

116TH CONGRESS
1ST SESSION

H. R. 336

To make improvements to certain defense and security assistance provisions and to authorize the appropriation of funds to Israel, to reauthorize the United States-Jordan Defense Cooperation Act of 2015, and to halt the wholesale slaughter of the Syrian people, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 8, 2019

Mr. McCAUL (for himself, Mr. McHENRY, and Mr. HURD of Texas) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on the Judiciary, Financial Services, Science, Space, and Technology, and Armed Services, 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 make improvements to certain defense and security assistance provisions and to authorize the appropriation of funds to Israel, to reauthorize the United States-Jordan Defense Cooperation Act of 2015, and to halt the wholesale slaughter of the Syrian people, and for other purposes.

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

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
 3 “Strengthening America’s Security in the Middle East Act
 4 of 2019”.

5 (b) TABLE OF CONTENTS.—The table of contents for
 6 this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—ILEANA ROS-LEHTINEN UNITED STATES-ISRAEL
 SECURITY ASSISTANCE AUTHORIZATION ACT OF 2019**

Sec. 101. Short title.

Sec. 102. Appropriate congressional committees defined.

Subtitle A—Security Assistance for Israel

Sec. 111. Findings.

Sec. 112. Statement of policy regarding Israel’s defense systems.

Sec. 113. Assistance for Israel.

Sec. 114. Extension of war reserves stockpile authority.

Sec. 115. Extension of loan guarantees to Israel.

Sec. 116. Transfer of precision guided munitions to Israel.

Sec. 117. Sense of Congress on rapid acquisition and deployment procedures.

Sec. 118. Eligibility of Israel for the strategic trade authorization exception to
 certain export control licensing requirements.

Subtitle B—Enhanced United States-Israel Cooperation

Sec. 121. United States-Israel space cooperation.

Sec. 122. United States-Israel enhanced partnership for development coopera-
 tion in developing nations.

Sec. 123. Authority to enter into a cooperative project agreement with Israel
 to counter unmanned aerial vehicles that threaten the United
 States or Israel.

Subtitle C—Ensuring Israel’s Qualitative Military Edge

Sec. 131. Statement of policy.

**TITLE II—UNITED STATES-JORDAN DEFENSE COOPERATION
 EXTENSION ACT**

Sec. 201. Short title.

Sec. 202. Findings.

Sec. 203. Sense of Congress.

Sec. 204. Reauthorization of United States-Jordan Defense Cooperation Act of
 2015.

Sec. 205. Report on establishing an enterprise fund for Jordan.

TITLE III—CAESAR SYRIA CIVILIAN PROTECTION ACT OF 2019

Sec. 301. Short title.

Subtitle A—Additional Actions in Connection With the National Emergency
With Respect to Syria

Sec. 311. Measures with respect to Central Bank of Syria.

Sec. 312. Sanctions with respect to foreign persons that engage in certain transactions.

Subtitle B—Assistance for the People of Syria

Sec. 321. Codification of certain services in support of nongovernmental organizations’ activities authorized.

Sec. 322. Briefing on strategy to facilitate humanitarian assistance.

Subtitle C—General Provisions

Sec. 331. Suspension of sanctions.

Sec. 332. Waivers and exemptions.

Sec. 333. Implementation and regulatory authorities.

Sec. 334. Rule of construction.

Sec. 335. Sunset.

TITLE IV—COMBATING BDS ACT OF 2019

Sec. 401. Short title.

Sec. 402. Nonpreemption of measures by State and local governments to divest from entities that engage in certain boycott, divestment, or sanctions activities targeting Israel or persons doing business in Israel or Israeli-controlled territories.

Sec. 403. Safe harbor for changes of investment policies by asset managers.

Sec. 404. Sense of congress regarding certain ERISA plan investments.

Sec. 405. Rule of construction.

1 TITLE I—ILEANA ROS-LEHTINEN
2 UNITED STATES-ISRAEL SE-
3 CURITY ASSISTANCE AU-
4 THORIZATION ACT OF 2019

5 SEC. 101. SHORT TITLE.

6 This title may be cited as the “Ileana Ros-Lehtinen
7 United States-Israel Security Assistance Authorization
8 Act of 2019”.

1 **SEC. 102. APPROPRIATE CONGRESSIONAL COMMITTEES**

2 **DEFINED.**

3 In this title, the term “appropriate congressional
4 committees” means—

5 (1) the Committee on Foreign Relations and
6 the Committee on Armed Services of the Senate; and

7 (2) the Committee on Foreign Affairs and the
8 Committee on Armed Services of the House of Rep-
9 resentatives.

10 **Subtitle A—Security Assistance for**
11 **Israel**

12 **SEC. 111. FINDINGS.**

13 Congress makes the following findings:

14 (1) In February 1987, the United States grant-
15 ed Israel major non-NATO ally status.

16 (2) On August 16, 2007, the United States and
17 Israel signed a 10-year Memorandum of Under-
18 standing on United States military assistance to
19 Israel. The total assistance over the course of this
20 understanding would equal \$30 billion.

21 (3) On July 27, 2012, the United States-Israel
22 Enhanced Security Cooperation Act of 2012 (Public
23 Law 112–150; 22 U.S.C. 8601 et seq.) declared it
24 to be the policy of the United States “to help the
25 Government of Israel preserve its qualitative military
26 edge amid rapid and uncertain regional political

1 transformation” and stated the sense of Congress
2 that the United States Government should “provide
3 the Government of Israel defense articles and de-
4 fense services through such mechanisms as appro-
5 priate, to include air refueling tankers, missile de-
6 fense capabilities, and specialized munitions”.

7 (4) On December 19, 2014, President Barack
8 Obama signed into law the United States-Israel
9 Strategic Partnership Act of 2014 (Public Law 113–
10 296) which stated the sense of Congress that Israel
11 is a major strategic partner of the United States
12 and declared it to be the policy of the United States
13 “to continue to provide Israel with robust security
14 assistance, including for the procurement of the Iron
15 Dome Missile Defense System”.

16 (5) Section 1679 of the National Defense Au-
17 thorization Act for Fiscal Year 2016 (Public Law
18 114–92; 129 Stat. 1135) authorized funds to be ap-
19 propriated for Israeli cooperative missile defense
20 program codevelopment and coproduction, including
21 funds to be provided to the Government of Israel to
22 procure the David’s Sling weapon system as well as
23 the Arrow 3 Upper Tier Interceptor Program.

24 (6) On September 14, 2016, the United States
25 and Israel signed a 10-year Memorandum of Under-

1 standing reaffirming the importance of continuing
2 annual United States military assistance to Israel
3 and cooperative missile defense programs in a way
4 that enhances Israel's security and strengthens the
5 bilateral relationship between the two countries.

