To amend the Hizballah International Financing Prevention Act of 2015 to impose additional sanctions with respect to Hizballah, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 2017

Mr. ROYCE of California (for himself and Mr. ENGEL) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Hizballah International Financing Prevention Act of 2015 to impose additional sanctions with respect to Hizballah, and for other purposes.

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Hizballah International Financing Prevention Amendments Act of 2017”.


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

Sec. 1. Short title; table of contents.

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

Sec. 101. Mandatory sanctions with respect to fundraising and recruitment activities for Hizballah.
Sec. 102. Modification of report with respect to financial institutions that engage in certain transactions.
Sec. 103. Sanctions against foreign states that support Hizballah.
Sec. 104. Prohibitions and conditions with respect to certain accounts held by foreign financial institutions.

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

Sec. 201. Blocking of property of Hizballah.
Sec. 203. Modification of report on activities of foreign governments to disrupt global logistics networks and fundraising, financing, and money laundering activities of Hizballah.
Sec. 204. Report on combating the illicit tobacco trafficking networks used by Hizballah and other foreign terrorist organizations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Regulatory authority.
Sec. 302. Implementation; penalties; judicial review; exemptions.

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

SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO FUNDRAISING AND RECRUITMENT ACTIVITIES FOR HIZBALLAH.

(a) In General.—Section 101 of the Hizballah International Financing Prevention Act of 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is amended to read as follows:
“SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO 
FUNDRAISING AND RECRUITMENT ACTIVITIES FOR HIZBALLAH.

“(a) In General.—The President shall impose the 
sanctions described in subsection (b) with respect to any 
foreign person that the President determines knowingly 
assists, sponsors, or, provides significant financial, mate-
rial, or technological support for—

“(1) Bayt al-Mal, Jihad al-Bina, the Islamic 
Resistance Support Association, the Foreign Rela-
tions Department of Hizballah, the External Secu-
Rity Organization of Hizballah, or any successor or 
affiliate thereof;

“(2) al-Manar TV, al Nour Radio, or the Leba-
nese Media Group, or any successor or affiliate 
thereof;

“(3) a foreign person determined by the Presi-
dent to be engaged in fundraising or recruitment ac-
tivities for Hizballah; or

“(4) a foreign person owned or controlled by a 
foreign person described in paragraph (1), (2), or 
(3).

“(b) Sanctions Described.—

“(1) In General.—The sanctions described in 
this subsection are the following:
“(A) Asset blocking.—The exercise of all powers granted to the President by the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (except that the requirements of section 202 of such Act (50 U.S.C. 1701) shall not apply) to the extent necessary to block and prohibit all transactions in all property and interests in property of a foreign person determined by the President to be 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.

“(B) Aliens ineligible for visas, admission, or parole.—

“(i) Visas, admission, or parole.—

An alien who the President determines is subject to subsection (a) is—

“(I) inadmissible to the United States;

“(II) ineligible to receive a visa or other documentation to enter the United States; and
“(III) otherwise ineligible to be
admitted or paroled into the United
States or to receive any other benefit
under the Immigration and Nation-
ality Act (8 U.S.C. 1101 et seq.).
“(ii) CURRENT VISAS REVOKED.—
“(I) IN GENERAL.—The issuing
consular officer, the Secretary of
State, or the Secretary of Homeland
Security shall revoke any visa or other
entry documentation issued to an
alien who the President determines is
subject to subsection (a), regardless of
when issued.
“(II) EFFECT OF REVOCATION.—
A revocation under subclause (I) shall
take effect immediately and shall
automatically cancel any other valid
visa or entry documentation that is in
the possession of the alien.
“(2) 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,
tries to violate, conspires to violate, or causes a
violation of regulations prescribed under paragraph (1)(A) to the same extent that such penalties apply to a person that commits an unlawful act described in subsection (a) of such section 206.

