority. It comes to the floor with 50 Republican cosponsors and not a single Democrat. I am not able to support the bill because, to me, it puts political concerns ahead of our legitimate concerns. I share the chairman's feelings about Iran. I don't think there is a dime's worth of difference between our feelings with Iran. It is simply a matter of what is the best way to go about doing it. I don't think this is the best way.

Mr. Chairman, I reserve the balance of my time.

Mr. ROYCE. Mr. Chairman, I yield myself such time as I may consume.

I would make the point that, as we talk about whether Iran took possession of this money in cash or by check, that transaction is immaterial. I understand the argument here, but let me explain why I do not think that holds true with respect to the process here.

There are other options that could have been followed, that have been followed by the international community when payment is made. For example, the administration could have held the funds in an escrow account overseas, verified that the end recipients of the funds were, in Iran, not sanctioned entities, like the Islamic Revolutionary Guard Corps.

By providing cash, the administration is doing the work for the Iranians that they need done in terms of preparatory work for money laundering. That is the problem. That is the problem with the way this was done. Cash transactions, in and of themselves, raise serious terrorism financing risks, according to the Financial Action Task Force; and that is the official body, international body, that sets the global standards for preventing money laundering and is most focused on stopping terror finance. What they say, again, is that the physical cross-border transportation of currency is the main method used to move illicit funds, to launder money, and to finance terrorism. That is why we want to cut off cash.

These risks are particularly acute here because the State Department has identified Iran as the leading state sponsor of terrorism and as the country that is actively supporting terrorist organizations with cash, such as Hezbollah, Hamas as well, and then also assisting Syrian President Assad in his murderous assault on civilians. So that is the first point I would make.

Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. YOUNG), a member of the Committee on Appropriations.

Mr. YOUNG of Iowa. Mr. Chairman, I thank Chairman ROYCE for his leadership on this issue. I rise in support of this legislation, the Prohibiting Future Ransom Payments to Iran Act, of which I am a proud cosponsor.

Last month, Mr. Chairman, information came to light the administration secretly paid a cash ransom to Iran, a state sponsor of terrorism, in exchange for the release of American hostages, a decision kept secret from Congress, a decision kept from Congress because, as this administration and its own State Department know well, it is longstanding U.S. policy to deny hostage-takers the benefits of ransom.

In fact, just last year, President Obama issued a Presidential Policy Directive stating just that: ''The United States Government will make no concessions to individuals or groups holding U.S. nationals hostage. It is United States policy to deny hostage-takers the benefits of ransom, prisoner releases, policy changes, or other acts of concession.''

I fear this President has set a dangerous precedent for United States nationals and personnel abroad. We are already seeing it, Mr. Chairman. Since the ransom has been paid, Iran has taken seven more United States citizens hostage.

This decision was not only foolish, but shortsighted. I have yet to mention where this money is likely to go. Iran has been designated as a state sponsor of terrorism by the U.S. State Department since 1984. It has supported groups like Hezbollah and Hamas, which call for the destruction of our allies, including Israel.

The President would understandably like to deny ransom was paid and instead claim this was simply leverage and part of a settlement deal that he struck with the same Iranians who, by his own admission, have violated the spirit of his generous agreements before. For someone who holds the spirit of pledges in such high esteem, Mr. Chairman, I don't think even the President could disagree that, at the very least, he violated the spirit of his own policy.

This administration's desire to appease a radical Iranian regime knows no bounds. Though the President stands idly by as the Iranians violate the terms of their agreement with the United States, Congress must not stand idly by while he violates his own deal with the American people.

I thank Chairman ROYCE for his leadership on this. I urge my colleagues to support this legislation, H.R. 5931. It is time to cut off the cash.

Mr. ROYCE. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. ZELDIN), whose helpful amendment to this bill was adopted during the Committee on Foreign Affairs' markup.

Mr. ZELDIN. Mr. Chairman, I thank Chairman ROYCE and rise in support of his legislation, Prohibiting Future Ransom Payments to Iran Act, which I cosponsored, to prohibit ransom payments to Iran, the largest state sponsor of terror.

Iran calls America the Great Satan and pledges death to America. Iran is illegally test-firing ICBMs. They finance Assad in Syria, Hezbollah, Hamas, and other terror groups. Iran recently detained and embarrassed, publicly, U.S. Navy sailors. Iran currently is threatening U.S. Navy warships. Iran leaders do not respect American weakness—they prey upon it—and the U.S. is feeding into it, like the unsigned political commitment otherwise known as the Iran nuclear deal. Purchasing Iran's heavy water didn't help. Speaker RYAN has aptly pointed out, Secretary Kerry has been a shill for Iran, as if he is the president of the Tehran Chamber of Commerce.

I am deeply troubled that earlier this year the Obama administration airlifted a cash ransom payment at the exact same moment as the release of four unjustly detained American hostages. Some people blindly loyal to this President will say that this was Iran's money. No, it wasn't. This was a disputed claim for decades, and for very good reason. In the late 1970s, Iran fell behind in their payments under the Foreign Military Sales program. Iran canceled their orders, overtook our Embassy, and then repudiated all foreign obligations.

Not only have we been disputing Iran's claim for $400 million, we had counterclaims against Iran, including one for $817 million. In fact, a Federal law from 2000 details a very specific requirement regarding payments to Iran from the FMS account, which was directly violated by the ransom payment to Iran.

Between the 1979 Iranian Revolution and the 2000 law, U.S. victims of Iranian-sponsored terrorism sued the Iranian Government in U.S. court with claims caused by Iran's terrorism. The claims were paid by the U.S. Government. These claims were subrogated to the U.S., meaning that their claims against Iran became the U.S.' claims against Iran.

The 2000 law clearly states that ''no funds shall be paid to Iran, or released to Iran . . . from the Foreign Military Sales Fund, until such subrogated claims have been dealt with to the satisfaction of the United States.''

Yet President Obama paid Iran the full $400 million amount from the FMS fund, plus more than three times that amount in interest, a total of $1.7 billion in cash, in violation of the 2000 law. You can call a ransom payment leverage. But guess what, folks; it is still ransom. And why don't we pay ransom? Because now, with the price paid on American hostages, Iran has now captured new, unjustly imprisoned American hostages.

Passage of this bill is critically important, and I thank Chairman ROYCE for his unyielding, inspiring leadership on this issue to hold Iran accountable.

Mr. ROYCE. Mr. Chairman, I yield myself such time as I may consume.

The argument that the gentleman from New York (Mr. ZELDIN) was making is based on the counter to this argument that the administration has made. What the administration has said is: Look, Iran says we owe them $400 million. We will impute the interest on that. The interest on the $400 million is $1.3 billion. Thus, we get to the $1.7 billion that the tribunal says we owe, and we will pay that in three tranches.

The only way you get to that number, as Mr. ZELDIN has pointed out, is if you ignore the fact that in 2000, pursuant to a law signed by President Clinton, American taxpayers provided $400 million, the same amount as in the FMS trust fund, to U.S. citizens who had won judgments against Iran for its support of terror. So the United States Government then took on their $400 million in claims against Iran. So, in fact, those two sums should have been netted out.

In fact, according to this law, the Victims of Trafficking and Violence Protection Act, the President was required to attempt to recover that money, that $400 million from Iran, to the satisfaction of the United States. As part of this settlement, we are just finding out—get this—we are just finding out that the administration is letting Iran off the hook for the $400 million plus interest. These sums would have netted out to zero.

According to the State Department, the administration has agreed to no longer pursue that $400 million claim against Iran plus interest. Why? Why? And that is why this bill is so important, because it brings much-needed transparency to the U.S.-Iran Claims Tribunal by allowing Congress to see what claims each side has filed when they are likely to come in front of the tribunal and the likelihood that either Iran or the United States will prevail.

So again, what I am concerned happened here is because of the push from Iran—and we need pushback against this. So Iran comes in at the eleventh hour of this deal and says: Wait a minute. We want this $400 million in cash plus we want the interest. We are going to the tribunal. That is the decision from the tribunal. And then we give up on the counterclaim for the same amount. That is the concern here.

Mr. Chairman, I reserve the balance of my time.

Mr. ENGEL. I yield myself such time as I may consume.

Mr. Chairman, in closing, let me say this: None of us likes the Government of Iran. None of us likes the idea of making payments to Iran, but this bill imposes a blanket ban on most forms of payment of our international obligations.

Let me just say that the Algiers Accords, which were signed 35 or 40 years ago, President Ronald Reagan, and President George H.W. Bush did the same thing that President Obama is doing now by making payments to

Iran. There are things that gall us, but there are international obligations that we really have to follow through with.

□ 1845

It wasn't a matter and isn't a matter of giving money for hostages. We know this was part of a larger transaction. In fact, it was Iran's money that we held back; and we didn't release their money until we knew that those hostages were free. So I think it was pretty shrewd on our part to wait and use their money to hold back until the hostages were released.

Again, I think the Government of Iran is a terrible government. I think there are lots of things we could and should be doing together to put the skids on them. And we will be developing legislation together. But this legislation, to me, is more about poking a finger in the eye of the President and the eye of the administration by using words like ''ransom'' and saying all kind of things.