6 (7) The 2016 Memorandum of Understanding
7 reflected United States support of Foreign Military
8 Financing (FMF) grant assistance to Israel over the
9 10-year period beginning in fiscal year 2019 and
10 ending in fiscal year 2028. FMF grant assistance
11 would be at a level of \$3,300,000,000 annually, to-
12 taling \$33 billion, the largest single pledge of mili-
13 tary assistance ever and a reiteration of the seven-
14 decade, unshakeable, bipartisan commitment of the
15 United States to Israel's security.

16 (8) The Memorandum of Understanding also
17 reflected United States support for funding for coop-
18 erative programs to develop, produce, and procure
19 missile, rocket, and projectile defense capabilities
20 over a 10-year period beginning in fiscal year 2019
21 and ending in fiscal year 2028 at a level of \$500
22 million per year, totaling \$5 billion.

1 **SEC. 112. STATEMENT OF POLICY REGARDING ISRAEL'S DE-**
2 **FENSE SYSTEMS.**

3 It shall be the policy of the United States to provide
4 assistance to the Government of Israel in order to support
5 funding for cooperative programs to develop, produce, and
6 procure missile, rocket, projectile, and other defense capa-
7 bilities to help Israel meet its security needs and to help
8 develop and enhance United States defense capabilities.

9 **SEC. 113. ASSISTANCE FOR ISRAEL.**

10 Section 513(c) of the Security Assistance Act of 2000
11 (Public Law 106–280; 114 Stat. 856) is amended—

12 (1) in paragraph (1), by striking “2002 and
13 2003” and inserting “2019, 2020, 2021, 2022,
14 2023, 2024, 2025, 2026, 2027, and 2028”; and

15 (2) in paragraph (2)—

16 (A) by striking “equal to—” and inserting
17 “not less than \$3,300,000,000.”; and

18 (B) by striking subparagraphs (A) and
19 (B).

20 **SEC. 114. EXTENSION OF WAR RESERVES STOCKPILE AU-**
21 **THORITY.**

22 Section 514(b)(2)(A) of the Foreign Assistance Act
23 of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by strik-
24 ing “2013, 2014, 2015, 2016, 2017, 2018, and 2019” and
25 inserting “2019, 2020, 2021, 2022, and 2023”.

1 **SEC. 115. EXTENSION OF LOAN GUARANTEES TO ISRAEL.**

2 Chapter 5 of title I of the Emergency Wartime Sup-
3 plemental Appropriations Act, 2003 (Public Law 108–11;
4 117 Stat. 576) is amended under the heading “LOAN
5 GUARANTEES TO ISRAEL”—

6 (1) in the matter preceding the first proviso, by
7 striking “September 30, 2019” and inserting “Sep-
8 tember 30, 2023”; and

9 (2) in the second proviso, by striking “Sep-
10 tember 30, 2019” and inserting “September 30,
11 2023”.

12 **SEC. 116. TRANSFER OF PRECISION GUIDED MUNITIONS TO**
13 **ISRAEL.**

14 (a) IN GENERAL.—Notwithstanding section 514 of
15 the Foreign Assistance Act of 1961 (22 U.S.C. 2321h),
16 the President is authorized to transfer such quantities of
17 precision guided munitions from reserve stocks to Israel
18 as necessary for legitimate self-defense and otherwise con-
19 sistent with the purposes and conditions for such transfers
20 under the Arms Export Control Act (22 U.S.C. 2751 et
21 seq.).

22 (b) CERTIFICATIONS.—Except in case of emergency,
23 not later than 5 days before making a transfer under this
24 section, the President shall certify in an unclassified noti-
25 fication to the appropriate congressional committees that
26 the transfer of the precision guided munitions—

1 (1) does not affect the ability of the United
 2 States to maintain a sufficient supply of precision
 3 guided munitions;

4 (2) does not harm the combat readiness of the
 5 United States or the ability of the United States to
 6 meet its commitment to allies for the transfer of
 7 such munitions;

8 (3) is necessary for Israel to counter the threat
 9 of rockets in a timely fashion; and

10 (4) is in the national security interest of the
 11 United States.

12 **SEC. 117. SENSE OF CONGRESS ON RAPID ACQUISITION**
 13 **AND DEPLOYMENT PROCEDURES.**

14 It is the sense of Congress that the President should
 15 prescribe procedures for the rapid acquisition and deploy-
 16 ment of precision guided munitions for United States
 17 counterterrorism missions, or to assist an ally of the
 18 United States, including Israel, that is subject to direct
 19 missile threat.

20 **SEC. 118. ELIGIBILITY OF ISRAEL FOR THE STRATEGIC**
 21 **TRADE AUTHORIZATION EXCEPTION TO CER-**
 22 **TAIN EXPORT CONTROL LICENSING RE-**
 23 **QUIREMENTS.**

24 (a) FINDINGS.—Congress makes the following find-
 25 ings:

1 (1) Israel has adopted high standards in the
2 field of export controls.

3 (2) Israel has declared its unilateral adherence
4 to the Missile Technology Control Regime, the Aus-
5 tralia Group, and the Nuclear Suppliers Group.

6 (3) Israel is a party to—

7 (A) the Convention on Prohibitions or Re-
8 strictions on the Use of Certain Conventional
9 Weapons which may be Deemed to be Exces-
10 sively Injurious or to Have Indiscriminate Ef-
11 fects, signed at Geneva October 10, 1980;

12 (B) the Protocol for the Prohibition of the
13 Use in War of Asphyxiating, Poisonous or
14 Other Gases, and of Bacteriological Methods of
15 Warfare, signed at Geneva June 17, 1925; and

16 (C) the Convention on the Physical Protec-
17 tion of Nuclear Material, adopted at Vienna Oc-
18 tober 26, 1979.

19 (4) Section 6(b) of the United States-Israel
20 Strategic Partnership Act of 2014 (22 U.S.C. 8603
21 note) directs the President, consistent with the com-
22 mitments of the United States under international
23 agreements, to take steps so that Israel may be in-
24 cluded in the list of countries eligible for the stra-
25 tegic trade authorization exception under section

1 740.20(c)(1) of title 15, Code of Federal Regula-
2 tions, to the requirement for a license for the export,
3 reexport, or in-country transfer of an item subject to
4 controls under the Export Administration Regula-
5 tions.

6 (b) REPORT ON ELIGIBILITY FOR STRATEGIC TRADE
7 AUTHORIZATION EXCEPTION.—

8 (1) IN GENERAL.—Not later than 120 days
9 after the date of the enactment of this Act, the
10 President shall submit to the appropriate congres-
11 sional committees a report that describes the steps
12 taken pursuant to section 6(b) of the United States-
13 Israel Strategic Partnership Act of 2014 (22 U.S.C.
14 8603 note).

15 (2) FORM.—The report required under para-
16 graph (1) shall be provided in unclassified form, but
17 may contain a classified portion.

