To expand sanctions against Iran with respect to the ballistic missile program of Iran, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

March 23, 2017

Mr. ROYCE of California (for himself, Mr. ENGEL, Mr. MCCAVERY, and Mr. HOYER) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, the Judiciary, Ways and Means, and Oversight and Government Reform, 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 expand sanctions against Iran with respect to the ballistic missile program of Iran, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Iran Ballistic Missiles and International Sanctions Enforcement Act”.
SEC. 2. SANCTIONS RELATING TO EFFORTS BY THE GOVERNMENT OF IRAN WITH RESPECT TO BALLISTIC MISSILE-RELATED GOODS, SERVICES, AND TECHNOLOGIES.

(a) FINDINGS.—Congress finds the following:


(A) calls upon Iran “not to undertake any activity related to ballistic missiles designed to be capable of delivering nuclear weapons, including launches using such ballistic missile technology”; and

(B) calls upon member states to “take the necessary measures to prevent, except as decided otherwise by the UN Security Council in advance on a case-by-case basis, the supply, sale, or transfer of arms or related materiel from Iran”.

(2) The United States maintains bilateral sanctions against Iran for its efforts to manufacture, acquire, possess, develop, transport, transfer or use ballistic missiles or ballistic missile launch technology, and its acquisition of destabilizing types and amounts of conventional weapons.

(3) According to the 2016 Worldwide Threat Assessment, the United States intelligence commu-
nity judges “that Tehran would choose ballistic mis-
siles as its preferred method of delivering nuclear
weapons, if it builds them. Iran’s ballistic missiles
are inherently capable of delivering [weapons of
mass destruction], and Tehran already has the larg-
est inventory of ballistic missiles in the Middle East.
Iran’s progress on space launch vehicles—along with
its desire to deter the United States and its allies—
provides Tehran with the means and motivation to
develop longer-range missiles, including ICBMs.”.

(4) Since the passage of United Nations Secu-
rity Council 2231, Iran has conducted numerous
tests of ballistic missiles designed to be capable of
delivering nuclear weapons, and has acquired desta-
bilizing types of conventional weapons.

(5) Iran has pursued the ability to indigenously
produce ballistic missile and cruise missile goods,
services, and technologies.

(b) STATEMENT OF POLICY.—It is the policy of the
United States to prevent Iran from undertaking any activ-
ity related to ballistic missiles designed to be capable of
delivering nuclear weapons, including launches using such
ballistic missile technology.

(c) REPORT ON SUPPLY CHAIN OF IRAN’S BALLISTIC
MISSILE PROGRAM.—
(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report that contains the following:

(A) An analysis of the foreign and domestic supply chain in Iran that directly or indirectly significantly facilitates, supports, or otherwise aids the Government of Iran’s ballistic missile program.

(B) A description of the geographic distribution of the foreign and domestic supply chain described in subparagraph (A).

(C) An assessment of the Government of Iran’s ability to indigenously manufacture or otherwise produce the goods, services, or technology necessary to support its ballistic missile program.

(D) An identification of foreign persons that have, based on credible information, directly or indirectly facilitated or supported the development of the Government of Iran’s ballistic missile program, including the foreign and domestic supply chain described in subparagraph (A).
(2) FORM.—The report required under para-
graph (1) shall be submitted in unclassified form,
but may contain a classified annex.

(d) INVESTIGATIONS.—Section (4)(e) of the Iran
1701 note) is amended by inserting “or 5(b)” after “sec-
tion 5(a)” each place it appears.

(e) SANCTIONABLE ACTIVITIES WITH RESPECT TO
WEAPONS OF MASS DESTRUCTION.—Paragraph (1) of
section 5(b) of the Iran Sanctions Act of 1996 (Public
Law 104–172; 50 U.S.C. 1701 note) is amended—

(1) in the heading, by striking “EXPORTS,
TRANSFERS, AND TRANSSHIPMENTS” and inserting
“WEAPONS OF MASS DESTRUCTION; BALLISTIC MIS-
SILES; CONVENTIONAL WEAPONS”;

(2) by striking “Except as” and inserting the
following:

“(A) WEAPONS OF MASS DESTRUCTION.—
Except as”;

(3) by striking “(A) on or after the date of the
enactment of the Iran Threat Reduction and Syria
Human Rights Act of 2012” and inserting the fol-
lowing:
“(i) on or after the date of the enactment of the Iran Ballistic Missiles and International Sanctions Enforcement Act”;

(4) by striking “and” at the end of subparagraph (A)(i) (as so redesignated);

(5) by striking “(B) knew” and inserting the following:

“(ii) knew”;

(6) by striking “(i) the export” and inserting the following:

“(I) the export”;

(7) by striking “would likely” and inserting “may”;

(8) by striking “(ii) the export” and inserting the following:

“(II) the export”;

(9) by striking “(I) acquire” and inserting the following:

“(aa) acquire”;

