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 SENATE OF THE UNITED STATES

JANUARY 3, 2019

Mr. Rubio (for himself, Mr. Gardner, Mr. McConnell, and Mr. Blunt) introduced the following bill; which was read the first time

JANUARY 4, 2019

Read the second time and placed on the calendar

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,
SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

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

(b) TABLE OF CONTENTS.—The table of contents for 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 cooperation 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. 203. Sense of Congress.
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.

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

SEC. 101. SHORT TITLE.

This title may be cited as the “Ileana Ros-Lehtinen United States-Israel Security Assistance Authorization Act of 2019”.
SEC. 102. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.

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

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

(2) the Committee on Foreign Affairs and the Committee on Armed Services of the House of Representatives.

Subtitle A—Security Assistance for Israel

SEC. 111. FINDINGS.

Congress makes the following findings:

(1) In February 1987, the United States granted Israel major non-NATO ally status.

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

(3) On July 27, 2012, the United States-Israel Enhanced Security Cooperation Act of 2012 (Public Law 112–150; 22 U.S.C. 8601 et seq.) declared it to be the policy of the United States “to help the Government of Israel preserve its qualitative military edge amid rapid and uncertain regional political
transformation” and stated the sense of Congress that the United States Government should “provide the Government of Israel defense articles and defense services through such mechanisms as appropriate, to include air refueling tankers, missile defense capabilities, and specialized munitions”.

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

(5) Section 1679 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92; 129 Stat. 1135) authorized funds to be appropriated for Israeli cooperative missile defense program codevelopment and coproduction, including funds to be provided to the Government of Israel to procure the David’s Sling weapon system as well as the Arrow 3 Upper Tier Interceptor Program.

(6) On September 14, 2016, the United States and Israel signed a 10-year Memorandum of Under-
standing reaffirming the importance of continuing annual United States military assistance to Israel and cooperative missile defense programs in a way that enhances Israel’s security and strengthens the bilateral relationship between the two countries.

(7) The 2016 Memorandum of Understanding reflected United States support of Foreign Military Financing (FMF) grant assistance to Israel over the 10-year period beginning in fiscal year 2019 and ending in fiscal year 2028. FMF grant assistance would be at a level of $3,300,000,000 annually, totaling $33 billion, the largest single pledge of military assistance ever and a reiteration of the seven-decade, unshakeable, bipartisan commitment of the United States to Israel’s security.

(8) The Memorandum of Understanding also reflected United States support for funding for cooperative programs to develop, produce, and procure missile, rocket, and projectile defense capabilities over a 10-year period beginning in fiscal year 2019 and ending in fiscal year 2028 at a level of $500 million per year, totaling $5 billion.
SEC. 112. STATEMENT OF POLICY REGARDING ISRAEL’S DEFENSE SYSTEMS.

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

SEC. 113. ASSISTANCE FOR ISRAEL.

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

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

(2) in paragraph (2)—

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

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

SEC. 114. EXTENSION OF WAR RESERVES STOCKPILE AUTHORITY.


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SEC. 115. EXTENSION OF LOAN GUARANTEES TO ISRAEL.

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

(1) in the matter preceding the first proviso, by striking “September 30, 2019” and inserting “September 30, 2023”; and

(2) in the second proviso, by striking “September 30, 2019” and inserting “September 30, 2023”.

SEC. 116. TRANSFER OF PRECISION GUIDED MUNITIONS TO ISRAEL.

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

(b) CERTIFICATIONS.—Except in case of emergency, not later than 5 days before making a transfer under this section, the President shall certify in an unclassified notification to the appropriate congressional committees that the transfer of the precision guided munitions—
(1) does not affect the ability of the United States to maintain a sufficient supply of precision guided munitions;

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

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

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

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

It is the sense of Congress that the President should prescribe procedures for the rapid acquisition and deployment of precision guided munitions for United States counterterrorism missions, or to assist an ally of the United States, including Israel, that is subject to direct missile threat.

SEC. 118. ELIGIBILITY OF ISRAEL FOR THE STRATEGIC TRADE AUTHORIZATION EXCEPTION TO CERTAIN EXPORT CONTROL LICENSING REQUIREMENTS.

(a) FINDINGS.—Congress makes the following findings:
(1) Israel has adopted high standards in the field of export controls.