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

“(d) WAIVER.—

“(1) IN GENERAL.—The President may, for periods not to exceed 180 days, waive the imposition of sanctions under this section with respect to a foreign person or foreign persons if the President certifies to the appropriate congressional committees that such waiver is in the national security interests of the United States.

“(2) CONSULTATION.—

“(A) BEFORE WAIVER EXERCISED.—Before a waiver under paragraph (1) takes effect with respect to a foreign person, the President shall notify and brief the appropriate congressional committees on the status of the involvement of the foreign person in activities described in subsection (a).
“(B) AFTER WAIVER EXERCISED.—Not later than 90 days after the issuance of a waiver under paragraph (1) with respect to a foreign person, and every 120 days thereafter while the waiver remains in effect, the President shall brief the appropriate congressional committees on the status of the involvement of the foreign person in activities described in subsection (a).

“(e) REPORT.—Not later than 90 days after the date of the enactment of the Hizballah International Financing Prevention Amendments Act of 2017, and every 180 days thereafter, the President shall submit to the appropriate congressional committees a report that lists the foreign persons that the President has credible evidence knowingly assists, sponsors, or provides significant financial, material, or technological support for the foreign persons described in paragraph (1), (2), (3), or (4) of subsection (a).

“(f) DEFINITIONS.—In this section:

“(1) ADMITTED; ALIEN.—The terms ‘admitted’ and ‘alien’ have meanings given those terms in section 101 of the Immigration and Nationality Act (8 U.S.C. 1101).
“(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means—

“(A) the Committee on Foreign Affairs, the Committee on Ways and Means, 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 Banking, Housing, and Urban Affairs, and the Committee on the Judiciary of the Senate.

“(3) ENTITY.—The term ‘entity’ means a partnership, association, corporation, or other organization, group, or subgroup.

“(4) FUNDRAISING OR RECRUITMENT ACTIVITIES.—The term ‘fundraising or recruitment activities’ includes online fundraising and other online commercial activities, or other means of such fundraising, recruitment, and retention, as determined by the President.

“(5) HIZBALLAH.—The term ‘Hizballah’ has the meaning given such term in section 102(f).

“(6) PERSON.—The term ‘person’ means an individual or entity.
“(7) UNITED STATES PERSON.—The term ‘United States person’ means a United States citizen, permanent resident alien, entity organized under the laws of the United States (including foreign branches), or a person in the United States.”.

(b) CLERICAL AMENDMENT.—The table of contents for the Hizballah International Financing Prevention Act of 2015 is amended by striking the item relating to section 101 and inserting the following new item:

“Sec. 101. Mandatory sanctions with respect to fundraising and recruitment activities for Hizballah.”.

SEC. 102. MODIFICATION OF REPORT WITH RESPECT TO FINANCIAL INSTITUTIONS THAT ENGAGE IN CERTAIN TRANSACTIONS.

(a) IN GENERAL.—Subsection (d) of section 102 of the Hizballah International Financing Prevention Act of 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is amended to read as follows:

“(d) REPORT ON FINANCIAL INSTITUTIONS ORGANIZED UNDER THE LAWS OF STATE SPONSORS OF TERRORISM.—

“(1) IN GENERAL.—Not later than 90 days after the date of the enactment of the Hizballah International Financing Prevention Amendments Act of 2017, and annually thereafter for a period not to exceed three years, the President shall submit
to the appropriate congressional committees a report
that—

“(A) identifies each foreign financial institu-
tion described in paragraph (2) that the
President determines engages in one or more
activities described in subsection (a)(2);

“(B) provides a detailed description of
each such activity; and

“(C) contains a determination with respect
to each such foreign financial institution that is
identified under subparagraph (A) as engaging
in one or more activities described in subsection
(a)(2) as to whether or not such foreign finan-
cial institution is in violation of Executive
Order 13224 (50 U.S.C. 1701 note; relating to
blocking property and prohibiting transactions
with persons who commit, threaten to commit,
or support terrorism) by reason of engaging in
one or more such activities.