That is not really what we should be doing. We should be working together to find bipartisan solutions to check Iran, which nobody here will say is a good actor—certainly not me—one of the worst actors in the world, a leading sponsor of terrorism. But the United States has to fulfill international obligations, and we will do that, and we will do it at the same time we are countering Iran and making sure that it doesn't get away with its aggression and all the other horrific things the Government of Iran does. So I have to oppose this bill.

Mr. Chair, I yield back the balance of my time.

Mr. ROYCE. Mr. Chair, it looks as though I have one more Member who has arrived and wishes to speak on this measure. I yield 3 minutes to the gentleman from New Jersey (Mr. LANCE), a member of the Committee on Energy and Commerce.

Mr. LANCE. I thank Chairman ROYCE for his leadership on this extremely important issue.

Mr. Chair, I rise in strong support of H.R. 5931, the Prohibiting Future Ransom Payments to Iran Act.

It is a sad day when the American people see their tax funds being given to the world's most notorious financier of international terrorism. This legislation puts an end to it. And it is taxpayer funds. That was the original purpose in the 1970s. Since then, the Iranian regime has sponsored state terrorism across the globe.

The total now stands at $1.7 billion that this administration has handed over to Iran. And despite weeks of denial after denial, the administration has finally acknowledged that these cash shipments to Iran were leveraged for the release of four innocent Americans unlawfully held by Tehran. I translate the term ''leverage'' to mean ransom.

We already know that the world is less safe based upon the nuclear agreement with Iran and that we are catering to Iran's demands. I believe that the $1.7 billion to Iran sets a dangerous precedent that a terrorist network convicted in our courts can escape compensating U.S. victims.

There have been quite a few victims who were compensated in our courts, and those amounts of money have never been paid to the victims' families. The cash payments shipped in the middle of the night to Iran should instead have gone to the loved ones of those murdered by the Iranian regime.

The bill would stop the flow of funds to the terrorist networks long supported by Iran. I fear it may be inevitable that these funds would make their way to some of the world's worst actors. It is a risk we shouldn't have taken, and this legislation would ensure that it cannot happen again not only regarding this administration—this administration is going out of office and there will be a new President and a new administration come January—but this legislation goes well beyond the remaining months in office of this administration.

This is excellent legislation, regardless of which political party controls the White House, the executive branch, the State Department.

All of us should honor the judgments that have been rendered in courts of law for those who have lost their lives in acts of terrorism where the responsibility has been adjudicated in our courts of law. And it is to that end that Chairman ROYCE and the Foreign Affairs Committee and many others of us in the Congress have been involved in this issue.

The Prohibiting Future Ransom Payments to Iran Act is needed, and I urge its passage.

Mr. ROYCE. Mr. Chair, I yield 3 minutes to the gentleman from Louisiana (Mr. SCALISE), the esteemed majority whip.

Mr. SCALISE. Mr. Chairman, I want to thank the gentleman for yielding and for his leadership in bringing this bill to the floor.

Mr. Chairman, back in June of 2015, President Obama said: ''It is United States policy to deny hostage-takers the benefits of ransom, prisoner releases, policy changes, or other acts of concession.''

That was back in 2015. Of course, just 6 months later, President Obama released seven Iranians and sent $400 million in cash to Iran in exchange for Americans held hostage.

When the initial word came out that $400 million was sent in unmarked bills on an unmarked plane to, in essence, exchange that money for American hostages, it sent a chilling signal all across the world. Not only was the administration completing a prisoner swap, but the administration was actually cowering to the Iranians' request for a cash payment.

$400 million was converted into European currency, flown through Geneva, and then transferred to Iran just as the American hostages were released. But what we heard from the White House were denials, actually calling us out, saying it wasn't a ransom payment, despite the clearly coordinated series of events.

Mr. Chairman, nonetheless, we learn that the President's own Justice Department warned that this cash payment would signal a change in U.S. ransom policy and, of course, the Iranians themselves consider it a ransom payment. In fact, the Iranians bragged that they received cash ransom from the United States.

Nonetheless, the administration continues to refuse to confront this problem and how it actually makes America less safe. And we have seen that play out. Since this hostage ransom payment, more Americans and other Westerners have been taken hostage because the President put a bounty on the heads of Americans and other Westerners.

We have also learned there is another $1.3 billion sent to Iran in cash. The administration said that there was no other way to send the payment; that they couldn't wire it. But, of course, since then, we have learned that there have been wire transfers made to Iran. So the President continued to mislead the American people about this serious breach of American protocol as it deals with Iran.

Now, a serious question to ask is: Where is that $1.7 billion going? And not if, but how much of that $1.7 billion is going to end up in the hands of Hezbollah, Hamas, and other terrorist organizations?

After all, Iran is the largest state sponsor of terror.

I think these are all important questions that need to be answered, Mr. Chairman. So all of these serious questions need to be answered by the administration, which has continued throughout this entire process of misleading the American people about what really happened. And the American people are demanding answers.

This bill by Chairman ROYCE is a serious response to stop these kinds of cash ransom payments from ever happening again to make America less safe. I appreciate all of my colleagues voting for this.

Mr. ROYCE. Mr. Chair, I yield myself such time as I may consume.

In summation, Mr. Chairman, throughout negotiations on the President's nuclear deal, the Foreign Affairs Committee held scores of briefings and hearings and meetings with the Obama administration on Iran.

So if the goal of this settlement was only to put to rest a decade-old excuse over an abandoned arms sale, why the secrecy? And why the secrecy, especially, about transferring this in pallets of cash?

I believe what happened here was that Iran, at the eleventh hour, demanded this cash payment and we ended up acquiescing.

And why ignore your own lawyers?

That is the other real question, to me. The head of the Justice Department's National Security Division warned that Iran would see it as a ransom and respond by taking more American hostages. And that is exactly what happened. They held the cash until the hostages left Iran that day. Even the State Department calls it leverage. It was textbook ransom. The Iranians viewed it as a ransom. They bragged about it. And now 3 more Americans have been taken hostage.

In an interview just yesterday, President Rouhani said Iran is actively engaged in negotiations with the Obama administration to get more money. And that is why the bill in front of us today does two things: it provides more transparency regarding the Iran-U.S. Claims Tribunal and it prohibits cash payments to the Government of Iran, the world's leading state sponsor of terrorism, for any reason.

Remember, as international authorities have made clear, the physical transportation of currency—that means cash—is one of the main methods used for the purpose of money laundering and to finance terrorism.

So, once again, all Members must ask themselves today one important question: Are you comfortable providing Iran, the world's leading state sponsor of terrorism, with billions of dollars in cash that they can turn around and funnel to the Assad regime, to Hezbollah, and to Hamas?

Mr. Chairman, the answer is clear. And I ask all Members to support this legislation.

Mr. Chair, I yield back the balance of my time.

Mr. WILSON of South Carolina. Mr. Chair, I am grateful to be a co-sponsor of H.R. 5931, to prohibit future cash payments to Iran.

In January, the President made a $1.7 billion cash payment along with the dangerous Iranian Nuclear Deal. After months of questions from the Foreign Affairs Committee about the deal and other leaders, we are just now getting the truth—

The payment was a ransom for four Americans who sat on a runway until the currency was en route.

The payment was made in cash—provided in pallets of untraceable foreign currency easily provided to murderous terrorists.

The Administration claimed cash was the only way to pay the ransom, yet the Treasury Department stated that the U.S. has made payments to the Iranian government via wire transfer in the past year.

As a leading state sponsor of terrorism, a cash payment to Iran will almost certainly go to finance terrorist activities, putting American families at risk.

Needless to say, the cash payment to the Iranian regime is a dangerous precedent that puts American families at risk. Last week, I sent a letter to the Treasury Department's Acting Under Secretary for Terrorism and Financial Intelligence asking what steps his office took to ensure the cash ransom did not go to finance terrorism. I am still awaiting response.

I appreciate the leadership of Chairman ED ROYCE for sponsoring this legislation and for his work to stop the dangerous practice of providing cash to state sponsors of terrorism threatening American families.

I urge my colleagues to vote in support of this crucial legislation.

Mr. CONNOLLY. Mr. Chair, I rise in opposition to this legislation, which is not a product of bipartisan collaboration as is the tradition of the House Foreign Affairs Committee.

The facts of this case are simple. Unfortunately, they have been muddied by election year politics and a lack of careful deliberation on this matter.

In 1979, U.S. weapons sales to Iran were interrupted by the Iranian revolution, and $400 million worth of American weapons that were paid for by Iran were never delivered.

In December 2015, the U.S. and Iran settled the claim over the weapons sale for $1.7 billion, including $1.3 billion in interest.

Payment of the claim on January 16, 2016 coincided with Implementation Day of the Joint Comprehensive Plan of Action (JCPOA) and the release of four Americans detained in Iran.

The settlement was announced the next day, and Congress was briefed on the payment.

For eight months this settlement was not the emergency it has somehow become.

And now with less than 50 days until the election we have rushed this legislation to the Floor without any input from the Minority.

We did not even bother to have a hearing on this subject, which the Majority obviously views as important.

In fact, the hearing on the settlement payment was scheduled for this week, after we marked up this bill in Committee last week.

The hearing was subsequently cancelled, which was probably for the best.

The Committee might have looked a little foolish sending a bill to the Floor to be voted on and then seeking out the facts of the case in a hearing.

Point, shoot, aim, should not the manner in which Congress conducts U.S. foreign policy.