(2) Israel has declared its unilateral adherence to the Missile Technology Control Regime, the Australia Group, and the Nuclear Suppliers Group.

(3) Israel is a party to—

(A) the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons which may be Deemed to be Excessively Injurious or to Have Indiscriminate Effects, signed at Geneva October 10, 1980;

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

(C) the Convention on the Physical Protection of Nuclear Material, adopted at Vienna October 26, 1979.

(4) Section 6(b) of the United States-Israel Strategic Partnership Act of 2014 (22 U.S.C. 8603 note) directs the President, consistent with the commitments of the United States under international agreements, to take steps so that Israel may be included in the list of countries eligible for the strategic trade authorization exception under section
740.20(c)(1) of title 15, Code of Federal Regulations, to the requirement for a license for the export, reexport, or in-country transfer of an item subject to controls under the Export Administration Regulations.

(b) Report on Eligibility for Strategic Trade Authorization Exception.—

(1) In general.—Not later than 120 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report that describes the steps taken pursuant to section 6(b) of the United States-Israel Strategic Partnership Act of 2014 (22 U.S.C. 8603 note).

(2) Form.—The report required under paragraph (1) shall be provided in unclassified form, but may contain a classified portion.

Subtitle B—Enhanced United States-Israel Cooperation

Sec. 121. United States-Israel Space Cooperation.

(a) Findings.—Congress makes the following findings:

(1) Authorized in 1958, the National Aeronautics and Space Administration (NASA) supports and coordinates United States Government research
in aeronautics, human exploration and operations, science, and space technology.

(2) Established in 1983, the Israel Space Agency (ISA) supports the growth of Israel’s space industry by supporting academic research, technological innovation, and educational activities.

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

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

(5) Since 1996, NASA and the ISA have successfully cooperated on many space programs supporting the Global Positioning System and research related to the sun, earth science, and the environment.

(6) The bond between NASA and the ISA was permanently forged on February 1, 2003, with the loss of the crew of STS–107, including Israeli Astronaut Ilan Ramon.

(7) On October 13, 2015, the United States and Israel signed the Framework Agreement between the National Aeronautics and Space Adminis-
tration of the United States of America and the
Israel Space Agency for Cooperation in Aeronautics
and the Exploration and Use of Airspace and Outer
Space for Peaceful Purposes.

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

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

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

(b) MEMORANDUM OF UNDERSTANDING.—The Sec-
retary of State, acting through the Administrator of the
United States Agency for International Development in
accordance with established procedures, is authorized to enter into memoranda of understanding with Israel in order to enhance coordination on advancing common goals on energy, agriculture and food security, democracy, human rights and governance, economic growth and trade, education, environment, global health, and water and sanitation with a focus on strengthening mutual ties and co-operation with nations throughout the world.

SEC. 123. AUTHORITY TO ENTER INTO A COOPERATIVE PROJECT AGREEMENT WITH ISRAEL TO COUNTER UNMANNED AERIAL VEHICLES THAT THREATEN THE UNITED STATES OR ISRAEL.

(a) FINDINGS.—Congress makes the following findings:

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

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

(3) Senior Israeli officials stated that the unmanned aerial vehicle was an advanced piece of technology.
(b) Sense of Congress.—It is the sense of the Congress that—

(1) joint research and development to counter unmanned aerial vehicles will serve the national security interests of the United States and Israel;

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

(3) efforts to counter unmanned aerial vehicles should include the feasibility of utilizing directed energy and high powered microwave technologies, which can disable vehicles without kinetic destruction; and

(4) the United States and Israel should continue to work together to defend against all threats to the safety, security, and national interests of both countries.

(c) Authority To Enter Into Agreement.—

(1) In general.—The President is authorized to enter into a cooperative project agreement with Israel under the authority of section 27 of the Arms Export Control Act (22 U.S.C. 2767), to carry out research on, and development, testing, evaluation,
and joint production (including follow-on support) of, defense articles and defense services, such as the use of directed energy or high powered microwave technology, to detect, track, and destroy unmanned aerial vehicles that threaten the United States or Israel.

(2) Applicable requirements.—The cooperative project agreement described in paragraph (1) shall—

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

(i) the applicable requirements described in subparagraphs (A), (B), and (C) of section 27(b)(2) of the Arms Export Control Act (22 U.S.C. 2767(b)(2)); and

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

(B) establish a framework to negotiate the rights to intellectual property developed under the agreement; and
(C) include appropriate protections for sensitive technology.