18 **Subtitle B—Enhanced United**
19 **States-Israel Cooperation**

20 **SEC. 121. UNITED STATES-ISRAEL SPACE COOPERATION.**

21 (a) FINDINGS.—Congress makes the following find-
22 ings:

23 (1) Authorized in 1958, the National Aero-
24 nautics and Space Administration (NASA) supports
25 and coordinates United States Government research

1 in aeronautics, human exploration and operations,
2 science, and space technology.

3 (2) Established in 1983, the Israel Space Agen-
4 cy (ISA) supports the growth of Israel's space indus-
5 try by supporting academic research, technological
6 innovation, and educational activities.

7 (3) The mutual interest of the United States
8 and Israel in space exploration affords both nations
9 an opportunity to leverage their unique abilities to
10 advance scientific discovery.

11 (4) In 1996, NASA and the ISA entered into
12 an agreement outlining areas of mutual cooperation,
13 which remained in force until 2005.

14 (5) Since 1996, NASA and the ISA have suc-
15 cessfully cooperated on many space programs sup-
16 porting the Global Positioning System and research
17 related to the sun, earth science, and the environ-
18 ment.

19 (6) The bond between NASA and the ISA was
20 permanently forged on February 1, 2003, with the
21 loss of the crew of STS-107, including Israeli Astro-
22 naut Ilan Ramon.

23 (7) On October 13, 2015, the United States
24 and Israel signed the Framework Agreement be-
25 tween the National Aeronautics and Space Adminis-

1 tration of the United States of America and the
2 Israel Space Agency for Cooperation in Aeronautics
3 and the Exploration and Use of Airspace and Outer
4 Space for Peaceful Purposes.

5 (b) CONTINUING COOPERATION.—The Administrator
6 of the National Aeronautics and Space Administration
7 shall continue to work with the Israel Space Agency to
8 identify and cooperatively pursue peaceful space explo-
9 ration and science initiatives in areas of mutual interest,
10 taking all appropriate measures to protect sensitive infor-
11 mation, intellectual property, trade secrets, and economic
12 interests of the United States.

13 **SEC. 122. UNITED STATES-ISRAEL ENHANCED PARTNER-**
14 **SHIP FOR DEVELOPMENT COOPERATION IN**
15 **DEVELOPING NATIONS.**

16 (a) STATEMENT OF POLICY.—It should be the policy
17 of the United States to partner with Israel in order to
18 advance common goals across a wide variety of sectors,
19 including energy, agriculture and food security, democ-
20 racy, human rights and governance, economic growth and
21 trade, education, environment, global health, and water
22 and sanitation.

23 (b) MEMORANDUM OF UNDERSTANDING.—The Sec-
24 retary of State, acting through the Administrator of the
25 United States Agency for International Development in

1 accordance with established procedures, is authorized to
2 enter into memoranda of understanding with Israel in
3 order to enhance coordination on advancing common goals
4 on energy, agriculture and food security, democracy,
5 human rights and governance, economic growth and trade,
6 education, environment, global health, and water and sani-
7 tation with a focus on strengthening mutual ties and co-
8 operation with nations throughout the world.

9 **SEC. 123. AUTHORITY TO ENTER INTO A COOPERATIVE**
10 **PROJECT AGREEMENT WITH ISRAEL TO**
11 **COUNTER UNMANNED AERIAL VEHICLES**
12 **THAT THREATEN THE UNITED STATES OR**
13 **ISRAEL.**

14 (a) FINDINGS.—Congress makes the following find-
15 ings:

16 (1) On February 10, 2018, Iran launched from
17 Syria an unmanned aerial vehicle (commonly known
18 as a “drone”) that penetrated Israeli airspace.

19 (2) According to a press report, the unmanned
20 aerial vehicle was in Israeli airspace for a minute
21 and a half before being shot down by its air force.

22 (3) Senior Israeli officials stated that the un-
23 manned aerial vehicle was an advanced piece of tech-
24 nology.

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

3 (1) joint research and development to counter
4 unmanned aerial vehicles will serve the national se-
5 curity interests of the United States and Israel;

6 (2) Israel faces urgent and emerging threats
7 from unmanned aerial vehicles, and other unmanned
8 vehicles, launched from Lebanon by Hezbollah, from
9 Syria by Iran’s Revolutionary Guard Corps, or from
10 others seeking to attack Israel;

11 (3) efforts to counter unmanned aerial vehicles
12 should include the feasibility of utilizing directed en-
13 ergy and high powered microwave technologies,
14 which can disable vehicles without kinetic destruc-
15 tion; and

16 (4) the United States and Israel should con-
17 tinue to work together to defend against all threats
18 to the safety, security, and national interests of both
19 countries.

20 (c) AUTHORITY TO ENTER INTO AGREEMENT.—

21 (1) IN GENERAL.—The President is authorized
22 to enter into a cooperative project agreement with
23 Israel under the authority of section 27 of the Arms
24 Export Control Act (22 U.S.C. 2767), to carry out
25 research on, and development, testing, evaluation,

1 and joint production (including follow-on support)
2 of, defense articles and defense services, such as the
3 use of directed energy or high powered microwave
4 technology, to detect, track, and destroy unmanned
5 aerial vehicles that threaten the United States or
6 Israel.

7 (2) APPLICABLE REQUIREMENTS.—The cooper-
8 ative project agreement described in paragraph (1)
9 shall—

10 (A) provide that any activities carried out
11 pursuant to the agreement are subject to—

12 (i) the applicable requirements de-
13 scribed in subparagraphs (A), (B), and (C)
14 of section 27(b)(2) of the Arms Export
15 Control Act (22 U.S.C. 2767(b)(2)); and

16 (ii) any other applicable requirements
17 of the Arms Export Control Act (22
18 U.S.C. 2751 et seq.) with respect to the
19 use, transfers, and security of such defense
20 articles and defense services under that
21 Act;

22 (B) establish a framework to negotiate the
23 rights to intellectual property developed under
24 the agreement; and

1 (C) include appropriate protections for sen-
2 sitive technology.

3 (d) REPORT ON COOPERATION.—

4 (1) REPORT REQUIRED.—Not later than 90
5 days after the date of the enactment of this Act, the
6 Secretary of Defense shall submit to the congres-
7 sional defense committees (as that term is defined in
8 section 101(a) of title 10, United States Code), the
9 Committee on Foreign Relations of the Senate, and
10 the Committee on Foreign Affairs of the House of
11 Representatives a report describing the cooperation
12 of the United States with Israel with respect to
13 countering unmanned aerial systems that includes
14 each of the following:

15 (A) An identification of specific capability
16 gaps of the United States and Israel with re-
17 spect to countering unmanned aerial systems.

18 (B) An identification of cooperative
19 projects that would address those capability
20 gaps and mutually benefit and strengthen the
21 security of the United States and Israel.

22 (C) An assessment of the projected cost for
23 research and development efforts for such coop-
24 erative projects, including an identification of
25 those to be conducted in the United States, and

1 the timeline for the completion of each such
2 project.