Perhaps we should go back to the drawing board and try to move forward in a bipartisan fashion.

That is how the House Foreign Affairs Committee functions best.

It is how we passed Iranian sanctions to bring Iran to the negotiating table.

It is how we have gone after Iran's financing of Hezbollah.

And it is how we should continue to confront the legitimate challenges Iranian behavior poses to security and stability in the world.

This legislation is not in keeping with that successful tradition, and I must oppose it.

The CHAIR. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

In lieu of the amendment in the nature of a substitute recommended by the Committee on Foreign Affairs, printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the 5-minute rule an amendment in the nature of a substitute consisting of the text of Rules Committee Print 114–64. That amendment in the nature of a substitute shall be considered as read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 5931

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Prohibiting Future Ransom Payments to Iran Act''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Since 1979, when it held more than 50 United States citizens for 444 days, Iran has repeatedly held United States citizens hostage.

(2) Presidential Policy Directive 30 issued by President Barack Obama on June 24, 2015, states that ''It is United States policy to deny hostage-takers the benefits of ransom, prisoner releases, policy changes, or other acts of concession.''.

(3) On January 17, 2016, the President announced that Iran would release several United States citizens while the United States would grant clemency to and release seven Iranian nationals serving sentences or awaiting trial in the United States for serious crimes.

(4) Senior officials of the Department of State have acknowledged that these United States citizens were released as part of a ''prisoner swap'' and Iranian negotiators reportedly asked for a cash payment.

(5) On January 17, 2016, the President also announced that ''The United States and Iran are now settling a longstanding Iranian government claim against the United States Government.''.

(6) The overall amount of the settlement is approximately $1,700,000,000.

(7) Subsequent reports revealed that $400,000,000 of this $1,700,000,000 settlement was secretly flown to Iran, in cash, simultaneously with the release of these United States citizens.

(8) One of the United States citizens released that night, Pastor Saeed Abedini, has stated that Iranian officials explained a delay in their departure was due to the status of another plane.

(9) Senior officials at the National Security Division of the Department of Justice reportedly objected to the $400,000,000 cash payment, warning that Iran would see it as a ransom.

(10) On August 18, 2016, a Department of State spokesman admitted that the $400,000,000 cash payment was ''leverage'' to gain the release of Americans held hostage by Iran.

(11) Iranian State Television quoted General Mohammad Reza Naghdi, commander of the Basij militia, as claiming ''Taking this much money back was in return for the release of the American spies.''.

(12) According to Presidential Policy Directive 30, the United States policy against paying ransom and releasing prisoners ''protects United States nationals and strengthens national security by removing a key incentive for hostage-takers to target United States nationals, thereby interrupting the vicious cycle of hostage-takings, and by helping to deny terrorists and other malicious actors the money, personnel, and other resources they need to conduct attacks against the United States, its nationals, and its interests.''.

(13) Since the United States released Iranians serving sentences or awaiting trial in the United States for serious crimes and provided Iran with $400,000,000 in cash, Iran has taken several more United States citizens hostage.

(14) On August 22, 2016, the Department of State issued an ''Iran Travel Warning'' noting that ''Iranian authorities continue to unjustly detain and imprison U.S. citizens, particularly Iranian-Americans, including students, journalists, business travelers, and academics, on charges including espionage and posing a threat to national security.''.

(15) The Government of the United States has designated Iran as a state sponsor of terrorism since 1984 and a jurisdiction of primary money laundering concern since 2011.

(16) The Department of State's most recent Country Reports on Terrorism makes clear that ''Iran continued its terrorist-related activity in 2015, including support for Hizballah, Palestinian terrorist groups in Gaza, and various groups in Iraq and throughout the Middle East.''.

(17) In announcing Iran's designation as a jurisdiction of primary money laundering concern,

the Department of the Treasury made clear that ''any and every financial transaction with Iran poses grave risk of supporting'' Iran's ongoing illicit activities, including terrorism.

(18) On March 17, 2016, the Department of State acknowledged in a letter to Congress that there remain some ''large claims'' pending before the Iran-United States Claims Tribunal, ''many of which are against the United States''.

SEC. 3. STATEMENT OF POLICY.

It shall be the policy of the United States Government not to pay ransom or release prisoners for the purpose of securing the release of United States citizens taken hostage abroad.

SEC. 4. PROHIBITION ON CASH PAYMENTS TO THE GOVERNMENT OF IRAN.

(a) PROHIBITION.—Notwithstanding any other provision of law, beginning on the date of the enactment of this Act, the United States Government may not provide, directly or indirectly, promissory notes (including currency) issued by the United States Government or promissory notes (including currency) issued by a foreign government, to the Government of Iran.

(b) LICENSING REQUIREMENT.—

(1) IN GENERAL.—Beginning on the date of the enactment of this Act, the conduct of a transaction or payment in connection with an agreement to settle a claim or claims brought before the Iran-United States Claims Tribunal may be made only—

(A) on a case-by-case basis and pursuant to a specific license by the Office of Foreign Assets Control of the Department of the Treasury; and

(B) in a manner that is not in contravention of the prohibition in subsection (a).

(2) PUBLICATION IN FEDERAL REGISTER.—The President shall publish in the Federal Register a list of transactions and payments, including the amount and method of each such transaction and payment, by the United States Government to the Government of Iran in connection with the agreement described in paragraph (1).

(c) TERMINATION.—The prohibition in subsection (a) and the licensing requirement in subsection (b) shall remain in effect until the date on which the President certifies to the appropriate congressional committees that—

(1) the President has rescinded a preliminary draft rule or final rule (as in effect on the day before the date of the enactment of this Act) that provides for the designation of Iran as a jurisdiction of primary money laundering concern pursuant to section 5318A of title 31, United States Code; and

(2) the Secretary of State has removed Iran from the list of countries determined to have repeatedly provided support for acts of international terrorism under section 6(j) of the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act), section 40 of the Arms Export Control Act, section 620A of the Foreign Assistance Act of 1961, or any other provision of law.

(d) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means—

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

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

SEC. 5. REPORT ON OUTSTANDING CLAIMS BEFORE THE IRAN-UNITED STATES CLAIMS TRIBUNAL.

(a) REPORT.—The President shall submit to the appropriate congressional committees a report that lists and evaluates each outstanding claim before the Iran-United States Claims Tribunal.

(b) MATTERS TO BE INCLUDED.—The report required under subsection (a) shall include the following:

(1) The total value of each outstanding claim.

(2) The current status of each outstanding claim.

(3) The likelihood that each claim will be resolved in the next 6 months.

(c) SUBMISSION TO CONGRESS.—The report required under subsection (a) shall be submitted to the appropriate congressional committees not later than 30 days after the date of the enactment of this Act and every 180 days thereafter for a period not to exceed 3 years.

(d) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means—

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

(2) the Committee on Foreign Relations of the Senate.

SEC. 6. NOTIFICATION AND CERTIFICATION RELATING TO SETTLEMENTS OF OUTSTANDING CLAIMS BEFORE THE IRAN-UNITED STATES CLAIMS TRIBUNAL.

(a) NOTIFICATION.—The President shall notify the appropriate congressional committees not later than 30 days prior to conducting a transaction or payment from the Government of the United States to the Government of Iran in connection with an agreement to settle a claim or claims brought before the Iran-United States Claims Tribunal.

(b) MATTERS TO BE INCLUDED.—The notification required under subsection (a) shall include the following:

(1) The total amount of the settlement, including the total principal and interest, and an explanation of the calculation of the interest.

(2) A legal analysis of why the settlement was made, including a detailed description of all claims and counter-claims covered by the settlement.

(3) A certification by the President that the settlement is not a ransom for the release of individuals held hostage by Iran.

(4) An identification of each entity of the Government of Iran that will receive amounts from the settlement.

(5) A certification that the funds provided to Iran under the settlement will not be used to provide support to foreign terrorist organizations, the regime of Bashar al-Assad, or other destabilizing activities.

(6) Whether an equal amount of Iranian funds are available and accessible in the United States to satisfy judgments against Iran by victims of Iranian-sponsored terrorism.

(7) A copy of the settlement agreement.

(8) A description of the disposition of any related claims that have been subrogated to the United States Government.

(9) A certification that the settlement is in the best interest of the United States.

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

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

(2) the Committee on Foreign Relations of the Senate.

SEC. 7. EXCLUSION OF CERTAIN ACTIVITIES.

Nothing in this Act shall apply to any activities subject to the reporting requirements of title V of the National Security Act of 1947.

SEC. 8. RULE OF CONSTRUCTION.

Nothing in this Act shall be construed to authorize any payment by the Government of the United States to the Government of Iran.

SEC. 9. DEFINITIONS.

In this Act:

(1) GOVERNMENT OF IRAN.—The term ''Government of Iran'' means—

(A) the state and the Government of Iran, as well as any political subdivision, agency, or instrumentality thereof;

(B) any entity owned or controlled directly or indirectly by the foregoing;

(C) any person to the extent that such person is, or has been, or to the extent that there is reasonable cause to believe that such person is, or has been, acting or purporting to act directly or indirectly on behalf of any of the foregoing; and

(D) any person or entity identified by the Secretary of the Treasury to be the Government of Iran under part 560 of title 31, Code of Federal Regulations.