(d) **Report on Cooperation.**—

(1) **Report Required.**—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees (as that term is defined in section 101(a) of title 10, United States Code), the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives a report describing the cooperation of the United States with Israel with respect to countering unmanned aerial systems that includes each of the following:

   (A) An identification of specific capability gaps of the United States and Israel with respect to countering unmanned aerial systems.

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

   (C) An assessment of the projected cost for research and development efforts for such cooperative projects, including an identification of those to be conducted in the United States, and
the timeline for the completion of each such project.

(D) An assessment of the extent to which the capability gaps of the United States identified pursuant to subparagraph (A) are not likely to be addressed through the cooperative projects identified pursuant to subparagraph (B).

(E) An assessment of the projected costs for procurement and fielding of any capabilities developed jointly pursuant to an agreement described in subsection (e).

(2) LIMITATION.—No activities may be conducted pursuant to an agreement described in subsection (e) until the date that is 15 days after the date on which the Secretary of Defense submits the report required under paragraph (1).

Subtitle C—Ensuring Israel’s Qualitative Military Edge

SEC. 131. STATEMENT OF POLICY.

It is the policy of the United States to ensure that Israel maintains its ability to counter and defeat any credible conventional military, or emerging, threat from any individual state or possible coalition of states or from non-state actors, while sustaining minimal damages and cas-
ualties, through the use of superior military means, possessed in sufficient quantity, including weapons, command, control, communication, intelligence, surveillance, and reconnaissance capabilities that in their technical characteristics are superior in capability to those of such other individual or possible coalition states or non-state actors.

TITLE II—UNITED STATES-JORDAN DEFENSE COOPERATION EXTENSION ACT

SEC. 201. SHORT TITLE. This title may be cited as the “United States-Jordan Defense Cooperation Extension Act”.

SEC. 202. FINDINGS. Congress finds the following:

(1) In December 2011, Congress passed section 7041(b) of the Consolidated Appropriations Act, 2012 (Public Law 112–74; 125 Stat. 1223), which appropriated funds made available under the heading “Economic Support Fund” to establish an enterprise fund for Jordan.

(2) The intent of an enterprise fund is to attract private investment to help entrepreneurs and small businesses create jobs and to achieve sustainable economic development.
(3) Jordan is an instrumental partner in the fight against terrorism, including as a member of the Global Coalition To Counter ISIS and the Combined Joint Task Force - Operation Inherent Resolve.

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

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

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

It is the sense of Congress that—

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

(2) Jordan, the United States, and other partners should continue working together to address this humanitarian crisis and promote regional stability, including through support for refugees in Jordan and internally displaced people along the Jor-
dan-Syria border and the creation of conditions inside Syria that will allow for the secure, dignified, and voluntary return of people displaced by the crisis.

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

Section 5(a) of the United States-Jordan Defense Cooperation Act of 2015 (22 U.S.C. 2753 note) is amended—

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

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

SEC. 205. REPORT ON ESTABLISHING AN ENTERPRISE FUND FOR JORDAN.

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

(b) APPROPRIATE CONGRESSIONAL COMMITTEES.—In this section, the term “appropriate congressional committees” means—
(1) the Committee on Foreign Relations and
the Committee on Appropriations of the Senate; and
(2) the Committee on Foreign Affairs and the
Committee on Appropriations of the House of Rep-
resentatives.

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

SEC. 301. SHORT TITLE.

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

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

SEC. 311. MEASURES WITH RESPECT TO CENTRAL BANK OF
SYRIA.

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

(b) ENHANCED DUE DILIGENCE AND REPORTING
REQUIREMENTS.—If the Secretary of the Treasury deter-
mines under subsection (a) that reasonable grounds exist for concluding that the Central Bank of Syria is a financial institution of primary money laundering concern, the Secretary, in consultation with the Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809)), shall impose one or more of the special measures described in section 5318A(b) of title 31, United States Code, with respect to the Central Bank of Syria.