3 (D) An assessment of the extent to which
4 the capability gaps of the United States identi-
5 fied pursuant to subparagraph (A) are not like-
6 ly to be addressed through the cooperative
7 projects identified pursuant to subparagraph
8 (B).

9 (E) An assessment of the projected costs
10 for procurement and fielding of any capabilities
11 developed jointly pursuant to an agreement de-
12 scribed in subsection (c).

13 (2) LIMITATION.—No activities may be con-
14 ducted pursuant to an agreement described in sub-
15 section (c) until the date that is 15 days after the
16 date on which the Secretary of Defense submits the
17 report required under paragraph (1).

18 **Subtitle C—Ensuring Israel’s** 19 **Qualitative Military Edge**

20 **SEC. 131. STATEMENT OF POLICY.**

21 It is the policy of the United States to ensure that
22 Israel maintains its ability to counter and defeat any cred-
23 ible conventional military, or emerging, threat from any
24 individual state or possible coalition of states or from non-
25 state actors, while sustaining minimal damages and cas-

1 ualties, through the use of superior military means, pos-
2 sessed in sufficient quantity, including weapons, com-
3 mand, control, communication, intelligence, surveillance,
4 and reconnaissance capabilities that in their technical
5 characteristics are superior in capability to those of such
6 other individual or possible coalition states or non-state
7 actors.

8 **TITLE II—UNITED STATES-JOR-**
9 **DAN DEFENSE COOPERATION**
10 **EXTENSION ACT**

11 **SEC. 201. SHORT TITLE.**

12 This title may be cited as the “United States-Jordan
13 Defense Cooperation Extension Act”.

14 **SEC. 202. FINDINGS.**

15 Congress finds the following:

16 (1) In December 2011, Congress passed section
17 7041(b) of the Consolidated Appropriations Act,
18 2012 (Public Law 112–74; 125 Stat. 1223), which
19 appropriated funds made available under the head-
20 ing “Economic Support Fund” to establish an enter-
21 prise fund for Jordan.

22 (2) The intent of an enterprise fund is to at-
23 tract private investment to help entrepreneurs and
24 small businesses create jobs and to achieve sustain-
25 able economic development.

1 (3) Jordan is an instrumental partner in the
2 fight against terrorism, including as a member of
3 the Global Coalition To Counter ISIS and the Com-
4 bined Joint Task Force—Operation Inherent Re-
5 solve.

6 (4) In 2014, His Majesty King Abdullah stated
7 that “Jordanians and Americans have been standing
8 shoulder to shoulder against extremism for many
9 years, but to a new level with this coalition against
10 ISIL”.

11 (5) On February 3, 2015, the United States
12 signed a 3-year memorandum of understanding with
13 Jordan, pledging to provide the kingdom with
14 \$1,000,000,000 annually in United States foreign
15 assistance, subject to the approval of Congress.

16 **SEC. 203. SENSE OF CONGRESS.**

17 It is the sense of Congress that—

18 (1) Jordan plays a critical role in responding to
19 the overwhelming humanitarian needs created by the
20 conflict in Syria; and

21 (2) Jordan, the United States, and other part-
22 ners should continue working together to address
23 this humanitarian crisis and promote regional sta-
24 bility, including through support for refugees in Jor-
25 dan and internally displaced people along the Jor-

1 dan-Syria border and the creation of conditions in-
 2 side Syria that will allow for the secure, dignified,
 3 and voluntary return of people displaced by the cri-
 4 sis.

5 **SEC. 204. REAUTHORIZATION OF UNITED STATES-JORDAN**
 6 **DEFENSE COOPERATION ACT OF 2015.**

7 Section 5(a) of the United States-Jordan Defense Co-
 8 operation Act of 2015 (22 U.S.C. 2753 note) is amend-
 9 ed—

10 (1) by striking “During the 3-year period” and
 11 inserting “During the period”; and

12 (2) by inserting “and ending on December 31,
 13 2022” after “enactment of this Act”.

14 **SEC. 205. REPORT ON ESTABLISHING AN ENTERPRISE**
 15 **FUND FOR JORDAN.**

16 (a) IN GENERAL.—Not later than 180 days after the
 17 establishment of the United States Development Finance
 18 Corporation, the President shall submit to the appropriate
 19 congressional committees a detailed report assessing the
 20 costs and benefits of the United States Development Fi-
 21 nance Corporation establishing a Jordan Enterprise Fund.

22 (b) APPROPRIATE CONGRESSIONAL COMMITTEES.—
 23 In this section, the term “appropriate congressional com-
 24 mittees” means—

1 (1) the Committee on Foreign Relations and
2 the Committee on Appropriations of the Senate; and
3 (2) the Committee on Foreign Affairs and the
4 Committee on Appropriations of the House of Rep-
5 resentatives.

6 **TITLE III—CAESAR SYRIA CIVIL-**
7 **IAN PROTECTION ACT OF 2019**

8 **SEC. 301. SHORT TITLE.**

9 This title may be cited as the “Caesar Syria Civilian
10 Protection Act of 2019”.

11 **Subtitle A—Additional Actions in**
12 **Connection With the National**
13 **Emergency With Respect to**
14 **Syria**

15 **SEC. 311. MEASURES WITH RESPECT TO CENTRAL BANK OF**
16 **SYRIA.**

17 (a) DETERMINATION REGARDING CENTRAL BANK OF
18 SYRIA.—Not later than 180 days after the date of the en-
19 actment of this Act, the Secretary of the Treasury shall
20 determine, under section 5318A of title 31, United States
21 Code, whether reasonable grounds exist for concluding
22 that the Central Bank of Syria is a financial institution
23 of primary money laundering concern.

24 (b) ENHANCED DUE DILIGENCE AND REPORTING
25 REQUIREMENTS.—If the Secretary of the Treasury deter-

1 mines under subsection (a) that reasonable grounds exist
2 for concluding that the Central Bank of Syria is a finan-
3 cial institution of primary money laundering concern, the
4 Secretary, in consultation with the Federal functional reg-
5 ulators (as defined in section 509 of the Gramm-Leach-
6 Bliley Act (15 U.S.C. 6809)), shall impose one or more
7 of the special measures described in section 5318A(b) of
8 title 31, United States Code, with respect to the Central
9 Bank of Syria.

10 (c) REPORT REQUIRED.—

11 (1) IN GENERAL.—Not later than 90 days after
12 making a determination under subsection (a) with
13 respect to whether the Central Bank of Syria is a
14 financial institution of primary money laundering
15 concern, the Secretary of the Treasury shall submit
16 to the appropriate congressional committees a report
17 that includes the reasons for the determination.

18 (2) FORM.—A report required by paragraph (1)
19 shall be submitted in unclassified form, but may in-
20 clude a classified annex.