(2) IRAN-UNITED STATES CLAIMS TRIBUNAL.—The term ''Iran-United States Claims Tribunal'' means the tribunal established pursuant to the Algiers Accords on January 19, 1981, to resolve certain claims by nationals of one party against the other party and certain claims between the parties.

The CHAIR. No amendment to that amendment in the nature of a substitute shall be in order except those printed in House Report 114–781. Each such amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall be not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. ROYCE

The CHAIR. It is now in order to consider amendment No. 1 printed in House Report 114–781.

Mr. ROYCE. Mr. Chair, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 5, strike line 11 and all that follows through line 17 and insert the following:

(a) PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, beginning on the date of the enactment of this Act, the United States Government may not provide, directly or indirectly, to the Government of Iran—

(A) monetary instruments; or

(B) precious metals.

(2) DEFINITIONS.—In this subsection—

(A) the term ''monetary instruments'' has the meaning given the term in paragraph (dd) of section 1010.100 of title 31, Code of Federal Regulations; and

(B) the term ''precious metal'' has the meaning given the term in section 1027.100(d) of title 31, Code of Federal Regulations.

Page 6, after line 11, insert the following:

(c) RULE OF CONSTRUCTION.—The term ''agreement to settle a claim or claims brought before the Iran-United States Claims Tribunal'', as used in subsection (b), shall not be construed to mean a ''promissory note'', as used in the definition of ''monetary instrument'' for purposes of subsection (a).

Page 6, line 12, strike ''(c)'' and insert ''(d)''.

Page 7, line 6, strike ''(d)'' and insert ''(e)''.

The CHAIR. Pursuant to House Resolution 879, the gentleman from California (Mr. ROYCE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California.

Mr. ROYCE. Mr. Chairman, last week, when the Foreign Affairs Committee met to consider this legislation, the ranking member expressed concerns that the bill, as introduced, was too broad in our attempt to end payments to Iran in cash and cash-like equivalent. So I committed to sharpening this language as the process moves forward.

The amendment before us makes good on that commitment, using the more precise term ''monetary instrument,'' which has a much more specific definition in U.S. law, while also adding precious metals, a real concern among those who closely follow Iran.

So that is the nature of the amendment before us.

Mr. Chair, I reserve the balance of my time.

□ 1900

Mr. ENGEL. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. ENGEL. Mr. Chairman, let me, first of all, say I appreciate Chairman ROYCE's consideration of my feedback during the markup, and I know he is well-intentioned with this measure.

As he mentioned, I believe that the underlying legislation was too broad. It could have been interpreted as a ban on any payment, including wire transfers, checks, or cash. This does improve the bill.

I don't like sending money to Iran, but if we ban any payments to Iran, we would be violating our obligations under the Algiers Accords. So, the specific changes in this bill narrow the banned payments to cash and precious metals.

To me, cash is a red herring. No matter how we pay money to Iran, whether cash or wire transfer, once the money gets to an Iranian bank account, it is impossible for us to track it. We can imagine how Iranians use it, but we can't know for certain.

Whether cash or wire transfer, we can't prevent them from doing the terrible things they do. So let's not talk about the form of the payment when I think our real concern is that we don't like what Iran does with money that it legally obtains.

Additionally, my understanding is that the settlement in question required an immediate payment. So as much as it might be counterintuitive, electronic wire payments to Iran have taken months to complete, while the cash option met the terms of the settlement.

It is galling. It is nothing we like to do, but, again, we signed an agreement called the Algiers Accords, and every President, in terms of giving money back to Iran, which was legally their money, has used the rules of the Accords. President Obama is not the first President to do that. As I pointed out before, both President Reagan and President George H.W. Bush did it as well.

It takes a long time to make a wire transfer to Iran because U.S. sanctions against Iran are so powerful and so comprehensive that there are virtually no banking relationships between the United States and Iran. Therefore, a wire transfer was not an option; it would have taken too long. So in order to abide by the settlement, the U.S. Government had to make an immediate payment.

So, Mr. Chairman, that is the reason I will have to oppose this amendment, even though I appreciate that the chairman is seeking to clarify the bill and make it better.

I reserve the balance of my time.

Mr. ROYCE. Mr. Chairman, I would just make the following points. We did have another way to transfer any agreed-upon settlement without transferring pallets of cash, and we know that because the administration had made other transfers to Iran.

So this bill does not withdraw the U.S. from the Claims Tribunal or Algiers Accords. It doesn't impact that. Nor does it effectively prevent the United States from paying out awards rendered by the tribunal.

As I have indicated, we simply, with this bill, prohibit cash from being used as a payment method. If the United States has to pay Iran a tribunal award in the future, the payment should be processed through the formal financial system as the other payments to Iran have been, and that is how the Hague Tribunal payments have been handled for 35 years, and that is how it should work in the future.

But our sanctions system was designed with tribunal payments in mind. The Iran transaction sanctions regime contains a number of exemptions from the rules so that certain transactions can go forward, and, in this case, transactions for tribunal settlements are explicitly authorized and would shield any entity involved in such a transaction from liability under U.S. law.

So going back to the original argument, we are trying to perfect the bill. But at the end of the day, we can't collapse the effort because we have now had three planeloads full of cash, with pallets of cash transferred to the regime, and we can bet Iran will angle for more.

Just last night, the Iranian President asserted that considerable sums of money are under discussion to be returned in Iran. This can't happen again. This cannot happen by another pallets-of-cash shipment to the Iranian regime or the IRGC, so this amendment is important.

Mr. Chairman, I yield back the balance of my time.

Mr. ENGEL. Mr. Chairman, I yield myself such time as I may consume.

Let me respond just to some of the things that we have heard from some of our colleagues.

This was not a ransom payment. This was payment for a 30-year-old claim over a weapons shipment that was never delivered, and the United States actually got a pretty good deal in the settlement. We might have had to pay more interest if we hadn't settled and the claim had gone to judgment at the Iran-U.S. Claims Tribunal.

When the prisoners' plane was sitting on the tarmac, the administration, as I mentioned before, held up the settlement money. They couldn't find the mother and wife of one of the prisoners, Jason Rezaian from The Washington Post. Administration officials feared that, as Mr. Rezaian was being released, the Iranians were detaining his family, and this was unacceptable. The administration leveraged the settlement money, holding it up until Mr. Rezaian's family could be found and the prisoners could leave the country.

Leveraging the money, money that belonged to Iran in the first place and was going to be paid to Iran under the Algiers Accords, was smart. Can you imagine if the administration had paid the settlement anyway, even if the prisoner release was stalled? That didn't happen.

Some people are saying that the administration made payments to Iran via wire transfer before and after the ransom, so why did the ransom have to be cash? Well, the payments that were made via wire transfer before and after the settlement payments were months in the making. It takes a long time to make a wire transfer to Iran because U.S. sanctions against Iran are so powerful and so comprehensive, as I mentioned before, that there are virtually no banking relationships between the U.S. and Iran. It takes a long time to wire money to Iran.

But the requirement of the settlement was that the payment had to be immediate; therefore, a wire transfer, instead of cash, was not an option. It would have taken too long.

Let me say this. I said it before and I will say it again. Money is fungible. Whether cash, wire transfers, checks, gold, or any other form of payment, once it gets to Iran, we have no way of tracking it. So I believe this debate about cash is beside the point. Money can be moved, be used for nefarious purposes once it gets to Iran, no matter what the method.

But when we are going to make a payment to Iran pursuant to a settlement or a judgment, Congress should know about it, and I am offended that we didn't know about it. And that is why, when I introduce my amendment a little bit later on, we are going to require that Congress be informed of any kinds of transfer, not only to Iran, but to any other rogue nation, at least 5 days before.

So we should have greater oversight of these payments. I agree with that. But I don't think that we should worry about whether it was cash or some other method.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from California (Mr. ROYCE).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. POMPEO

The CHAIR. It is now in order to consider amendment No. 2 printed in House Report 114–781.

Mr. POMPEO. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 11, after line 21, add the following:

SEC. 10. PROHIBITION ON UNITED STATES GOVERNMENT PAYMENT OF RANSOM.

(a) IN GENERAL.—Except as provided by subsection (b), the President and all officers of the United States Government shall not make a payment to a government or person for the purpose of securing the release of unjustly detained individuals who are nationals of the United States or aliens who are lawfully admitted for permanent residence in the United States.

(b) EXCEPTION.—The prohibition under subsection (a) does not prohibit the United States Government from providing assistance to individuals who are nationals of the United States or aliens who are lawfully admitted for permanent residence in the United States that have been arrested.

(c) ENFORCEMENT.—The Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General, may take such actions, including the promulgation of such rules and regulations, as may be necessary to carry out the purposes of this section.

(d) DEFINITIONS.—In this section:

(1) ENTITY.—The term ''entity'' means a corporation, business association, partnership, trust, society, or any other entity.

(2) PERSON.—The term ''person'' means an individual or entity.

The CHAIR. Pursuant to House Resolution 879, the gentleman from Kansas (Mr. POMPEO) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Kansas.

Mr. POMPEO. Mr. Chairman, my amendment, in short, prohibits ransom payments to any country. Although the American people consider this to be U.S. policy, given the administration's recent actions, we have to make this prohibition explicit. This amendment will support and strengthen the good work of Chairman ROYCE on H.R. 5931.