(c) REPORT REQUIRED.—

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

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

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

(A) the Committee on Foreign Affairs, the 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—
(i) the Government of Syria (including any entity owned or controlled by the Government of Syria) or a senior political figure of the Government of Syria;

(ii) a foreign person that is a military contractor, mercenary, or a paramilitary force knowingly operating in a military capacity inside Syria for or on behalf of the Government of Syria, the Government of the Russian Federation, or the Government of Iran; or

(iii) a foreign person subject to sanctions pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) with respect to Syria or any other provision of law that imposes sanctions with respect to Syria;

(B) knowingly sells or provides significant goods, services, technology, information, or other support that significantly facilitates the maintenance or expansion of the Government of Syria’s domestic production of natural gas, petroleum, or petroleum products;

(C) knowingly sells or provides aircraft or spare aircraft parts that are used for military
purposes in Syria for or on behalf of the Government of Syria to any foreign person operating in an area directly or indirectly controlled by the Government of Syria or foreign forces associated with the Government of Syria;

(D) knowingly provides significant goods or services associated with the operation of aircraft that are used for military purposes in Syria for or on behalf of the Government of Syria to any foreign person operating in an area described in subparagraph (C); or

(E) knowingly, directly or indirectly, provides significant construction or engineering services to the Government of Syria.

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

(b) SANCTIONS DESCRIBED.—

(1) IN GENERAL.—The sanctions to be imposed with respect to a foreign person subject to subsection (a) are the following:

(A) BLOCKING OF PROPERTY.—The President shall exercise all of the powers granted to
the President under the International Emer-
seq.) to the extent necessary to block and pro-
hibit all transactions in property and interests
in property of the foreign person if such prop-
erty 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, ad-
mission, or parole.—

(i) Visas, admission, or parole.—
An alien who the Secretary of State or the
Secretary of Homeland Security (or a des-
ignee of one of such Secretaries) knows, or
has reason to believe, has knowingly en-
gaged in any activity described in sub-
section (a)(2) 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 Nationality 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 (or a designee of one of such Secretaries) shall, in accordance with section 221(i) of the Immigration and Nationality Act (8 U.S.C. 1201(i)), revoke any visa or other entry documentation issued to an alien described in clause (i) regardless of when the visa or other entry documentation is issued.

(II) Effect of revocation.—

A revocation under subclause (I)—

(aa) shall take effect immediately; and

(bb) shall automatically cancel any other valid visa or entry documentation that is in the alien’s possession.
(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, attempts to violate, conspires to violate, or causes a violation of regulations promulgated under section 333(b) to carry out paragraph (1)(A) to the same extent that such penalties apply to a person that commits an unlawful act described in section 206(a) of that Act.

(3) EXCEPTION RELATING TO IMPORTATION OF GOODS.—

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

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

(e) DEFINITIONS.—In this section:

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

(2) FOREIGN PERSON.—The term “foreign person” means a person that is not a United States person.

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

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

(A) a United States citizen or an alien lawfully admitted for permanent residence to the United States; or

(B) an entity organized under the laws of the United States or any jurisdiction within the United States, including a foreign branch of such an entity.
Subtitle B—Assistance for the People of Syria

SEC. 321. CODIFICATION OF CERTAIN SERVICES IN SUPPORT OF NONGOVERNMENTAL ORGANIZATIONS’ 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
person that has been designated as a foreign ter-
rorist organization under section 219 of the Immi-
gration and Nationality Act (8 U.S.C. 1189), or oth-
erwise designated as a terrorist organization, by the
Secretary of State, in consultation with or upon the
request of the Attorney General or the Secretary of
Homeland Security.

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

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

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

(b) CONSIDERATION OF DATA FROM OTHER COUN-
TRIES AND NONGOVERNMENTAL ORGANIZATIONS.—In
preparing the strategy required by subsection (a), the
President shall consider credible data already obtained by
other countries and nongovernmental organizations, including organizations operating in Syria.

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

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

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

Subtitle C—General Provisions

SEC. 331. SUSPENSION OF SANCTIONS.

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

(1) The air space over Syria is no longer being utilized by the Government of Syria or the Government of the Russian Federation to target civilian populations through the use of incendiary devices, including barrel bombs, chemical weapons, and con-
ventional arms, including air-delivered missiles and explosives.

(2) Areas besieged by the Government of Syria, the Government of the Russian Federation, the Government of Iran, or a foreign person described in section 312(a)(2)(A)(ii) are no longer cut off from international aid and have regular access to humanitarian assistance, freedom of travel, and medical care.

(3) The Government of Syria is releasing all political prisoners forcibly held within the prison system of the regime of Bashar al-Assad and the Government of Syria is allowing full access to the same facilities for investigations by appropriate international human rights organizations.

