

118TH CONGRESS
1ST SESSION

H. R. 5994

To provide for full enforcement of oil sanctions against Iran, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 19, 2023

Mr. ISSA introduced the following bill

OCTOBER 25, 2023

Referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, Ways and Means, and Oversight and Accountability, 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 provide for full enforcement of oil sanctions against Iran,
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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “No Funds for Iran-
5 Backed Terror Act”.

1 **SEC. 2. FULL ENFORCEMENT OF OIL SANCTIONS AGAINST**
2 **IRAN.**

3 (a) IN GENERAL.—The President shall make maxi-
4 mal use of sanctions authorities described in sections
5 1244, 1246, and 1247 of the Iran Freedom and Counter-
6 Proliferation Act of 2012 (Public Law 112–239; 22
7 U.S.C. 8803, 8805, and 8806) and section 1245 of the
8 National Defense Authorization Act for Fiscal Year 2012
9 (Public Law 112–81; 22 U.S.C. 8513a) with respect to
10 the purchases of Iranian petroleum and petroleum prod-
11 ucts.

12 (b) CERTIFICATION REQUIRED.—Not later than 30
13 days after the date of the enactment of this Act, the Presi-
14 dent shall certify to the appropriate congressional commit-
15 tees that the President has used the authorities described
16 in subsection (a) against all known target entities.

17 (c) DETERMINATION REQUIRED.—Not later than 30
18 days after the enactment of this Act and every 30 days
19 thereafter, the President shall submit to the appropriate
20 congressional committees a determination regarding per-
21 sons connected to the transfer of oil from Iran as to
22 whether such persons constitute sanctionable entities
23 under the authorities described in subsection (a).

24 (d) FORM.—The certifications and determinations
25 described in this section shall be submitted in an unclassi-
26 fied form but may contain a classified annex.

1 (e) TERMINATION.—The requirement to submit de-
 2 terminations pursuant to subsection (c) shall terminate on
 3 the date on which the President certifies to the appro-
 4 priate congressional committees that the Iran has ended—

5 (1) its practice of funding terrorist;

6 (2) its pursuit of a nuclear weapons capability;

7 and

8 (3) its military support for the Russian Federa-
 9 tion’s war against Ukraine.

10 **SEC. 3. SUSPENSION OF WAIVER AUTHORITY ON ESCROW**
 11 **ACCOUNTS CREATED PURSUANT TO CERTAIN**
 12 **AUTHORITIES.**

13 The President may not exercise the waiver authority
 14 described in section 1244(i) of the Iran Freedom and
 15 Counter-Proliferation Act of 2012 (Public Law 112–239;
 16 22 U.S.C. 8803(i)) with respect to accounts holding funds
 17 which result from compliance with section
 18 1244(g)(2)(B)(ii)(II) of such Act (22 U.S.C.
 19 8803(g)(2)(B)(ii)(II)) and 1247(f) of such Act (22 U.S.C.
 20 8806(f)) with respect to accounts holding funds which re-
 21 sult from compliance with section 1247(d)(2)(B)(ii) of
 22 such Act (22 U.S.C. 8806g(d)(2)(B)(ii)) until the Presi-
 23 dent certifies to the appropriate congressional committees
 24 that Iran has ended—

25 (1) its practice of funding terrorist groups;

1 (2) its pursuit of a nuclear weapons capability;
2 and
3 (3) its military support for the Russian Federa-
4 tion’s war against Ukraine.

5 **SEC. 4. REINSTATEMENT OF SANCTIONS WITH RESPECT TO**
6 **IRANIAN FUNDS FORMERLY HELD IN ES-**
7 **CROW IN SOUTH KOREA.**

8 (a) IN GENERAL.— The waiver of sanctions, includ-
9 ing any waiver subject to the document entitled “Waiver
10 of Sanctions with Respect to the Transfer of Funds from
11 the Republic of Korea to Qatar” on funds held in South
12 Korea on August 1, 2023, pursuant or in accordance with
13 sections 1244(g)(2)(B)(ii)(II) and 1247(d)(2)(B)(ii) of
14 the Iran Freedom and Counter-Proliferation Act of 2012
15 (Public Law 112–239; 22 U.S.C. 8803(g)(2)(B)(ii)(II)
16 and 8806(d)(2)(B)(ii)) or section 1245(d)(1) of the Na-
17 tional Defense Authorization Act of Fiscal Year 2012
18 (Public Law 112–81; 22 U.S.C. 8513a(d)(1)) is hereby
19 canceled.