21 (3) APPROPRIATE CONGRESSIONAL COMMIT-
22 TEES DEFINED.—In this subsection, the term “ap-
23 propriate congressional committees” means—

24 (A) the Committee on Foreign Affairs, the
25 Committee on Financial Services, and the Com-

mittee on Appropriations of the House of Representatives; and

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

SEC. 312. SANCTIONS WITH RESPECT TO FOREIGN PERSONS THAT ENGAGE IN CERTAIN TRANSACTIONS.

(a) IMPOSITION OF SANCTIONS.—

(1) IN GENERAL.—On and after the date that is 180 days after the date of the enactment of this Act, the President shall impose the sanctions described in subsection (b) with respect to a foreign person if the President determines that the foreign person, on or after such date of enactment, knowingly engages in an activity described in paragraph (2).

(2) ACTIVITIES DESCRIBED.—A foreign person engages in an activity described in this paragraph if the foreign person—

(A) knowingly provides significant financial, material, or technological support to, or knowingly engages in a significant transaction with—

1 (i) the Government of Syria (including
2 any entity owned or controlled by the Gov-
3 ernment of Syria) or a senior political fig-
4 ure of the Government of Syria;

5 (ii) a foreign person that is a military
6 contractor, mercenary, or a paramilitary
7 force knowingly operating in a military ca-
8 pacity inside Syria for or on behalf of the
9 Government of Syria, the Government of
10 the Russian Federation, or the Govern-
11 ment of Iran; or

12 (iii) a foreign person subject to sanc-
13 tions pursuant to the International Emer-
14 gency Economic Powers Act (50 U.S.C.
15 1701 et seq.) with respect to Syria or any
16 other provision of law that imposes sanc-
17 tions with respect to Syria;

18 (B) knowingly sells or provides significant
19 goods, services, technology, information, or
20 other support that significantly facilitates the
21 maintenance or expansion of the Government of
22 Syria's domestic production of natural gas, pe-
23 troleum, or petroleum products;

24 (C) knowingly sells or provides aircraft or
25 spare aircraft parts that are used for military

1 purposes in Syria for or on behalf of the Gov-
2 ernment of Syria to any foreign person oper-
3 ating in an area directly or indirectly controlled
4 by the Government of Syria or foreign forces
5 associated with the Government of Syria;

6 (D) knowingly provides significant goods
7 or services associated with the operation of air-
8 craft that are used for military purposes in
9 Syria for or on behalf of the Government of
10 Syria to any foreign person operating in an
11 area described in subparagraph (C); or

12 (E) knowingly, directly or indirectly, pro-
13 vides significant construction or engineering
14 services to the Government of Syria.

15 (3) SENSE OF CONGRESS.—It is the sense of
16 Congress that, in implementing this section, the
17 President should consider financial support under
18 paragraph (2)(A) to include the provision of loans,
19 credits, or export credits.

20 (b) SANCTIONS DESCRIBED.—

21 (1) IN GENERAL.—The sanctions to be imposed
22 with respect to a foreign person subject to sub-
23 section (a) are the following:

24 (A) BLOCKING OF PROPERTY.—The Presi-
25 dent shall exercise all of the powers granted to

1 the President under the International Emer-
2 gency Economic Powers Act (50 U.S.C. 1701 et
3 seq.) to the extent necessary to block and pro-
4 hibit all transactions in property and interests
5 in property of the foreign person if such prop-
6 erty and interests in property are in the United
7 States, come within the United States, or are or
8 come within the possession or control of a
9 United States person.

10 (B) ALIENS INELIGIBLE FOR VISAS, AD-
11 MISSION, OR PAROLE.—

12 (i) VISAS, ADMISSION, OR PAROLE.—

13 An alien who the Secretary of State or the
14 Secretary of Homeland Security (or a des-
15 ignee of one of such Secretaries) knows, or
16 has reason to believe, has knowingly en-
17 gaged in any activity described in sub-
18 section (a)(2) is—

19 (I) inadmissible to the United
20 States;

21 (II) ineligible to receive a visa or
22 other documentation to enter the
23 United States; and

24 (III) otherwise ineligible to be
25 admitted or paroled into the United

1 States or to receive any other benefit
2 under the Immigration and Nation-
3 ality Act (8 U.S.C. 1101 et seq.).

4 (ii) CURRENT VISAS REVOKED.—

5 (I) IN GENERAL.—The issuing
6 consular officer, the Secretary of
7 State, or the Secretary of Homeland
8 Security (or a designee of one of such
9 Secretaries) shall, in accordance with
10 section 221(i) of the Immigration and
11 Nationality Act (8 U.S.C. 1201(i)),
12 revoke any visa or other entry docu-
13 mentation issued to an alien described
14 in clause (i) regardless of when the
15 visa or other entry documentation is
16 issued.

17 (II) EFFECT OF REVOCATION.—

18 A revocation under subclause (I)—

19 (aa) shall take effect imme-
20 diately; and

21 (bb) shall automatically can-
22 cel any other valid visa or entry
23 documentation that is in the
24 alien's possession.

1 (2) PENALTIES.—The penalties provided for in
2 subsections (b) and (c) of section 206 of the Inter-
3 national Emergency Economic Powers Act (50
4 U.S.C. 1705) shall apply to a person that violates,
5 attempts to violate, conspires to violate, or causes a
6 violation of regulations promulgated under section
7 333(b) to carry out paragraph (1)(A) to the same
8 extent that such penalties apply to a person that
9 commits an unlawful act described in section 206(a)
10 of that Act.

11 (3) EXCEPTION RELATING TO IMPORTATION OF
12 GOODS.—

13 (A) IN GENERAL.—The requirement to
14 block and prohibit all transactions in all prop-
15 erty and interests in property under paragraph
16 (1)(A) shall not include the authority to impose
17 sanctions on the importation of goods.

18 (B) GOOD DEFINED.—In this paragraph,
19 the term “good” means any article, natural or
20 man-made substance, material, supply or manu-
21 factured product, including inspection and test
22 equipment, and excluding technical data.

23 (c) DEFINITIONS.—In this section:

24 (1) ADMITTED; ALIEN.—The terms “admitted”
25 and “alien” have the meanings given those terms in

1 section 101 of the Immigration and Nationality Act
2 (8 U.S.C. 1101).

3 (2) FOREIGN PERSON.—The term “foreign per-
4 son” means a person that is not a United States
5 person.

6 (3) KNOWINGLY.—The term “knowingly”, with
7 respect to conduct, a circumstance, or a result,
8 means that a person has actual knowledge, or should
9 have known, of the conduct, the circumstance, or the
10 result.