“(2) FOREIGN FINANCIAL INSTITUTION DE-
scribed.—

“(A) IN GENERAL.—A foreign financial in-
stitution described in this paragraph is a for-
egn financial institution—

“(i) that, wherever located, is—
“(I) organized under the laws of a state sponsor of terrorism or any jurisdiction within a state sponsor of terrorism;

“(II) owned or controlled by the government of a state sponsor of terrorism;

“(III) located in the territory of a state sponsor of terrorism; or

“(IV) owned or controlled by a foreign financial institution described in subclause (I), (II), or (III); and

“(ii) the capitalization of which exceeds $10,000,000.

“(B) State sponsor of terrorism.—In this paragraph, the term ‘state sponsor of terrorism’ means a country the government of which the Secretary of State has determined is a government that has repeatedly provided support for acts of international terrorism for purposes of—

“(i) section 6(j) of the Export Administration Act of 1979 (50 U.S.C. 4605(j))

(as continued in effect pursuant to the

“(ii) section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371);

“(iii) section 40 of the Arms Export Control Act (22 U.S.C. 2780); or

“(iv) any other provision of law.”.

(b) Sense of Congress.—It is the sense of the Congress that the President should apply the sanctions contained in section 102 of the Hizballah International Financing Prevention Act with respect to foreign financial institutions that engage in prohibited activities described in such section with respect to any member of parliament or any cabinet official of the Lebanese Republic who is a member of Hizballah, or any affiliate of Hizballah.

SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT SUPPORT HIZBALLAH.

(a) In General.—Title I of the Hizballah International Financing Prevention Act of 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is amended by adding at the end the following:

“SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT SUPPORT HIZBALLAH.

“(a) Sanctions Against Certain Agencies and Instrumentalities of Foreign States.—
“(1) IN GENERAL.—Not later than 120 days after the date of the enactment of this section, and as appropriate thereafter, the President shall impose the sanctions described in paragraph (3) with respect to any agency or instrumentality of a foreign state described in paragraph (2).

“(2) AGENCY OR INSTRUMENTALITY DESCRIBED.—An agency or instrumentality of a foreign state described in this paragraph is an agency or instrumentality of a foreign state that the President determines has, on or after the date of the enactment of this section, knowingly provided significant financial or material support for, or arms or related material to—

“(A) Hizballah; or

“(B) an entity owned or controlled by Hizballah.

“(3) SANCTIONS DESCRIBED.—The sanctions described in this paragraph are the exercise of all powers granted to the President by the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (except that the requirements of section 202 of such Act (50 U.S.C. 1701) shall not apply) to the extent necessary to block and prohibit all transactions in all property and interests in property of
an agency or instrumentality of a foreign state 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.

"(b) SANCTIONS AGAINST STATE SPONSORS OF TERRORISM.—

“(1) IN GENERAL.—In the case of an agency or instrumentality of a foreign state that engages in the activities described in subsection (a) that is an agency or instrumentality of a foreign state described in paragraph (2), the President shall, pursuant to section 6 of the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)), require a license under the Export Administration Regulations to export or re-export to that foreign state any item designated by the Secretary of Commerce as ‘EAR 99’, other than food, medicine, medical devices, or similarly licensed items.

“(2) FOREIGN STATE DESCRIBED.—A foreign state described in this paragraph is a foreign state that—
“(A) the President determines has, on or after the date of the enactment of this section, knowingly provided significant financial or material support for, or arms or related material to—

“(i) Hizballah; or

“(ii) an entity owned or controlled by Hizballah; and

“(B) is a state sponsor of terrorism.

“(c) WAIVER.—

“(1) IN GENERAL.—The President may, for periods not to exceed 180 days, waive the imposition of sanctions under this section with respect to a foreign state or an agency or instrumentality of a foreign state if the President certifies to the appropriate congressional committees that such waiver is vital to the national security interests of the United States.