Think about this timeline. The U.S. wires $400 million in cash from the Swiss National Bank and then physically transports it to another city to hand off to Iranian officials, all in 3 days, 3 days before Iran releases four American hostages. But it gets worse. Less than a week after this, the U.S. again sends hoards of cash to Iran.

We only know this timeline thanks to multiple and persistent inquiries from myself and other Members of Congress. And yet there are so many details that we still don't know.

For instance, on April 5, 2016, White House Spokesman Josh Earnest, in response to a reporter's question on whether the Obama administration misled Congress about the Iran deal, stated: ''I don't think there is any evidence to substantiate this claim . . . I think you should take a rather dim view of that suggestion because Congressman POMPEO . . . didn't approve this deal and he certainly didn't favor it.''

But of course my personal view of the JCPOA is irrelevant if the administration stonewalls Congress. The State Department has admitted that its payment of millions of dollars in pallets of cash to the Iranians would not have been made without the release of American hostages. The administration's selective noun use does not excuse criminality, nor does it explain away months of lying to the American people.

Mr. Chairman, ransom payments put a price on the head of every American. This bill prohibits the United States Government from making a payment to secure the release of unjustly detained U.S. nationals or lawful residents.

I reserve the balance of my time.

Mr. ENGEL. Mr. Chairman, I rise in opposition to the amendment.

The CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. ENGEL. Let me say, first of all, on the face of it, the amendment makes sense. It is already U.S. policy not to pay ransom.

On June 24, 2015, President Obama issued a directive:

> It is the United States' policy to deny hostage-takers the benefits of ransom, prisoner releases, policy changes, or other acts of concession.

Codifying this policy though, without giving the President any flexibility, is not what we should be doing. There is no waiver in this bill. Things like this usually have waivers so the President—any President, this President and future Presidents—would have flexibility.

But again, this whole issue, I believe, is a red herring. The United States did not pay ransom for the four Americans detained in Iran. We were paying Iran back its own money, money it had given us to buy weapons before the Iranian Revolution.

I have never heard of paying a ransom using the captor's own money. It is galling, but it is not a ransom. Every mention of ransom is an attempt to politicize this issue and criticize the President, and that is not what we should be doing here. We should be putting our heads together and finding a solution.

These issues are too important to get caught in partisan fights. It is not how we do things on the Foreign Affairs Committee.

I reserve the balance of my time.

Mr. POMPEO. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. ZELDIN).

Mr. ZELDIN. Mr. Chairman, I thank the distinguished gentleman from Kansas for offering this amendment to a very important underlying bill from the chairman of the House Foreign Affairs Committee, ED ROYCE.

It is really important to point out, as a matter of policy and what, unfortunately, is very necessary for this Congress to take action on, to make it very clear that we don't pay ransom.

Now, with regard to the $1.7 billion that has been paid to Iran to secure the release of the four Iranian hostages, other terms have been used. The one most often used lately is called ''leverage.''

The fact is, if the money did not arrive immediately, the hostages wouldn't have been released. No money, no hostage release.

Why are we debating as if this wasn't a ransom? If the money didn't show up, $400 million in cash, the hostages wouldn't have been released.

Why do we not put a price on securing the release, a financial price? It is because now more Americans are being unjustly imprisoned by Iran. Mr. Shahini, from California, in Iran visiting his mother, is being held, accused of ''cooperating with hostile governments, actions against national security, and communication with antirevolutionary agents and media.'' This is an American visiting his mom in Iran.

And why do we not pay ransom? Why we do not give money to secure the release of American hostages is that now more Americans have been taken hostage.

□ 1915

Mr. POMPEO. Mr. Chairman, I am prepared to close.

Mr. Chairman, this is an important amendment. We need to codify what we have known for years has been American policy under Democrat Presidents and Republican Presidents that we simply won't pay ransom to get Americans back. It is enormously important to our country.

I urge my colleagues to support this amendment and the underlying bill.

Mr. Chairman, I yield back the balance of my time.

Mr. ENGEL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me say, first of all, that the Iranian regime is a bad regime. They hold American prisoners before we paid them the money, and they will hold prisoners after. It has no basis whatsoever. It is easy to put out the word ''ransom,'' but this was not a ransom.

It is a reprehensible regime. They do reprehensible things. The United States fulfills its obligations. Again, the Algiers Accords, by the logic that this should not have been done, then when George H.W. Bush did it, it shouldn't have been done; when Ronald Reagan did it, it shouldn't have been done. They did it because we maintain our obligations in the United States.

So any of us can get up and give a litany of things we don't like about the Iranian Government. Believe me, I take second to none when it comes to that. But the United States needs to fulfill its obligations, and the Iranian regime needs to be checked. But it is not a ransom, and that is just the problem.

By calling it a ransom, by calling names, by trying to poke a finger in front of the eyes of the administration, we don't get to the real issue. The real issue, which I hope we will get to later, is, again, to give Congress notice before this happens. That is the issue. To just say ransom and throw that word out, anybody can do that; but this wasn't a ransom.

We are fulfilling our obligations under the accords that we signed that

each American President facing the same type of thing has sent money to Iran because we fulfill our obligations. It doesn't matter from which party the President comes. President Obama did nothing more than other Presidents have done before him.

I oppose the amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Kansas (Mr. POMPEO).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. POMPEO

The CHAIR. It is now in order to consider amendment No. 3 printed in House Report 114–781.

Mr. POMPEO. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 11, after line 21, add the following:

SEC. 10. SANCTIONS WITH RESPECT TO IRANIAN PERSONS THAT HOLD OR DETAIN UNITED STATES NATIONALS OR ALIENS LAWFULLY ADMITTED FOR PERMANENT RESIDENCE.

(a) IMPOSITION OF SANCTIONS.—Not later than 60 days after the date of the enactment of this Act, the President shall impose the sanctions described in subsection (b) with respect to—

(1) any Iranian person involved in the kidnapping or unjust detention on or after March 9, 2007, of any individual who is a national of the United States or an alien who is lawfully admitted for permanent residence in the United States;

(2) any Iranian person that engages, or attempts to engage, in an activity or transaction that materially contributes to, or poses a risk of materially contributing to, kidnapping or unjust detention described in paragraph (1); and

(3) any Iranian person that—

(A) is owned or controlled by a person described in paragraph (1) or (2);

(B) is acting for or on behalf of such a person; or

(C) provides, or attempts to provide—

(i) financial, material, technological, or other support to a person described in paragraph (1) or (2); or

(ii) goods or services in support of an activity or transaction described in paragraph (1) or (2).

(b) SANCTIONS DESCRIBED.—The President shall block, in accordance with the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), all transactions in all property and interests in property of any person subject to subsection (a) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person.

(c) EXCEPTION; PENALTIES.—

(1) INAPPLICABILITY OF NATIONAL EMERGENCY REQUIREMENT.—The requirements of section 202 of the International Emergency Economic Powers Act (50 U.S.C. 1701) shall not apply for purposes of subsection (b).

(2) EXCEPTION RELATING TO IMPORTATION OF GOODS.—The requirement to block and prohibit all transactions in all property and interests in property under subsection (b) shall not include the authority to impose sanctions on the importation of goods.

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

(d) DEFINITIONS.—In this section:

(1) ENTITY.—The term ''entity'' means a corporation, business association, partnership, trust, society, or any other entity.

(2) IRANIAN PERSON.—The term ''Iranian person'' means—

(A) an individual who is a citizen or national of the Islamic Republic of Iran; or

(B) an entity organized under the laws of the Islamic Republic of Iran or otherwise subject to the jurisdiction of the Government of the Islamic Republic of Iran.

(3) PERSON.—The term ''person'' means an individual or entity.

(4) UNITED STATES PERSON.—The term ''United States person'' means—

(A) an individual who is a national of the United States or an alien who is lawfully admitted for permanent residence in the United States; or

(B) an entity organized under the laws of the United States or of any jurisdiction within the United States, including a foreign branch of such an entity.

The CHAIR. Pursuant to House Resolution 879, the gentleman from Kansas (Mr. POMPEO) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Kansas.

MODIFICATION TO AMENDMENT NO. 3 OFFERED BY MR. POMPEO

Mr. POMPEO. Mr. Chairman, I ask unanimous consent that amendment No. 3 printed in House Report 114–781 be modified in the form I have placed at the desk.

The CHAIR. The Clerk will report the modification.

The Clerk read as follows:

Page 11, after line 21, add the following:

SEC. 10. SANCTIONS WITH RESPECT TO IRANIAN PERSONS THAT HOLD OR DETAIN UNITED STATES NATIONALS OR ALIENS LAWFULLY ADMITTED FOR PERMANENT RESIDENCE.

(a) IMPOSITION OF SANCTIONS.—Not later than 60 days after the date of the enactment of this Act, the President shall impose the sanctions described in subsection (b) with respect to—

(1) any Iranian person involved in the kidnapping or unjust detention of any individual who is a national of the United States or an alien who is lawfully admitted for permanent residence in the United States;

(2) any Iranian person that engages, or attempts to engage, in an activity or transaction that materially contributes to, or poses a risk of materially contributing to, kidnapping or unjust detention described in paragraph (1); and

(3) any Iranian person that—

(A) is owned or controlled by a person described in paragraph (1) or (2);

(B) is acting for or on behalf of such a person; or

(C) provides, or attempts to provide—

(i) financial, material, technological, or other support to a person described in paragraph (1) or (2); or

(ii) goods or services in support of an activity or transaction described in paragraph (1) or (2).