(10) by striking “; or” at the end of subparagraph (A)(ii)(II)(aa) (as so redesignated);

(11) by inserting after subparagraph (A)(ii)(II)(aa) (as so redesignated) the following:
“(bb) acquire or develop ballistic missiles or ballistic missile launch technologies; or”;

(12) by striking “(II) acquire” and inserting the following:

“(cc) acquire”;

(13) by striking the period at the end of sub-paragraph (A)(ii)(II)(cc) (as so redesignated) and inserting “; and”; and

(14) by adding at the end of subparagraph (A) the following:

“(iii) knowingly exports or transfers, or permits or otherwise facilitates the transshipment or re-export of, any goods, services, technology, or other items to Iran that materially contributes to the ability of Iran to—

“(I) acquire or develop ballistic missiles or ballistic missile launch technologies; or

“(II) acquire or develop destabilizing numbers and types of advanced conventional weapons (as such term is defined in paragraphs (1) and (2) of section 1608 of the Iran-Iraq
Arms Non-Proliferation Act of 1992).”.

(f) SANCTIONABLE ACTIVITIES WITH RESPECT TO BALLISTIC MISSILES.—Paragraph (1) of section 5(b) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note), as amended by subsection (e), is further amended by adding at the end the following:

“(B) ADDITIONAL BALLISTIC MISSILE-RELATED GOODS, SERVICES, AND TECHNOLOGY.—

“(i) ADDITIONAL AUTHORITY.—The President shall impose the sanctions described in paragraph (8), (10), or (12) of section 6(a), as the case may be, with respect to—

“(I) an agency or instrumentality of the Government of Iran if the agency or instrumentality, on or after the date of the enactment of this subparagraph, seeks to develop, procure, or acquire goods, services, or technology that materially contributes to efforts by the Government of Iran with respect to ballistic missile-related goods, services, and technologies as described in clause (iii);
“(II) a foreign person or an agency or instrumentality of a foreign state if the person or agency or instrumentality knowingly, on or after the date of the enactment of this paragraph, provides material support to the Government of Iran that materially contributes to efforts by the Government of Iran with respect to ballistic missile-related goods, services, and technologies as described in clause (iii); and

“(III) a foreign person that the President determines knowingly engages in a significant transaction or transactions with, or provides significant financial services for, a foreign person or an agency or instrumentality of a foreign state described in subclause (I) or (II) with respect to ballistic missile-related goods, services, and technologies as described in clause (iii).

“(ii) Determination on Ballistic Missile Tests.—
“(I) IN GENERAL.—Not later than 30 days after the date on which the President receives credible information that the Government of Iran has conducted a test of a ballistic missile, the President shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a determination of whether or not the test of such missile fails to comply with, violates, or is in defiance of United Nations Security Council Resolution 2231 (2015).

“(II) REPORT.—

“(aa) IN GENERAL.—If the President determines pursuant to subclause (I) that the test of a ballistic missile fails to comply with, violates, or is in defiance of United Nations Security Council Resolution 2231 (2015), the President shall transmit to the Committee on Foreign Affairs of the House of Representatives and
the Committee on Foreign Relations of the Senate a report that—

“(AA) identifies each Iranian person that the President determines is responsible for ordering, controlling, or otherwise directing the missile test described in subclause (I);

“(BB) determines whether the persons described in sub-item (AA) have been designated for their activities in support of Iran’s ballistic missile program, and if not, so designated, the reasons therefore; and

“(CC) describes the steps the President is taking to respond to the ballistic missile test described in sub-clause (I).
“(bb) FORM.—The report required by item (aa) shall be submitted in unclassified form, but may contain a classified annex.

“(iii) EFFORTS BY THE GOVERNMENT OF IRAN WITH RESPECT TO BALLISTIC MISSILE-RELATED GOODS, SERVICES, AND TECHNOLOGIES DESCRIBED.—For purposes of subclauses (I) and (II) of clause (i), efforts by the Government of Iran with respect to ballistic missile-related goods, services, and technologies described in this subsection are efforts by the Government of Iran to manufacture, acquire, possess, develop, transport, transfer, test or use ballistic missiles or associated goods, services, or technology by the Government of Iran in violation of section 3 of Annex B of United Nations Security Council Resolution 2231 (2015), including efforts by the Government of Iran to manufacture, acquire, possess, develop, transport, transfer, purchase—
“(I) goods, services, or technology listed on the Missile Technology Control Regime Equipment and Technology Annex of October 8, 2015, and subsequent revisions that have been acquired outside of the Procurement Working Group; or

“(II) goods, services, or technology not described in the matter preceding subclause (I) or subclause (I) but which nevertheless the President determines would be, if such goods, services, or technology were United States goods, services, or technology, prohibited for export to Iran because of their potential to make a material contribution to the development of ballistic missile systems or ballistic missile launch technologies.