“(2) CONSULTATION.—

“(A) BEFORE WAIVER EXERCISED.—Before a waiver under paragraph (1) takes effect with respect to a foreign state or an agency or instrumentality of a foreign state, the President shall notify and brief the appropriate congressional committees on the status of the involve-
ment of the foreign state in activities described in subsection (b)(2) or involvement of the agency or instrumentality of a foreign state in activities described in subsection (a)(2), as the case may be.

“(B) AFTER WAIVER EXERCISED.—Not later than 90 days after the issuance of a waiver under paragraph (1) with respect to a foreign state or an agency or instrumentality of a foreign state, and every 120 days thereafter while the waiver remains in effect, the President shall brief the appropriate congressional committees on the status of the involvement of the foreign state in activities described in subsection (b)(2) or involvement of the agency or instrumentality of a foreign state in activities described in subsection (a)(2), as the case may be.

“(d) DEFINITIONS.—In this section:

“(1) AGENCY OR INSTRUMENTALITY OF A FOREIGN STATE; FOREIGN STATE.—The terms ‘agency or instrumentality of a foreign state’ and ‘foreign state’ have the meanings given those terms in section 1603 of title 28, United States Code.
“(2) APPROPRIATE CONGRESSIONAL COMMITTEEES.—The term ‘appropriate congressional committees’ means—

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

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

“(3) ARMS OR RELATED MATERIAL.—The term ‘arms or related material’ means—

“(A) nuclear, biological, chemical, or radiological weapons or materials or components of such weapons;

“(B) ballistic or cruise missile weapons or materials or components of such weapons;

“(C) destabilizing numbers and types of advanced conventional weapons;

“(D) defense articles or defense services, as those terms are defined in paragraphs (3) and (4), respectively, of section 47 of the Arms Export Control Act (22 U.S.C. 2794);
“(E) defense information, as that term is defined in section 644 of the Foreign Assistance Act of 1961 (22 U.S.C. 2403); or
“(F) items designated by the President for purposes of the United States Munitions List under section 38(a)(1) of the Arms Export Control Act (22 U.S.C. 2778(a)(1)).
“(4) Export Administration Regulations.—The term ‘Export Administration Regulations’ means subchapter C of chapter VII of title 15, Code of Federal Regulations (as in effect on the date of the enactment of this Act).
“(5) Hizballah.—The term ‘Hizballah’ has the meaning given that term in section 102(f).
“(6) State Sponsor of Terrorism.—In this paragraph, the term ‘state sponsor of terrorism’ means a country the government of which the Secretary of State has determined is a government that has repeatedly provided support for acts of international terrorism for purposes of—
“(A) section 6(j) of the Export Administration Act of 1979 (50 U.S.C. 4605(j)) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.));
“(B) section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371); 

“(C) section 40 of the Arms Export Control Act (22 U.S.C. 2780); or 

“(D) any other provision of law.”.

(b) CLERICAL AMENDMENT.—The table of contents for the Hizballah International Financing Prevention Act of 2015 is amended by inserting after the item relating to section 102 the following new item:

“Sec. 103. Sanctions against foreign states that support Hizballah.”.

SEC. 104. PROHIBITIONS AND CONDITIONS WITH RESPECT TO CERTAIN ACCOUNTS HELD BY FOREIGN FINANCIAL INSTITUTIONS.

Section 104(c)(2)(A)(ii) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513(c)(2)(A)(ii)) is amended by inserting before “or support for acts of international terrorism” the following “, including Hizballah (as defined in section 102(f)(1)(E) of the Hizballah International Financing Prevention Act of 2015 (Public Law 114–102; 50 U.S.C. 1701 note), and any affiliates or successors thereof,”.
TITLE II—NARCOTICS TRAFFICKING AND SIGNIFICANT TRANSNATIONAL CRIMINAL ACTIVITIES OF HIZBALLAH

SEC. 201. BLOCKING OF PROPERTY OF HIZBALLAH.