(b) SANCTIONS DESCRIBED.—The President shall block, in accordance with the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), all transactions in all property and interests in property of any person subject to subsection (a) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person.

(c) EXCEPTION; PENALTIES.—

(1) INAPPLICABILITY OF NATIONAL EMERGENCY REQUIREMENT.—The requirements of section 202 of the International Emergency Economic Powers Act (50 U.S.C. 1701) shall not apply for purposes of subsection (b).

(2) EXCEPTION RELATING TO IMPORTATION OF GOODS.—The requirement to block and prohibit all transactions in all property and interests in property under subsection (b) shall not include the authority to impose sanctions on the importation of goods.

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

(d) DEFINITIONS.—In this section:

(1) ENTITY.—The term ''entity'' means a corporation, business association, partnership, trust, society, or any other entity.

(2) IRANIAN PERSON.—The term ''Iranian person'' means—

(A) an individual who is a citizen or national of the Islamic Republic of Iran; or

(B) an entity organized under the laws of the Islamic Republic of Iran or otherwise subject to the jurisdiction of the Government of the Islamic Republic of Iran.

(3) PERSON.—The term ''person'' means an individual or entity.

(4) UNITED STATES PERSON.—The term ''United States person'' means—

(A) an individual who is a national of the United States or an alien who is lawfully admitted for permanent residence in the United States; or

(B) an entity organized under the laws of the United States or of any jurisdiction within the United States, including a foreign branch of such an entity.

Mr. POMPEO (during the reading). Mr. Chairman, I ask unanimous consent to dispense with the reading.

The CHAIR. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The CHAIR. Is there objection to the original request of the gentleman from Kansas?

There was no objection.

The CHAIR. The amendment is modified.

Mr. POMPEO. Mr. Chairman, the amendment that I have offered today places comprehensive sanctions on individuals who hold Americans hostage. This amendment will support and strengthen the good work of Chairman ROYCE on H.R. 5931.

This week marks 1 year the Iranian Government has been holding hostage Nizar Zakka, a U.S. legal permanent resident and international Internet development expert. Mr. Zakka, this week, was sentenced to 10 years in prison and millions of dollars in fines. His only crime was to bring greater Internet access to the women of Iran. He joins two other Americans held hostage and one who is missing.

Mr. Chairman, I yield back the balance of my time.

Mr. ENGEL. Mr. Chairman, I rise in opposition to the amendment.

The CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. ENGEL. Mr. Chairman, I do appreciate the sentiment behind what the gentleman is seeking to do. Of course we want to punish anyone who is unjustly holding American citizens behind bars, but there are so many potential unintended consequences in this amendment, I simply don't know where to start.

First, the amendment requires sanctions against any Iranian who unjustly detains a U.S. citizen. But the term ''unjustly detained'' is not defined.

So who defines it? Does the White House? The Congress? Iran? It is very difficult.

Secondly, as anyone who has worked on sanctions policy knows—and we work on sanctions a lot on the Foreign Affairs Committee—it is typically not the use of sanctions that encourages the change in behavior; it is the threat of sanctions that encourages the change in behavior. That means that the Iranians have to believe that we will implement sanctions against them, but the President has to be given flexibility to use it or suspend it if they do change their behavior.

This is impossible under this amendment. The President has no flexibility, no waiver, no termination authority, none of the typical details that compels regimes to change their behavior.

So let me say, because of that, I encourage all Members to oppose this amendment.

Mr. Chairman, I yield the balance of my time to the gentleman from Florida (Mr. DEUTCH), our colleague and the ranking member of the Middle East and North Africa Subcommittee.

Mr. DEUTCH. Mr. Chairman, I thank the chairman, and I thank my friend, the ranking member.

I have to oppose the amendment of my friend from Kansas. I oppose the amendment not because of what my friend is trying to accomplish, but because of the way that we are trying to do it.

I proudly represent Bob Levinson, who went missing on March 9, 2007. He is the longest held American in history. We have worked tirelessly in this House—working with my friend, the sponsor of this amendment; Mr. ROYCE, the chairman of the committee; and Mr. ENGEL, the ranking member, we have worked in a strong, bipartisan way, all of us together, to bring Bob home.

By amending this legislation—which I explained last week in our committee hearing why I opposed, just as the ranking member did today, because of the risks that the underlying bill causes in violating our legal obligations under the Algiers Accords that has yielded over $2.5 billion for American claimants and prohibiting settlement of claims until certification, that requirement that could prevent the U.S. from reaching settlement. This is a piece of legislation that we oppose. The goal is to continue to ensure that everything we do in focusing on bringing Bob home is done in a way that can pass with overwhelming support.

So, unfortunately, I have to oppose my good friend's amendment. But I want to thank him for the effort of focusing attention, again, on American citizens who continue to be held in Iran.

Eight months ago we were told when Amir Hekmati, Saeed Abedini, and Jason Rezaian finally were able to return home to their families and that the Iranians agreed to continue cooperating with the United States to determine the whereabouts of Robert Levinson. It is 8 months later, and Bob Levinson is not home with his family in Coral Springs, Florida.

I look forward to working with my friend from Kansas and I look forward to working with every Member of this House and all of us in this country who understand that as long as there are Americans being held and as long as Bob Levinson, the longest held American in history, continues to be missing in Iran that this House of Representatives will not rest, and that we will continue to pay attention and work together to find ways to maximize our efforts to bring him home through whatever pressure is necessary. It is intolerable that we have to come to the floor over and over and over again as this poor family continues to wait for the return of their father and grandfather.

I thank my friend for helping to raise this issue. I, unfortunately, have to oppose the amendment for the reasons that I have stated. But I look forward to working together with my friend from Kansas, Democrats, Republicans, and all of the people of goodwill in this House and in this country until we bring him home.

Mr. ENGEL. Mr. Chairman, I yield back the balance of my time.

The CHAIR. The question is on the amendment, as modified, offered by the gentleman from Kansas (Mr. POMPEO).

The amendment, as modified, was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. DUFFY

The CHAIR. It is now in order to consider amendment No. 4 printed in House Report 114–781.

Mr. DUFFY. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 11, after line 21, add the following:

SEC. 10. PROHIBITION ON CASH PAYMENTS TO STATE SPONSORS OF TERRORISM.

(a) PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, beginning on the date of the enactment of this Act, the United States Government may not provide, directly or indirectly, to a government of a state sponsor of terrorism, or an agent acting on behalf of such a government—

(A) monetary instruments; or

(B) precious metals.

(2) DEFINITIONS.—In this subsection—

(A) the term ''monetary instruments'' has the meaning given the term in paragraph (dd) of section 1010.100 of title 31, Code of Federal Regulations; and

(B) the term ''precious metal'' has the meaning given the term in section 1027.100(d) of title 31, Code of Federal Regulations.

(b) APPLICATION TO NORTH KOREA.—

(1) IN GENERAL.—Subsection (a) shall apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of the Government of the Democratic Peoples' Republic of Korea, or an agent acting on behalf of such Government, in the same manner and to the same extent as such subsection applies with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of a state sponsor of terrorism, subject to the termination provisions described in paragraph (2).

(2) TERMINATION.—Subsection (a) shall cease to apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of the Government of the Democratic Peoples' Republic of Korea, or an agent acting on behalf of such Government, beginning on the date on which the President makes the certification to Congress under section 402 of the North Korea Sanctions and Policy Enhancement Act of 2016 (Public Law 114–122; 22 U.S.C. 92512).

(c) STATE SPONSOR OF TERRORISM DEFINED.—In this section, the term ''state sponsor of terrorism'' means a country the government of which the Secretary of State has determined, for purposes of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)), section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)), section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)), or any other provision of law, to be a government that has repeatedly provided support for acts of international terrorism.

The CHAIR. Pursuant to House Resolution 879, the gentleman from Wisconsin (Mr. DUFFY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Wisconsin.

Mr. DUFFY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to take a moment and thank Chairman ROYCE for all of his work on this commonsense bill.

But I have to say I am a little bit shocked that Chairman ROYCE has to put so much work into this kind of a bill to prohibit cash payments to Iran, the lead sponsor of terrorism in the world. Shame on us for being in a situation where we need legislation to stop cash payments to a state sponsor of terror.

Have we so soon forgotten what happened on 9/11? Have we so soon forgotten Iran's role in 9/11 15 years ago?

Just recently, former U.S. Senator and Democratic Party vice presidential nominee Joe Lieberman quoted the 9/11 Commission saying that there is strong evidence that Iran facilitated the transit of al Qaeda members into and out of Afghanistan before 9/11 and that some of these were future 9/11 hijackers.

Iran supports international terror. They have been designated a state sponsor of terror since 1984.

We know that the currency of terror is what?

It is cash. They use cash to fund terrorism.

So instead of saying, Do you know what, we are going to make payments—if payments have to be made—by wire transfer to some Iranian bank in Europe where those payments can be traced, we say, No, no, no; we have been so successful in cutting them off from the financial world, we want to make these payments in cash to them.

It is illegal right now for us to actually load up a plane full of cash and send it from the U.S. to Iran. So the recent transaction that happened to get around that rule, the administration—President Obama and Jack Lew—said: We are going to wire the money. We are going to actually wire the money. We are going to wire it to a European bank and instruct them to convert it to cash and send it to Iran.