11 (4) UNITED STATES PERSON.—The term
12 “United States person” means—

13 (A) a United States citizen or an alien law-
14 fully admitted for permanent residence to the
15 United States; or

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

**Subtitle B—Assistance for the
People of Syria**

**SEC. 321. CODIFICATION OF CERTAIN SERVICES IN SUP-
PORT OF NONGOVERNMENTAL ORGANIZA-
TIONS' ACTIVITIES AUTHORIZED.**

(a) IN GENERAL.—Except as provided in subsection (b), section 542.516 of title 31, Code of Federal Regulations (relating to certain services in support of nongovernmental organizations' activities authorized), as in effect on the day before the date of the enactment of this Act, shall—

(1) remain in effect on and after such date of enactment; and

(2) in the case of a nongovernmental organization that is authorized to export or reexport services to Syria under such section on the day before such date of enactment, apply to such organization on and after such date of enactment to the same extent and in the same manner as such section applied to such organization on the day before such date of enactment.

(b) EXCEPTION.—

(1) IN GENERAL.—Section 542.516 of title 31, Code of Federal Regulations, as codified under subsection (a), shall not apply with respect to a foreign

1 person that has been designated as a foreign ter-
2 rorist organization under section 219 of the Immi-
3 gration and Nationality Act (8 U.S.C. 1189), or oth-
4 erwise designated as a terrorist organization, by the
5 Secretary of State, in consultation with or upon the
6 request of the Attorney General or the Secretary of
7 Homeland Security.

8 (2) EFFECTIVE DATE.—Paragraph (1) shall
9 apply with respect to a foreign person on and after
10 the date on which the designation of that person as
11 a terrorist organization is published in the Federal
12 Register.

13 **SEC. 322. BRIEFING ON STRATEGY TO FACILITATE HUMANI-**
14 **TARIAN ASSISTANCE.**

15 (a) IN GENERAL.—Not later than 180 days after the
16 date of the enactment of this Act, the President shall brief
17 the appropriate congressional committees on the strategy
18 of the President to help facilitate the ability of humani-
19 tarian organizations to access financial services to help fa-
20 cilitate the safe and timely delivery of assistance to com-
21 munities in need in Syria.

22 (b) CONSIDERATION OF DATA FROM OTHER COUN-
23 TRIES AND NONGOVERNMENTAL ORGANIZATIONS.—In
24 preparing the strategy required by subsection (a), the
25 President shall consider credible data already obtained by

1 other countries and nongovernmental organizations, in-
 2 cluding organizations operating in Syria.

3 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
 4 FINED.—In this section, the term “appropriate congres-
 5 sional committees” means—

6 (1) the Committee on Foreign Affairs, the
 7 Committee on Financial Services, and the Com-
 8 mittee on Appropriations of the House of Represent-
 9 atives; and

10 (2) the Committee on Foreign Relations, the
 11 Committee on Banking, Housing, and Urban Af-
 12 fairs, and the Committee on Appropriations of the
 13 Senate.

14 **Subtitle C—General Provisions**

15 **SEC. 331. SUSPENSION OF SANCTIONS.**

16 (a) IN GENERAL.—The President may suspend in
 17 whole or in part the imposition of sanctions otherwise re-
 18 quired under this title for periods not to exceed 180 days
 19 if the President determines that the following criteria have
 20 been met in Syria:

21 (1) The air space over Syria is no longer being
 22 utilized by the Government of Syria or the Govern-
 23 ment of the Russian Federation to target civilian
 24 populations through the use of incendiary devices,
 25 including barrel bombs, chemical weapons, and con-

1 ventional arms, including air-delivered missiles and
2 explosives.

3 (2) Areas besieged by the Government of Syria,
4 the Government of the Russian Federation, the Gov-
5 ernment of Iran, or a foreign person described in
6 section 312(a)(2)(A)(ii) are no longer cut off from
7 international aid and have regular access to humani-
8 tarian assistance, freedom of travel, and medical
9 care.

10 (3) The Government of Syria is releasing all po-
11 litical prisoners forcibly held within the prison sys-
12 tem of the regime of Bashar al-Assad and the Gov-
13 ernment of Syria is allowing full access to the same
14 facilities for investigations by appropriate inter-
15 national human rights organizations.

16 (4) The forces of the Government of Syria, the
17 Government of the Russian Federation, the Govern-
18 ment of Iran, and any foreign person described in
19 section 312(a)(2)(A)(ii) are no longer engaged in de-
20 liberate targeting of medical facilities, schools, resi-
21 dential areas, and community gathering places, in-
22 cluding markets, in violation of international norms.

23 (5) The Government of Syria is—

24 (A) taking steps to verifiably fulfill its
25 commitments under the Convention on the Pro-

1 hibition of the Development, Production, Stock-
2 piling and Use of Chemical Weapons and on
3 their Destruction, done at Geneva September 3,
4 1992, and entered into force April 29, 1997
5 (commonly known as the “Chemical Weapons
6 Convention”), and the Treaty on the Non-Pro-
7 liferation of Nuclear Weapons, done at Wash-
8 ington, London, and Moscow July 1, 1968, and
9 entered into force March 5, 1970 (21 UST
10 483); and

11 (B) making tangible progress toward be-
12 coming a signatory to the Convention on the
13 Prohibition of the Development, Production and
14 Stockpiling of Bacteriological (Biological) and
15 Toxin Weapons and on their Destruction, done
16 at Washington, London, and Moscow April 10,
17 1972, and entered into force March 26, 1975
18 (26 UST 583).

19 (6) The Government of Syria is permitting the
20 safe, voluntary, and dignified return of Syrians dis-
21 placed by the conflict.

22 (7) The Government of Syria is taking
23 verifiable steps to establish meaningful account-
24 ability for perpetrators of war crimes in Syria and
25 justice for victims of war crimes committed by the

1 Assad regime, including by participation in a cred-
2 ible and independent truth and reconciliation proc-
3 ess.

4 (b) BRIEFING REQUIRED.—Not later than 30 days
5 after the President makes a determination described in
6 subsection (a), the President shall provide a briefing to
7 the appropriate congressional committees on the deter-
8 mination and the suspension of sanctions pursuant to the
9 determination.

10 (c) REIMPOSITION OF SANCTIONS.—Any sanctions
11 suspended under subsection (a) shall be reimposed if the
12 President determines that the criteria described in that
13 subsection are no longer being met.

14 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
15 tion shall be construed to limit the authority of the Presi-
16 dent to terminate the application of sanctions under sec-
17 tion 312 with respect to a person that no longer engages
18 in activities described in subsection (a)(2) of that section.

19 (e) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
20 FINED.—In this section, the term “appropriate congres-
21 sional committees” means—

22 (1) the Committee on Foreign Affairs, the
23 Committee on Financial Services, the Committee on
24 Ways and Means, the Committee on the Judiciary,

1 and the Committee on Appropriations of the House
2 of Representatives; and

3 (2) the Committee on Foreign Relations, the
4 Committee on Banking, Housing, and Urban Af-
5 fairs, the Committee on the Judiciary, and the Com-
6 mittee on Appropriations of the Senate.