(4) The forces of the Government of Syria, the Government of the Russian Federation, the Government of Iran, and any foreign person described in section 312(a)(2)(A)(ii) are no longer engaged in deliberate targeting of medical facilities, schools, residential areas, and community gathering places, including markets, in violation of international norms.

(5) The Government of Syria is—

(A) taking steps to verifiably fulfill its commitments under the Convention on the Pro
hibitation of the Development, Production, Stock-
piling and Use of Chemical Weapons and on
their Destruction, done at Geneva September 3,
1992, and entered into force April 29, 1997
(commonly known as the “Chemical Weapons
Convention”), and the Treaty on the Non-Pro-
liferation of Nuclear Weapons, done at Wash-
nington, London, and Moscow July 1, 1968, and
entered into force March 5, 1970 (21 UST 483); and

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

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

(7) The Government of Syria is taking
verifiable steps to establish meaningful account-
ability for perpetrators of war crimes in Syria and
justice for victims of war crimes committed by the
Assad regime, including by participation in a credible and independent truth and reconciliation process.

(b) Briefing Required.—Not later than 30 days after the President makes a determination described in subsection (a), the President shall provide a briefing to the appropriate congressional committees on the determination and the suspension of sanctions pursuant to the determination.

(c) Reimposition of Sanctions.—Any sanctions suspended under subsection (a) shall be reimposed if the President determines that the criteria described in that subsection are no longer being met.

(d) Rule of Construction.—Nothing in this section shall be construed to limit the authority of the President to terminate the application of sanctions under section 312 with respect to a person that no longer engages in activities described in subsection (a)(2) of that section.

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

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

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

SEC. 332. WAIVERS AND EXEMPTIONS.

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

(1) Any activity subject to the reporting requirements under title V of the National Security Act of 1947 (50 U.S.C. 3091 et seq.), or to any authorized law enforcement, national security, or intelligence activities of the United States.

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

(A) the Agreement regarding the Headquarters of the United Nations, signed at Lake Success June 26, 1947, and entered into force November 21, 1947, between the United Nations and the United States;

(B) the Convention on Consular Relations, done at Vienna April 24, 1963, and entered into force March 19, 1967; or
(C) any other international agreement to which the United States is a party.

(b) Waiver.—

(1) In General.—The President may, for periods not to exceed 180 days, waive the application of any provision of this title with respect to a foreign person if the President certifies to the appropriate congressional committees that such a waiver is in the national security interests of the United States.

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

(e) Humanitarian Waiver.—

(1) In General.—The President may waive, for renewable periods not to exceed 2 years, the application of any provision of this title with respect to a nongovernmental organization providing humanitarian assistance not covered by the authorization described in section 321 if the President certifies to the appropriate congressional committees that such a waiver is important to address a humanitarian
need and is consistent with the national security in-
terests of the United States.

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

(d) Appropriate Congressional Committees
Defined.—In this section, the term “appropriate con-
gressional committees” means—

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

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

SEC. 333. IMPLEMENTATION AND REGULATORY AUTHO-
RITIES.

(a) Implementation Authority.—The President
may exercise all authorities provided to the President
under sections 203 and 205 of the International Emer-

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

SEC. 334. RULE OF CONSTRUCTION.

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

SEC. 335. SUNSET.

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

TITLE IV—COMBATING BDS ACT OF 2019

SEC. 401. SHORT TITLE.

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

(a) State and Local Measures.—Notwithstanding any other provision of law, a State or local government may adopt and enforce measures that meet the requirements of subsection (c) to divest the assets of the State or local government from, prohibit investment of the assets of the State or local government in, or restrict contracting by the State or local government for goods and services with—

(1) an entity that the State or local government determines, using credible information available to the public, knowingly engages in an activity described in subsection (b);

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

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

(b) Activities Described.—An activity described in this subsection is a commerce-related or investment-re-
lated boycott, divestment, or sanctions activity in the
course of interstate or international commerce that is in-
tended to penalize, inflict economic harm on, or otherwise
limit commercial relations with Israel or persons doing
business in Israel or Israeli-controlled territories for pur-
poses of coercing political action by, or imposing policy
positions on, the Government of Israel.