Shame on the American administration and shame on this House for not stopping it.

I have an amendment that says not just Iran, but all state sponsors of terror; and we should also include North Korea to be included on the list of folks that we are unwilling to send cash payments to.

This is just commonsense American policy that we have had in place for a long time that now is being rolled back by this administration. We have had so many people on both sides of the aisle who understand the threat of terror and the threat of cash in terrorists' hands that we have all stood together. We now see a division in this House to not support that very commonsense effort, which is an effort to support the American citizens and their safety. I think this is a sad day for this institution.

Mr. Chairman, I reserve the balance of my time.

□ 1930

Mr. ENGEL. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. ENGEL. Mr. Chairman, first of all, I think everybody knows I am from New York, and, frankly, I don't need anyone lecturing me about 9/11. That is a pain in my heart that I will live with for the rest of my life. So I think that any reference to 9/11 from this bill is just totally off base.

Again, Mr. Chairman, I don't like the idea of shipping payments to Iran or any government hostile to the United States, but we have to abide by our obligations whether we like it or not. We also don't want to tie our hands, which is what this amendment would do.

This measure would impose a permanent and blanket prohibition on most forms of money transfers, not just cash, whether made directly or indirectly through third parties. It would preempt all existing provisions of law.

We have no idea what sort of consequences could come with something like this. We may face diplomatic or strategic opportunities that would require quick action. But this provision is all-encompassing, regardless of circumstance. And, again, there is no waiver for unforeseen situations. There are always waivers for the President in bills like this because the President can best decide what unforeseen situations there are. And, again, it is any President from any party.

So I think this amendment would take us down a wrong path. I am going to oppose it, and I urge all Members to do the same.

I yield back the balance of my time.

Mr. DUFFY. Mr. Chairman, I would just note that the chairman's bill and my amendment don't prohibit cash payments to a lot of countries around the world. It restricts cash payments to only a few countries around the world and those countries that are American designated states that sponsor terrorism.

I don't mean to lecture anybody about 9/11. I didn't live in New York, I am not from New York, but I watched what happened in New York. And I think it is important that we not forget what happened, who was responsible, and that we don't lose our focus today for partisan reasons on who those bad actors are, and that we remain vigilant in our effort to push back and fight back against state sponsors of terror. And part of that fight is the fight against allowing them cash.

On the Financial Services Committee—I know Mr. ROYCE works on this aggressively—we can use the global financial system to shut them out, and we have been successful at that. But if you open up the global financial system and you pour cash and gold into Iran that can be used to sponsor terror, to buy technology in regard to missiles, or to advance your nuclear program, that has a direct impact on all Americans, our security, and our safety.

I think it is incumbent upon this House to look out first for our constituents and our countrymen, which means let's prohibit cash payments, not any payment. You can make a wire transfer that you can actually trace. But let's not send cash payments that are untraceable to State sponsors of terror.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Wisconsin (Mr. DUFFY).

The amendment was agreed to.

AMENDMENT NO. 5 OFFERED BY MR. ENGEL

The CHAIR. It is now in order to consider amendment No. 5 printed in House Report 114–781.

Mr. ENGEL. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Strike the text of the committee print and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Restrictions on Payments to State Sponsors of Terrorism Act''.

SEC. 2. RESTRICTIONS ON PAYMENTS TO STATE SPONSORS OF TERRORISM.

(a) IN GENERAL.—No agency or instrumentality of the United States Government may make a payment, or enter into an agreement to make a payment, to an agency or instrumentality of a government of a state sponsor of terrorism, or an agent acting on behalf of such a government, in settlement of a claim or judgment against the United States, unless, not less than 5 days prior to making such payment or entering into such agreement, the President submits to the appropriate committees of Congress in writing—

(1) a notification of the proposed payment or agreement; and

(2) the text of the claim or judgment with respect to which such payment or agreement relates.

(b) APPLICATION TO NORTH KOREA.—

(1) IN GENERAL.—Subsections (a) and (c) shall apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of the Government of the Democratic Peoples' Republic of Korea, or an agent acting on behalf of such Government, in the same manner and to the same extent as such subsections apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of a state sponsor of terrorism, subject to the termination provisions described in paragraph (2).

(2) TERMINATION.—Subsections (a) and (c) shall cease to apply with respect to a payment, or an agreement to make a payment, to an agency or instrumentality of the Government of the Democratic Peoples' Republic of Korea, or an agent acting on behalf of such Government, beginning on the date on which the President makes the certification to Congress under section 402 of the North Korea Sanctions and Policy Enhancement Act of 2016 (Public Law 114–122; 22 U.S.C. 92512).

(c) PUBLICATION IN THE FEDERAL REGISTER.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter, the President shall publish in the Federal Register a list of payments, and agreements to make payments, to agencies and instrumentalities of governments of a state sponsors of terrorism as described in subsection (a) that were made or entered into during the prior 180-day period.

(2) CONTENTS.—The list of payments, and agreements to make payments, required to be published in the Federal Register under paragraph (1) shall, with respect to each such payment or agreement, include the following:

(A) The amount of the payment or agreement.

(B) The agency or instrumentality of the United States Government that made the payment or entered into the agreement.

(C) The reason or reasons for the payment or agreement.

SEC. 3. REPORT ON OUTSTANDING CLAIMS BEFORE THE IRAN-UNITED STATES CLAIMS TRIBUNAL.

(a) REPORT.—The President shall submit to the appropriate committees of Congress a report that describes each claim pending before the Iran-United States Claims Tribunal as of the date of enactment of this Act.

(b) MATTERS TO BE INCLUDED.—The report required under subsection (a) shall include the amount (if an amount is specified) and the status before the Iran-United States Claims Tribunal of each claim described in subsection (a).

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

(d) DEADLINE.—The report required under subsection (a) shall be submitted to the appropriate committees of Congress not later than 90 days after the date of the enactment of this Act and annually thereafter until the disposition of all claims pending before the Iran-United States Claims Tribunal.

SEC. 4. EXCLUSION OF CERTAIN ACTIVITIES.

Nothing in this Act shall apply to any activities subject to the reporting requirements of title V of the National Security Act of 1947.

SEC. 5. RULE OF CONSTRUCTION.

Nothing in this Act shall be construed to authorize any payment by the Government of the United States to a state sponsor of terrorism or North Korea.

SEC. 6. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate committees of Congress'' means—

(A) the Committee on Foreign Affairs, the Committee on the Judiciary, and the Committee on Financial Services of the House of Representatives; and

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

(2) STATE SPONSOR OF TERRORISM.—The term ''state sponsor of terrorism'' means a country the government of which the Secretary of State has determined, for purposes of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)), section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)), section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)), or any other provision of law, to be a government that has repeatedly provided support for acts of international terrorism.

The CHAIR. Pursuant to House Resolution 879, the gentleman from New York (Mr. ENGEL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. ENGEL. Mr. Chairman, I am offering this amendment because I do think there is a lot of common ground when it comes to this issue.

My concern is that the administration really did not give Congress its due with respect to this payment. We were told about the payment but not notified about how this transition would take place, and that is just not right, especially when it is somewhat unusual.

My amendment would require the administration, and future administrations, to notify Congress at least 5 days in advance of any settlement agreement or payment to Iran, to other countries on the state sponsors of terrorism list, and to North Korea, and it provides appropriate oversight on the claims that are remaining at the tribunal.

It is straightforward, and it ensures that Congress' role in foreign policymaking is not overlooked. I don't think anyone here disagrees with that idea.

My amendment gets to the heart of it. I think it would allow this bill to sail through the House with strong support on both sides. It leaves aside the areas that are sure to eventually derail the underlying measure—talk of ransom again and again, or to focus exclusively on cash payments. We are not going to agree on these areas. Putting them front and center guarantees that this bill has no path forward.

So let's put those issues aside and advance legislation that addresses all our concerns. That is what we do every day on the Foreign Affairs Committee. I hope my amendment will help get our committee's work back on track.

Again, I ask all Members to support the amendment. I don't think anyone can disagree with the fact that the administration, or future administrations, give Congress enough time so that we will hear about payments, we will hear about transactions before they are done, not while they are done or after they are done.

I ask all Members to support this amendment.

I reserve the balance of my time.

Mr. ROYCE. Mr. Chairman, I rise in opposition to the amendment and will regretfully oppose the ranking member's substitute.

The CHAIR. The gentleman from California is recognized for 5 minutes.

Mr. ROYCE. Mr. Chairman, I agree with part of the argument that is being made here by the gentleman from New York (Mr. ENGEL).

You just heard a common theme between the underlying bill and the ranking member's substitute, and that is the need for greater transparency, especially transparency around the Claims Tribunal. That is a must.

I will go back to the underlying problem. If diplomats were working overtime on a settlement, why not tell the committee of jurisdiction of the possibility? If the goal of this settlement was merely to put to rest a decade-old dispute over an abandoned arms sale, as we were told after the fact, then why the secrecy? The administration has intentionally left us, the committee, and this Congress in the dark.

Both the underlying bill and the ranking member's substitute requires the administration to be more transparent with Congress and the American people about how it engages with the tribunal. If future settlements are truly a good deal for the American taxpayers, these requirements should be welcomed, not a burden.