7 **SEC. 332. WAIVERS AND EXEMPTIONS.**

8 (a) EXEMPTIONS.—The following activities and
9 transactions shall be exempt from sanctions authorized
10 under this title:

11 (1) Any activity subject to the reporting re-
12 quirements under title V of the National Security
13 Act of 1947 (50 U.S.C. 3091 et seq.), or to any au-
14 thorized law enforcement, national security, or intel-
15 ligence activities of the United States.

16 (2) Any transaction necessary to comply with
17 United States obligations under—

18 (A) the Agreement regarding the Head-
19 quarters of the United Nations, signed at Lake
20 Success June 26, 1947, and entered into force
21 November 21, 1947, between the United Na-
22 tions and the United States;

23 (B) the Convention on Consular Relations,
24 done at Vienna April 24, 1963, and entered
25 into force March 19, 1967; or

1 (C) any other international agreement to
2 which the United States is a party.

3 (b) WAIVER.—

4 (1) IN GENERAL.—The President may, for peri-
5 ods not to exceed 180 days, waive the application of
6 any provision of this title with respect to a foreign
7 person if the President certifies to the appropriate
8 congressional committees that such a waiver is in
9 the national security interests of the United States.

10 (2) BRIEFING.—Not later than 90 days after
11 the issuance of a waiver under paragraph (1), and
12 every 180 days thereafter while the waiver remains
13 in effect, the President shall brief the appropriate
14 congressional committees on the reasons for the
15 waiver.

16 (c) HUMANITARIAN WAIVER.—

17 (1) IN GENERAL.—The President may waive,
18 for renewable periods not to exceed 2 years, the ap-
19 plication of any provision of this title with respect to
20 a nongovernmental organization providing humani-
21 tarian assistance not covered by the authorization
22 described in section 321 if the President certifies to
23 the appropriate congressional committees that such
24 a waiver is important to address a humanitarian

1 need and is consistent with the national security in-
2 terests of the United States.

3 (2) BRIEFING.—Not later than 90 days after
4 the issuance of a waiver under paragraph (1), and
5 every 180 days thereafter while the waiver remains
6 in effect, the President shall brief the appropriate
7 congressional committees on the reasons for the
8 waiver.

9 (d) APPROPRIATE CONGRESSIONAL COMMITTEES
10 DEFINED.—In this section, the term “appropriate con-
11 gressional committees” means—

12 (1) the Committee on Foreign Affairs, the
13 Committee on Financial Services, the Committee on
14 Ways and Means, the Committee on the Judiciary,
15 and the Committee on Appropriations of the House
16 of Representatives; and

17 (2) the Committee on Foreign Relations, the
18 Committee on Banking, Housing, and Urban Af-
19 fairs, the Committee on the Judiciary, and the Com-
20 mittee on Appropriations of the Senate.

21 **SEC. 333. IMPLEMENTATION AND REGULATORY AUTHORI-**
22 **TIES.**

23 (a) IMPLEMENTATION AUTHORITY.—The President
24 may exercise all authorities provided to the President
25 under sections 203 and 205 of the International Emer-

1 gency Economic Powers Act (50 U.S.C. 1702 and 1704)
2 for purposes of carrying out this title.

3 (b) REGULATORY AUTHORITY.—The President shall,
4 not later than 180 days after the date of the enactment
5 of this Act, promulgate regulations as necessary for the
6 implementation of this title.

7 **SEC. 334. RULE OF CONSTRUCTION.**

8 Nothing in this title shall be construed to limit the
9 authority of the President pursuant to the International
10 Emergency Economic Powers Act (50 U.S.C. 1701 et
11 seq.) or any other provision of law.

12 **SEC. 335. SUNSET.**

13 This title shall cease to be effective on the date that
14 is 5 years after the date of the enactment of this Act.

15 **TITLE IV—COMBATING BDS ACT**
16 **OF 2019**

17 **SEC. 401. SHORT TITLE.**

18 This title may be cited as the “Combating BDS Act
19 of 2019”.

1 **SEC. 402. NONPREEMPTION OF MEASURES BY STATE AND**
2 **LOCAL GOVERNMENTS TO DIVEST FROM EN-**
3 **TITIES THAT ENGAGE IN CERTAIN BOYCOTT,**
4 **DIVESTMENT, OR SANCTIONS ACTIVITIES**
5 **TARGETING ISRAEL OR PERSONS DOING**
6 **BUSINESS IN ISRAEL OR ISRAELI-CON-**
7 **TROLLED TERRITORIES.**

8 (a) STATE AND LOCAL MEASURES.—Notwith-
9 standing any other provision of law, a State or local gov-
10 ernment may adopt and enforce measures that meet the
11 requirements of subsection (c) to divest the assets of the
12 State or local government from, prohibit investment of the
13 assets of the State or local government in, or restrict con-
14 tracting by the State or local government for goods and
15 services with—

16 (1) an entity that the State or local government
17 determines, using credible information available to
18 the public, knowingly engages in an activity de-
19 scribed in subsection (b);

20 (2) a successor entity or subunit of an entity
21 described in paragraph (1); or

22 (3) an entity that owns or controls or is owned
23 or controlled by an entity described in paragraph
24 (1).

25 (b) ACTIVITIES DESCRIBED.—An activity described
26 in this subsection is a commerce-related or investment-re-

1 lated boycott, divestment, or sanctions activity in the
2 course of interstate or international commerce that is in-
3 tended to penalize, inflict economic harm on, or otherwise
4 limit commercial relations with Israel or persons doing
5 business in Israel or Israeli-controlled territories for pur-
6 poses of coercing political action by, or imposing policy
7 positions on, the Government of Israel.

8 (c) REQUIREMENTS.—A State or local government
9 that seeks to adopt or enforce a measure under subsection
10 (a) shall meet the following requirements:

11 (1) NOTICE.—The State or local government
12 shall provide written notice—

13 (A) in the case of a measure relating to di-
14 vestment or investment, to each entity to which
15 the measure is to be applied; and

16 (B) in the case of a measure relating to
17 contracting, of the restrictions imposed by the
18 measure to each prospective contractor before
19 entering into a contract.

20 (2) TIMING.—A measure relating to divestment
21 or investment shall apply to an entity not earlier
22 than the date that is 90 days after the date on
23 which written notice is provided to the entity under
24 paragraph (1).

1 (3) OPPORTUNITY FOR COMMENT.—In the case
2 of a measure relating to divestment or investment,
3 the State or local government shall provide an op-
4 portunity to comment in writing to each entity to
5 which the measure is to be applied. If the entity
6 demonstrates to the State or local government that
7 neither the entity nor any entity related to the entity
8 as described in paragraph (2) or (3) of subsection
9 (a) has knowingly engaged in an activity described
10 in subsection (b), the measure shall not apply to the
11 entity.

12 (4) DISCLOSURE IN CONTRACTING MEAS-
13 URES.—The State or local government may require,
14 in a measure relating to contracting, that a prospec-
15 tive contractor disclose whether the prospective con-
16 tractor or any entity related to the prospective con-
17 tractor as described in paragraph (2) or (3) of sub-
18 section (a) knowingly engages in any activity de-
19 scribed in subsection (b) before entering into a con-
20 tract.