(a) In General.—Section 201 of the Hizballah International Financing Prevention Act of 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is amended to read as follows:

“SEC. 201. IMPOSITION OF SANCTIONS WITH RESPECT TO HIZBALLAH.

“(a) In General.—Not later than 120 days after the date of the enactment of this section, and as appropriate thereafter, the President shall impose the sanctions described in subsection (b) with respect to Hizballah, including by reason of Hizballah’s significant transnational criminal activities.

“(b) Sanctions Described.—The sanctions described in this subsection are sanctions applied with respect to a foreign person pursuant to Executive Order 13581 (75 Fed. Reg. 44,757) (as such Executive order was in effect on the day before the date of the enactment of this section).
“(c) DEFINITION.—In this section, the term ‘Hizballah’ has the meaning given such term in section 102(f).”.

(b) CLERICAL AMENDMENTS.—The table of contents for the Hizballah International Financing Prevention Act of 2015 is amended—

(1) by striking the item relating to title II and inserting the following:

“TITLE II—IMPOSITION OF SANCTIONS WITH RESPECT TO HIZBALLAH AND REPORTS AND BRIEFINGS ON NARCOTICS TRAFFICKING AND SIGNIFICANT TRANSNATIONAL CRIMINAL ACTIVITIES OF HIZBALLAH”;

and

(2) by striking the item relating to section 201 and inserting the following:

“Sec. 201. Imposition of sanctions with respect to Hizballah.”.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on the date that is 90 days after the date of the enactment of this Act.

SEC. 202. REPORT ON RACKETEERING ACTIVITIES ENGAGED IN BY HIZBALLAH.

(a) IN GENERAL.—Section 202 of the Hizballah International Financing Prevention Act of 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is amended to read as follows:
“SEC. 202. REPORT ON RACKETEERING ACTIVITIES ENGAGED IN BY HIZBALLAH.

“(a) In General.—Not later than 120 days after the date of the enactment of the Hizballah International Financing Prevention Amendments Act of 2017, and annually thereafter for the following 5 years, the Assistant Attorney General for the Criminal Division of the Department of Justice and the Administrator of the Drug Enforcement Administration, in coordination with the Secretary of the Treasury and the heads of other applicable Federal agencies, shall jointly submit to the appropriate congressional committees a report on the following:

“(1) Activities that Hizballah, and agents and affiliates of Hizballah, have engaged in that are racketeering activities.

“(2) The extent to which Hizballah, and agents and affiliates of Hizballah, engage in a pattern of such racketeering activities.

“(b) Form of Report.—Each report required under subsection (a) shall be submitted in an unclassified form but may contain a classified annex.

“(c) Definitions.—In this section:

“(1) Appropriate Congressional Committees.—The term ‘appropriate congressional committees’ means—
“(A) the Committee on the Judiciary and
the Committee on Foreign Affairs of the House
of Representatives; and
“(B) the Committee on the Judiciary and
the Committee on Foreign Relations of the Sen-
ate.
“(2) HIZBALLAH.—The term ‘Hizballah’ has
the meaning given that term in section 102(f).
“(3) RACKETEERING ACTIVITY.—The term
‘racketeering activity’ has the meaning given that
term in section 1961(1) of title 18, United States
Code.”.

(b) CLERICAL AMENDMENT.—The table of contents
for the Hizballah International Financing Prevention Act
of 2015 is amended by striking the item relating to section
202 and inserting the following:
“Sec. 202. Report on racketeering activities engaged in by Hizballah.”.

SEC. 203. MODIFICATION OF REPORT ON ACTIVITIES OF
FOREIGN GOVERNMENTS TO DISRUPT GLOB-
AL LOGISTICS NETWORKS AND FUND-
RAISING, FINANCING, AND MONEY LAUN-
DERING ACTIVITIES OF HIZBALLAH.