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

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

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

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

(2) TIMING.—A measure relating to divestment
or investment shall apply to an entity not earlier
than the date that is 90 days after the date on
which written notice is provided to the entity under
paragraph (1).
(3) Opportunity for Comment.—In the case of a measure relating to divestment or investment, the State or local government shall provide an opportunity to comment in writing to each entity to which the measure is to be applied. If the entity demonstrates to the State or local government that neither the entity nor any entity related to the entity as described in paragraph (2) or (3) of subsection (a) has knowingly engaged in an activity described in subsection (b), the measure shall not apply to the entity.

(4) Disclosure in Contracting Measures.—The State or local government may require, in a measure relating to contracting, that a prospective contractor disclose whether the prospective contractor or any entity related to the prospective contractor as described in paragraph (2) or (3) of subsection (a) knowingly engages in any activity described in subsection (b) before entering into a contract.

(5) Sense of Congress on Avoiding Erroneous Targeting.—It is the sense of Congress that a State or local government should not adopt a measure under subsection (a) with respect to an entity unless the State or local government has
made every effort to avoid erroneously targeting the
entity and has verified that the entity engages in an
activity described in subsection (b).

(d) NOTICE TO DEPARTMENT OF JUSTICE.—

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

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

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

(f) PRIOR ENACTED MEASURES.—

(1) IN GENERAL.—Notwithstanding any other
 provision of this section or any other provision of
law, and except as provided in paragraph (2), a
State or local government may enforce a measure
described in subsection (a) adopted by the State or local government before the date of the enactment of this Act without regard to the requirements of subsection (c).

(2) Application of notice and opportunity for comment.—Enforcement of a measure described in paragraph (1) shall be subject to the requirements of subsection (c) on and after the date that is 2 years after the date of the enactment of this Act.

(g) Rules of Construction.—

(1) Authority of States.—Nothing in this section shall be construed to abridge the authority of a State to issue and enforce rules governing the safety, soundness, and solvency of a financial institution subject to its jurisdiction or the business of insurance pursuant to the Act of March 9, 1945 (59 Stat. 33, chapter 20; 15 U.S.C. 1011 et seq.) (commonly known as the “McCarran-Ferguson Act”).

(2) Policy of the United States.—Nothing in this section shall be construed to alter the established policy of the United States concerning final status issues associated with the Arab-Israeli conflict, including border delineation, that can only be
resolved through direct negotiations between the parties.

(h) DEFINITIONS.—In this section:

(1) ASSETS.—

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

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

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

(A) any corporation, company, business association, partnership, or trust; and

(B) any governmental entity or instrumentality of a government, including a multilateral development institution (as defined in section 1701(c)(3) of the International Financial Institutions Act (22 U.S.C. 262r(c)(3))).

(3) INVESTMENT.—The term “investment” includes—

(A) a commitment or contribution of funds or property;
(B) a loan or other extension of credit; and

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

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

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

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

(A) any State and any agency or instrumentality thereof;

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

(C) any other governmental instrumentality of a State or locality.
SEC. 403. SAFE HARBOR FOR CHANGES OF INVESTMENT POLICIES BY ASSET MANAGERS.

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

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

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

(3) by adding at the end the following:

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

SEC. 404. SENSE OF CONGRESS REGARDING CERTAIN ERISA PLAN INVESTMENTS.

It is the sense of Congress that—

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

(A) the fiduciary makes that determination using credible information that is available to the public; and
(B) the fiduciary prudently determines that the result of that divestment or avoidance of investment would not be expected to provide the employee benefit plan with—

(i) a lower rate of return than alternative investments with commensurate degrees of risk; or

(ii) a higher degree of risk than alternative investments with commensurate rates of return; and

(2) by divesting assets or avoiding the investment of assets as described in paragraph (1), the fiduciary is not breaching the responsibilities, obligations, or duties imposed upon the fiduciary by subparagraph (A) or (B) of section 404(a)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104(a)(1)).

SEC. 405. RULE OF CONSTRUCTION.

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

S. 1

Calendar No. I

Read the second time and placed on the calendar

JANUARY 4, 2019

TO MAKE IMPROVEMENTS TO CERTAIN DEFENSE AND SECURITY ASSISTANCE PROVISIONS AND TO AUTHORIZE THE APPROPRIATION OF MONEYS TO ISRAEL TO combat the wholesale slaughter of the Syrian people, and for other purposes.

116TH CONGRESS

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