“(iv) PROCUREMENT WORKING GROUP DEFINED.—In clause (iii)(I), the term ‘procurement working group’ means the Procurement Working Group of the Joint Commission established under Annex IV of the applicable provisions in Annex A of

(g) Sanctionable Activities With Respect to Conventional Weapons.—Paragraph (1) of section 5(b) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note), as amended by subsections (e) and (f), is further amended by adding at the end the following:

“(C) Conventional weapons.—The President shall impose the sanctions described in paragraph (8) or (12) of section 6(a), as the case may be, with respect to a foreign person or an agency or instrumentality of a foreign state if the President determines that the person or agency or instrumentality knowingly, on or after the date of the enactment of this paragraph, imports, exports, or re-exports to, into, or from Iran, whether directly or indirectly, any significant arms or related materiel prohibited under Annex B of United Nations Security Council Resolution 2231 (2015).”.

(h) Exception and Definitions.—Paragraph (1) of section 5(b) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note), as amended by sub-
sections (e), (f), and (g), is further amended by adding
at the end the following:

“(D) EXCEPTION.—The President may not impose sanctions under subparagraph (B) or (C) with respect to a foreign person or a United States person if the President determines that the person has exercised due diligence in establishing and enforcing official policies, procedures, and controls to ensure that the person does not sell, supply, or transfer to or from Iran materials the sale, supply, or transfer of which would subject a person to the imposition of sanctions under subparagraph (B) or (C), as the case may be, or conduct or facilitate a financial transaction for such a sale, supply, or transfer.

“(E) DEFINITIONS.—In subparagraphs (B) and (C) of this paragraph:

“(i) AGENCY OR INSTRUMENTALITY.—The term ‘agency or instrumentality’ has the meaning given such term in section 1603(b) of title 28, United States Code.

“(ii) FOREIGN STATE.—The term ‘foreign state’ has the meaning given such
term in section 1603(a) of title 28, United States Code.

“(iii) Government of Iran.—The term ‘Government of Iran’ has the meaning given such term in section 561.404 of title 31, Code of Federal Regulations, as such section was in effect on January 1, 2016.

“(iv) Significant transaction or transactions; significant financial services.—The terms ‘significant transaction or transactions’ and ‘significant financial services’ shall be determined, for purposes of sections 101 and 102, in accordance with section 561.404 of title 31, Code of Federal Regulations, as such section 561.404 was in effect on January 1, 2016.”.

(i) Sanctions Described.—Section 6(a) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note) is amended—

(1) by striking paragraph (10) and inserting the following:

“(10) Inadmissibility to United States.—The President may direct the Secretary of State to
deny a visa to, and the Secretary of Homeland Secu-

rity to exclude from the United States and, if the in-
dividual has been issued a visa or other documenta-
tion, revoke, in accordance with section 221(i) of the

Immigration and Nationality Act (8 U.S.C. 1201(i))
of the visa or other documentation any alien that—

“(A) is designated pursuant to subparagraph (B) or (C) of section 5(b)(1); or

“(B) the President determines is a corpo-

rate officer or principal of, or a shareholder

with a controlling interest in, a sanctioned per-

son.”;

(2) by redesignating paragraph (12) as para-

graph (13); and

(3) by inserting after paragraph (11) the fol-

lowing:

“(12) EXPORT SANCTION.—In the case of an

agency or instrumentality of a foreign state, no item

on the United States Munitions List or Commerce

Munitions List may be exported to that foreign state

for a period of two years.”.

(j) RULE OF CONSTRUCTION.—The sanctions that

are required to be imposed under this section and the

amendments made by this section are in addition to other
similar or related sanctions that are required to be imposed under any other provision of law.

SEC. 3. REPORT ON SANCTIONABLE ACTIVITIES.

(a) In General.—Not later than 120 days after the date of the enactment of this Act, and every 90 days thereafter, the President shall submit to the appropriate congressional committees a report that contains the following information:

(1) Any credible information regarding Iran’s attempts to develop, procure, or acquire goods, services, or technology with respect to which sanctions may be imposed pursuant to subparagraphs (B) and (C) of section 5(b)(1) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note), as added by section 3 of this Act.


(b) Form.—The report required by subsection (a) shall be submitted in unclassified form, but may contain a classified annex.

SEC. 4. REGULATORY AUTHORITY.

(a) In General.—The President shall, not later than 120 days after the date of the enactment of this Act, promulgate regulations as necessary for the implementation of this Act and the amendments made by this Act.

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

SEC. 5. DEFINITIONS.

In this Act:

(1) Appropriate congressional committees.—The term “appropriate congressional committees” means the Committee on Foreign Affairs of
the House of Representatives and the Committee on
Foreign Relations of the Senate.

(2) CREDIBLE INFORMATION.—The term “credible information” has the meaning given such term
in section 14 of the Iran Sanctions Act of 1996

(3) GOVERNMENT OF IRAN.—The term “Government of Iran” has the meaning given such term
in section 561.404 of title 31, Code of Federal Reg-
ulations, as such section was in effect on January 1,
2016.

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