The goal of the underlying legislation is to ensure that a tribunal that has been in place since 1981, and has operated more or less successfully, cannot be manipulated, cannot be manipulated by either the next administration or this administration. So here the two of us agree.

But I am afraid that this substitute does not address a larger problem, and that is because this proposal, unlike the underlying bill, contains no restriction on the way in which Iran could be paid. I was raising questions about the $1.7 billion payment when it was first made. Quite frankly, not too many were focused on it until it was revealed that it was paid in cash.

Let me explain why many of us believe that this is a crucial problem. It is because checks and wire transfers do leave a paper trail. Cash does not leave a paper trail. If Iran wires money to its terrorist proxies, we can see the banks it used, and we can work to cut them out of the financial system. That is what we are trying to do in isolating their ability to transfer funds to Hezbollah or Hamas.

Now, when we give Iran cash then Iran can put that cash on a plane or on the back of a truck, and they can send that cash to Syria, or send it to Gaza, or to Hamas, or send it to Lebanon, or to Hezbollah. And that is why cash, the physical bills, are so valuable to Iran. Cash, not wire transfers, is the currency of terror.

So the bottom line is that because everyone knows that cash is a conduit for all sorts of illegal behavior, my hope is to carry the day here with this argument that the underlying bill has got to maintain this ability to cut off payments in cash to the terrorists in Tehran.

I call them terrorists because that is what the Iranian Revolutionary Guard Corps is funding, as well as ballistic missile production, and that is what the Quds Force—and the head of the Quds Force is in charge of assassinations outside of the country—that is what he is doing.

They have just toppled a government in Yemen that was an ally to the United States, they just committed further atrocities in Syria, and they are bulking up Hezbollah as we speak.

That is why I feel that portion has to remain in the bill, and that is why I reluctantly oppose this amendment which would remove the effectiveness of the cutting off of cash.

I reserve the balance of my time.

Mr. ENGEL. Mr. Chairman, let me say that I appreciate my friend, Chairman ROYCE's words. We don't agree totally on this, but we do agree that the Iranian regime is a bad regime and they need to be checked. And I would hope that after this whole process is done, because this bill is not going to become law, that we can put our heads together and come up with something that can become law. The Iranians need to be checked, and the Congress needs to be informed and needs to be a part of the process. We are, obviously, an independent branch of government.

Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. DEUTCH).

Mr. DEUTCH. Mr. Chairman, I thank my friend, Mr. ENGEL.

Mr. Chairman, the goal here tonight, I think, is to both simultaneously ensure that we don't take any action that would make it difficult for Americans to bring claims to the Iran-U.S. Claims Tribunal that would enhance our ability to continue with our legal obligations under the Algiers Accords but

that will also focus on the very specific problem that we have at hand.

Mr. ENGEL's substitute amendment, I think, will permit us to do all of that. It carries over the provision from the underlying bill that requires reporting to Congress on claims settlements and payments to Iran, it enhances our ability to be aware of and to have greater disability of transfer of funds to Iran going forward, and it ensures that Congress will be able to keep in sharp focus before any of those transfers happen so that we can then act accordingly.

And I would just remind everyone that we have really done meaningful work in the House under the leadership of the chairman of the Foreign Affairs Committee, Mr. ROYCE, and the ranking member, Mr. ENGEL. We have done meaningful work because we have been able to work together to take on the threats posed by Iran.

It is because of the work, the bipartisan effort, the work that has been done together that Iran faced unprecedented economic sanctions. And it is because of the work, again, that has been done in a bipartisan way that members of Iran's Revolutionary Guard Corps, who direct the funding of terror and commit egregious human rights violations, continue to remain sanctioned. And it is because of the efforts of Chairman ROYCE and Ranking Member ENGEL that banks continue to be weary of dealing with Iran, and Iran is still fully unable to access the international financial market in U.S. dollars.

So there are plenty of examples of the good work that we have done together. When we work together on these issues of critical importance, the country is stronger and safer. I think Mr. ENGEL's amendment will provide us the opportunity to go forward in a bipartisan way in a manner that, again, will help the United States be stronger and safer. I know that is everyone's goal, both on the Foreign Affairs Committee and in the House. That is why I support the amendment, and that is why I urge my colleagues to also support it.

□ 1945

Mr. ROYCE. Mr. Chairman, regretfully, I will be opposing the substitute. As Members of the House know, it is unusual for the two of us to be at odds. In working together, we have a long track record of success: 14 bills this session, 18 in the last session. Just yesterday, the House sent to the President's desk bipartisan legislation, which was authored by me and Ranking Member ENGEL, to crack down on the illegal trafficking of wildlife; but here we have a disagreement. Sending pallets of cash is bad policy. This bill fixes the problem. I oppose the substitute and urge the passage of the underlying measure.

Mr. Chairman, I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from New York (Mr. ENGEL).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. ENGEL. Mr. Chair, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York will be postponed.

Mr. ROYCE. Mr. Chair, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. DUFFY) having assumed the chair, Mr. RUSSELL, Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 5931) to provide for the prohibition on cash payments to the Government of Iran, and for other purposes, had come to no resolution thereon.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 47 minutes p.m.), the House stood in recess.

□ 2046

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. NEWHOUSE) at 8 o'clock and 46 minutes p.m.

PROHIBITING FUTURE RANSOM PAYMENTS TO IRAN ACT

The SPEAKER pro tempore. Pursuant to House Resolution 879 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the further consideration of the bill, H.R. 5931.

Will the gentleman from Louisiana (Mr. ABRAHAM) kindly take the chair.

□ 2047

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H.R. 5931) to provide for the prohibition on cash payments to the Government of Iran, and for other purposes, with Mr. ABRAHAM (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose earlier today, a request for a recorded vote on amendment No. 5 printed in House Report 114–781, offered by the gentleman from New York (Mr. ENGEL) had been postponed.

AMENDMENT NO. 5 OFFERED BY MR. ENGEL

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, the unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. ENGEL) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 176, noes 238, not voting 17, as follows:

[Roll No. 553]

AYES—176

Adams
Aguilar
Amash
Ashford
Barton
Bass
Beatty
Becerra
Bera
Beyer
Bishop (GA)
Blumenauer
Bonamici
Boyle, Brendan F.
Brady (PA)
Brown (FL)
Brownley (CA)
Bustos
Butterfield
Capuano
Cárdenas
Carney
Carson (IN)
Cartwright
Castor (FL)
Castro (TX)
Chu, Judy
Cicilline
Clark (MA)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Connolly
Conyers
Cooper
Costa
Courtney
Crowley
Cuellar
Cummings
Davis (CA)
Davis, Danny
DeFazio
DeGette
Delaney
DeLauro
DelBene
DeSaulnier
Deutch
Dingell
Doyle, Michael F.
Duckworth
Duncan (TN)
Edwards
Ellison
Engel
Eshoo
Esty
Foster
Frankel (FL)
Fudge
Gabbard
Gallego
Garamendi
Graham
Grayson
Green, Al
Green, Gene
Grijalva
Hahn
Hastings
Heck (WA)
Higgins
Himes
Hinojosa
Honda
Hoyer
Huffman
Israel
Jackson Lee
Jeffries
Johnson (GA)
Johnson, E. B.
Jones
Kaptur
Keating
Kelly (IL)
Kennedy
Kildee
Kilmer
Kind
Kirkpatrick
Kuster
Langevin
Larsen (WA)
Larson (CT)
Lawrence
Lee
Levin
Lewis
Lipinski
Loebsack
Lofgren
Lowenthal
Lowey
Lujan Grisham (NM)
Luján, Ben Ray (NM)
Lynch
Maloney, Carolyn
Maloney, Sean
Massie
Matsui
McCollum
McNerney
Meeks
Meng
Moulton
Murphy (FL)
Nadler
Napolitano
Neal
Nolan
Norcross
O'Rourke
Pallone
Pascrell
Perlmutter
Peters
Peterson
Pingree
Pocan
Polis
Quigley
Rangel
Rice (NY)
Richmond
Roybal-Allard
Ruiz
Ruppersberger
Ryan (OH)
Sánchez, Linda T.
Sarbanes
Schakowsky
Schiff
Schrader
Scott (VA)
Scott, David
Serrano
Sewell (AL)
Sherman
Sinema
Sires
Slaughter
Smith (WA)
Speier
Swalwell (CA)
Takano
Thompson (CA)
Thompson (MS)
Titus
Tonko
Torres
Tsongas
Van Hollen
Vargas
Veasey
Velázquez
Visclosky
Walz
Wasserman Schultz
Waters, Maxine
Watson Coleman
Wilson (FL)
Yarmuth

NOES—238

Abraham
Aderholt
Allen
Amodei
Babin
Barr
Benishek
Bilirakis
Bishop (MI)
Bishop (UT)
Black
Blackburn
Blum
Bost
Boustany
Brady (TX)
Brat
Bridenstine
Brooks (AL)
Brooks (IN)
Buchanan
Buck
Bucshon
Burgess
Byrne
Calvert
Capps
Carter (TX)
Chabot
Chaffetz
Clawson (FL)
Coffman
Cole
Collins (GA)
Collins (NY)
Comstock
Conaway
Cook
Costello (PA)
Cramer
Crawford
Crenshaw
Culberson
Curbelo (FL)
Davidson