(a) IN GENERAL.—Section 204(a)(1) of the
Hizballah International Financing Prevention Act of 2015
(Public Law 114–102; 50 U.S.C. 1701 note) is amend-
ed—
(1) in the matter preceding subparagraph (A), by striking “this Act” and inserting “the Hizballah International Financing Prevention Amendments Act of 2017, and annually thereafter for the following 5 years”;

(2) in subparagraph (D)(ii)(II), by striking “and” at the end;

(3) in subparagraph (E), by striking “and free-trade zones.” and inserting “free-trade zones, business partnerships and joint ventures, and other investments in small and medium-sized enterprises;”;

and

(4) by adding at the end the following:

“(F) a list of provinces, municipalities, and local governments outside of Lebanon that express consent to, or with knowledge allow, tolerate, or disregard the use of their territory by Hizballah to carry out terrorist activities, including training, financing, and recruitment;

“(G) a description of the total aggregate revenues and remittances that Hizballah receives from the global logistics networks of Hizballah, including—

“(i) a list of Hizballah’s sources of revenue, including sources of revenue
based on illicit activity, revenues from Iran, charities, and other business activities; and

“(ii) a list of Hizballah’s expenditures, including expenditures for ongoing military operations, social networks, and external operations; and

“(H) a survey of national and transnational legal measures available to target Hizballah’s financial networks.”.

(b) Report on Estimated Net Worth of Senior Hizballah Members.—

(1) In general.—Not later than 180 days after the date of the enactment of this Act, and not less frequently than annually thereafter for the following 2 years, the President shall submit to the appropriate congressional committees a report that contains—

(A) the estimated total net worth of each individual described in paragraph (2); and

(B) a description of how funds of each individual described in paragraph (2) were acquired, and how such funds have been used or employed.
(2) Individuals described.—The individuals described in this paragraph are the following:

(A) The Secretary General of Hizballah.

(B) Members of the Hizballah Politburo.

(C) Any other individual that the President determines is a senior foreign political figure of Hizballah, is associated with Hizballah, or otherwise provides significant support to Hizballah.

(3) Form of report; public availability.—

(A) Form.—The report required under paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

(B) Public availability.—The unclassified portion of the report required under paragraph (1) shall be made available to the public and posted on the website of the Department of State and all United States Embassy websites.

(4) Definitions.—In this subsection:

(A) Appropriate congressional committees.—The term “appropriate congressional committees” means—

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

(B) Funds.—The term “funds” means—

(i) cash;

(ii) equity;

(iii) any other intangible asset the value of which is derived from a contractual claim, including bank deposits, bonds, stocks, a security (as defined in section 2(a) of the Securities Act of 1933 (15 U.S.C. 77b(a))), or a security or an equity security (as those terms are defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))); and

(iv) anything else of value that the Secretary determines to be appropriate.

(C) Senior Foreign Political Figure.—The term “senior foreign political figure” has the meaning given that term in section 1010.605 of title 31, Code of Federal Regulations (or any successor regulation).
SEC. 204. REPORT ON COMBATING THE ILLICIT TOBACCO

TRAFFICKING NETWORKS USED BY

HIZBALLAH AND OTHER FOREIGN TERRORIST ORGANIZATIONS.

(a) IN GENERAL.—Not later than 180 days after the
date of the enactment of this Act, the President shall sub-
mit to the appropriate congressional committees a report
on combating the illicit tobacco trafficking networks used
by Hizballah and other foreign terrorist organizations to
finance their operations, as described in the report sub-
mited to Congress in December 2015 by the Department
of State, the Department of Justice, the Department of
the Treasury, the Department of Homeland Security, and
the Department of Health and Human Services entitled,
“The Global Illicit Trade in Tobacco: A Threat to Na-
tional Security.”.