20 (b) CANCELLATION OF LICENSES.—General or spe-
21 cific licenses, comfort letters, frequently asked questions,
22 or other such exemption issued in connection with waivers
23 issued under subsection (a) is hereby cancelled.

24 (c) REIMPOSITION OF SANCTIONS.—The President
25 shall, pursuant to the International Emergency Economic

1 Powers Act (50 U.S.C. 1701 et seq.), block and prohibit
2 all transactions in all property and interests in property
3 of any financial institution which process, participates in,
4 or facilitates a transaction with respect to the funds de-
5 scribed in subsection (a) after the date of enactment of
6 this Act if such property and interests in property are in
7 the United States, come within the United States, or are
8 or come within the possession or control of a United
9 States person.

10 **SEC. 5. REINSTATEMENT OF SANCTIONS IMPOSED WITH**
11 **RESPECT TO IRANIAN FUNDS FORMERLY**
12 **HELD IN ESCROW IN IRAQ.**

13 (a) IN GENERAL.—On the date of enactment of this
14 Act, the following measures shall be terminated:

15 (1) Waivers exercised on or after January 1,
16 2023, pursuant to section 1245(d) of the National
17 Defense Authorization Act for Fiscal Year 2012
18 (Public Law 112–81; 22 U.S.C. 8513a(d)) and sec-
19 tions 1244(i) and 1247(f) of the Iran Freedom and
20 Counter-Proliferation Act of 2012 (Public Law 112–
21 239; 22 U.S.C. 8803(i) and 8806(f)) with respect to
22 the covered funds described in subsection (c).

23 (2) Any general or specific license issue by the
24 Office of Foreign Asset Control at the Department

1 of the Treasury directly or indirectly related to the
2 funds cited in paragraphs (1).

3 (b) LIMITATION.—The President may not reissue any
4 new waiver or license described in paragraph (1) or (2)
5 of subsection (a) for the same or similar purposes.

6 (c) COVERED FUNDS DESCRIBED.—The covered
7 funds described in this subsection are funds held in Iraq
8 or owed to Iran or Iranian institutions by Iraq on January
9 1, 2023, including funds in accounts established or main-
10 tained pursuant to or in accordance with sections
11 1244(g)–(h) and 1247(d)–(e) of the Iran Freedom and
12 Counter-Proliferation Act of 2012 (Public Law 112–239;
13 22 U.S.C. 8803(g)–(h) and 8806(d)–(e)).

14 (d) REIMPOSITION OF SANCTIONS.—The President
15 shall, pursuant to the International Emergency Economic
16 Powers Act (50 U.S.C. 1701 et seq.), block and prohibit
17 all transactions in all property and interests in property
18 of any financial institution which process, participates in,
19 or facilitates a transaction with respect to the funds de-
20 scribed in subsection (c) after the date of enactment of
21 this Act if such property and interests in property are in
22 the United States, come within the United States, or are
23 or come within the possession or control of a United
24 States person.

1 **SEC. 6. BLOCKING IRAN'S ACCESS TO SPECIAL DRAWING**
2 **RIGHTS.**

3 (a) IN GENERAL.—Section 1621 of the International
4 Financial Institutions Act (22 U.S.C. 262p–4q) shall be
5 understood to cover International Monetary Fund Special
6 Drawing Rights that are available or may be made avail-
7 able to Iran.

8 (b) INSTRUCTION.—The Secretary of the Treasury
9 shall instruct the Executive Director of International Mon-
10 etary Fund to use the voice and vote of the United States
11 to prevent Iran from gaining access to International Mon-
12 etary Fund Special Drawing Rights.

13 (c) DIPLOMACY.—The Secretary of the Treasury, in
14 coordination with the Secretary of State shall seek to pre-
15 vent Iran from trading, exchanging, or otherwise making
16 use of International Monetary Fund Special Drawing
17 Rights.

18 **SEC. 7. APPROPRIATE CONGRESSIONAL COMMITTEES DE-**
19 **FINED.**

20 In this Act, the term “appropriate congressional com-
21 mittees” means—

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

1 (2) the Committee on Foreign Relations and
2 the Committee on Banking, Housing, and Urban Af-
3 fairs of the Senate.

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