21 (5) SENSE OF CONGRESS ON AVOIDING ERRO-
22 NEOUS TARGETING.—It is the sense of Congress
23 that a State or local government should not adopt
24 a measure under subsection (a) with respect to an
25 entity unless the State or local government has

1 made every effort to avoid erroneously targeting the
2 entity and has verified that the entity engages in an
3 activity described in subsection (b).

4 (d) NOTICE TO DEPARTMENT OF JUSTICE.—

5 (1) IN GENERAL.—Except as provided in para-
6 graph (2), not later than 30 days after adopting a
7 measure described in subsection (a), the State or
8 local government that adopted the measure shall
9 submit written notice to the Attorney General de-
10 scribing the measure.

11 (2) EXISTING MEASURES.—With respect to
12 measures described in subsection (a) adopted before
13 the date of the enactment of this Act, the State or
14 local government that adopted the measure shall
15 submit written notice to the Attorney General de-
16 scribing the measure not later than 30 days after
17 the date of the enactment of this Act.

18 (e) NONPREEMPTION.—A measure of a State or local
19 government that is consistent with subsection (a) is not
20 preempted by any Federal law.

21 (f) PRIOR ENACTED MEASURES.—

22 (1) IN GENERAL.—Notwithstanding any other
23 provision of this section or any other provision of
24 law, and except as provided in paragraph (2), a
25 State or local government may enforce a measure

1 described in subsection (a) adopted by the State or
2 local government before the date of the enactment of
3 this Act without regard to the requirements of sub-
4 section (c).

5 (2) APPLICATION OF NOTICE AND OPPOR-
6 TUNITY FOR COMMENT.—Enforcement of a measure
7 described in paragraph (1) shall be subject to the re-
8 quirements of subsection (c) on and after the date
9 that is 2 years after the date of the enactment of
10 this Act.

11 (g) RULES OF CONSTRUCTION.—

12 (1) AUTHORITY OF STATES.—Nothing in this
13 section shall be construed to abridge the authority of
14 a State to issue and enforce rules governing the
15 safety, soundness, and solvency of a financial insti-
16 tution subject to its jurisdiction or the business of
17 insurance pursuant to the Act of March 9, 1945 (59
18 Stat. 33, chapter 20; 15 U.S.C. 1011 et seq.) (com-
19 monly known as the “McCarran-Ferguson Act”).

20 (2) POLICY OF THE UNITED STATES.—Nothing
21 in this section shall be construed to alter the estab-
22 lished policy of the United States concerning final
23 status issues associated with the Arab-Israeli con-
24 flict, including border delineation, that can only be

1 resolved through direct negotiations between the
2 parties.

3 (h) DEFINITIONS.—In this section:

4 (1) ASSETS.—

5 (A) IN GENERAL.—Except as provided in
6 subparagraph (B), the term “assets” means
7 any pension, retirement, annuity, or endowment
8 fund, or similar instrument, that is controlled
9 by a State or local government.

10 (B) EXCEPTION.—The term “assets” does
11 not include employee benefit plans covered by
12 title I of the Employee Retirement Income Se-
13 curity Act of 1974 (29 U.S.C. 1001 et seq.).

14 (2) ENTITY.—The term “entity” includes—

15 (A) any corporation, company, business as-
16 sociation, partnership, or trust; and

17 (B) any governmental entity or instrumen-
18 tality of a government, including a multilateral
19 development institution (as defined in section
20 1701(c)(3) of the International Financial Insti-
21 tutions Act (22 U.S.C. 262r(c)(3))).

22 (3) INVESTMENT.—The term “investment” in-
23 cludes—

24 (A) a commitment or contribution of funds
25 or property;

1 (B) a loan or other extension of credit; and

2 (C) the entry into or renewal of a contract
3 for goods or services.

4 (4) KNOWINGLY.—The term “knowingly”, with
5 respect to conduct, a circumstance, or a result,
6 means that a person has actual knowledge, or should
7 have known, of the conduct, the circumstance, or the
8 result.

9 (5) STATE.—The term “State” means each of
10 the several States, the District of Columbia, the
11 Commonwealth of Puerto Rico, the Commonwealth
12 of the Northern Mariana Islands, American Samoa,
13 Guam, the United States Virgin Islands, and any
14 other territory or possession of the United States.

15 (6) STATE OR LOCAL GOVERNMENT.—The term
16 “State or local government” includes—

17 (A) any State and any agency or instru-
18 mentality thereof;

19 (B) any local government within a State
20 and any agency or instrumentality thereof; and

21 (C) any other governmental instrumen-
22 tality of a State or locality.

1 **SEC. 403. SAFE HARBOR FOR CHANGES OF INVESTMENT**
 2 **POLICIES BY ASSET MANAGERS.**

3 Section 13(c)(1) of the Investment Company Act of
 4 1940 (15 U.S.C. 80a–13(c)(1)) is amended—

5 (1) in subparagraph (A), by striking “; or” and
 6 inserting a semicolon;

7 (2) in subparagraph (B), by striking the period
 8 at the end and inserting “; or”; and

9 (3) by adding at the end the following:

10 “(C) knowingly engage in any activity de-
 11 scribed in section 402(b) of the Combating
 12 BDS Act of 2019.”.

13 **SEC. 404. SENSE OF CONGRESS REGARDING CERTAIN**
 14 **ERISA PLAN INVESTMENTS.**

15 It is the sense of Congress that—

16 (1) a fiduciary of an employee benefit plan, as
 17 defined in section 3(3) of the Employee Retirement
 18 Income Security Act of 1974 (29 U.S.C. 1002(3)),
 19 may divest plan assets from, or avoid investing plan
 20 assets in, any person the fiduciary determines know-
 21 ingly engages in any activity described in section
 22 2(b), if—

23 (A) the fiduciary makes that determination
 24 using credible information that is available to
 25 the public; and

1 (B) the fiduciary prudently determines
2 that the result of that divestment or avoidance
3 of investment would not be expected to provide
4 the employee benefit plan with—

5 (i) a lower rate of return than alter-
6 native investments with commensurate de-
7 grees of risk; or

8 (ii) a higher degree of risk than alter-
9 native investments with commensurate
10 rates of return; and

11 (2) by divesting assets or avoiding the invest-
12 ment of assets as described in paragraph (1), the fi-
13 duciary is not breaching the responsibilities, obliga-
14 tions, or duties imposed upon the fiduciary by sub-
15 paragraph (A) or (B) of section 404(a)(1) of the
16 Employee Retirement Income Security Act of 1974
17 (29 U.S.C. 1104(a)(1)).

18 **SEC. 405. RULE OF CONSTRUCTION.**

19 Nothing in this title shall be construed to infringe
20 upon any right protected under the First Amendment to
21 the Constitution of the United States.