(b) MATTERS TO BE ADDRESSED.—The report re-
quired by subsection (a) shall include the following:

(1) A description of the steps to be taken by
Federal agencies to combat the illicit tobacco traff-
ficking networks used by Hizballah, other foreign
terrorist organizations, and other illicit actors.

(2) A description of the steps to be taken to en-
gage State and local law enforcement authorities in
efforts to combat illicit tobacco trafficking networks
operating within the United States.
(3) A description of the steps to be taken to engage foreign government law enforcement and intelligence authorities in efforts to combat illicit tobacco trafficking networks operating outside the United States.

(4) Recommendations for legislative or administrative action needed to address the threat of illicit tobacco trafficking networks.

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

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

(2) the Committee on Foreign Relations, the Committee on Armed Services, the Committee on Homeland Security and Governmental Affairs, the Committee on the Judiciary, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Finance of the Senate.
TITLE III—GENERAL
PROVISIONS

SEC. 301. REGULATORY AUTHORITY.

(a) In General.—The President shall, not later than 180 days after the date of the enactment of this Act, prescribe regulations as necessary for the implementation of this Act and the amendments made by this Act.

(b) Briefing to Congress.—Not later than 10 days before the prescription of regulations under subsection (a), the President shall brief the appropriate congressional committees of the proposed regulations and the provisions of this Act and the amendments made by this Act that the regulations are implementing.

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

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

(2) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.
SEC. 302. IMPLEMENTATION; PENALTIES; JUDICIAL REVIEW; EXEMPTIONS.

(a) IN GENERAL.—Title I of the Hizballah International Financing Prevention Act of 2015 (Public Law 114–102; 50 U.S.C. 1701 note), as amended by section 103 of this Act, is further amended by adding at the end the following:

“SEC. 104. IMPLEMENTATION; PENALTIES; JUDICIAL REVIEW; EXEMPTIONS; RULE OF CONSTRUCTION.

“(a) IMPLEMENTATION.—The President may exercise all authorities provided under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C. 1702 and 1704) to carry out sections 101 and 103.

“(b) PENALTIES.—The penalties provided for in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) shall apply to a person that violates, attempts to violate, conspires to violate, or causes a violation of regulations prescribed to carry out section 101 or 103 to the same extent that such penalties apply to a person that commits an unlawful act described in subsection (a) of such section 206.

“(c) PROCEDURES FOR JUDICIAL REVIEW OF CLASSIFIED INFORMATION.—

“(1) IN GENERAL.—If a finding, or a prohibition, condition, or penalty imposed as a result of any
such finding, is based on classified information (as
defined in section 1(a) of the Classified Information
Procedures Act (18 U.S.C. App.)) and a court re-
views the finding or the imposition of the prohibi-
tion, condition, or penalty, the President may submit
such information to the court ex parte and in cam-
era.

“(2) RULE OF CONSTRUCTION.—Nothing in
this subsection shall be construed to confer or imply
any right to judicial review of any finding under sec-
tion 101 or 103 or any prohibition, condition, or
penalty imposed as a result of any such finding.

“(d) EXEMPTIONS.—The following activities shall be
exempt from sections 101 and 103:

“(1) Any authorized intelligence, law enforce-
ment, or national security activities of the United
States.

“(2) Any transaction necessary to comply with
United States obligations under the Agreement be-
tween the United Nations and the United States of
America regarding the Headquarters of the United
States, signed at Lake Success June 26, 1947, and
entered into force November 21, 1947, or under the
Convention on Consular Relations, done at Vienna
April 24, 1963, and entered into force March 19,
1967, or any other United States international treaties.

“(e) Rule of Construction.—Nothing in section 101 or 103 shall be construed to limit the authority of the President under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) or under any other provision of law.”.

(b) Clerical Amendment.—The table of contents for the Hizballah International Financing Prevention Act of 2015 is amended by inserting after the item relating to section 103, as added by section 103(b) of this Act, the following new item:

“Sec. 104. Implementation; penalties; judicial review; exemptions; rule of construction.”.