

**Suspend the Rules and Pass the Bill, H. R. 3329, With an  
Amendment**

**(The amendment strikes all after the enacting clause and inserts a  
new text)**

115<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3329

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

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## IN THE HOUSE OF REPRESENTATIVES

JULY 20, 2017

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

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## A BILL

To amend the Hizballah International Financing Prevention Act of 2015 to impose additional sanctions with respect to Hizballah, 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 “Hizballah International Financing Prevention Amend-  
4 ments Act of 2017”.

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

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

Sec. 102. Modification of report with respect to financial institutions that engage in certain transactions.

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

Sec. 104. Prohibitions and conditions with respect to certain accounts held by foreign financial institutions.

Sec. 105. United States strategy to prevent hostile activities by Iran and disrupt and degrade Hizballah’s illicit networks in the Western Hemisphere.

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

Sec. 201. Blocking of property of affiliated networks of Hizballah.

Sec. 202. Report on racketeering activities engaged in by Hizballah.

Sec. 203. Modification of report on activities of foreign governments to disrupt global logistics networks and fundraising, financing, and money laundering activities of Hizballah.

Sec. 204. Report on combating the illicit tobacco trafficking networks used by Hizballah and other foreign terrorist organizations.

**TITLE III—GENERAL PROVISIONS**

Sec. 301. Regulatory authority.

Sec. 302. Implementation; penalties; judicial review; exemptions.

1 **TITLE I—PREVENTION OF AC-**  
2 **CESS BY HIZBALLAH TO**  
3 **INTERNATIONAL FINANCIAL**  
4 **AND OTHER INSTITUTIONS**

5 **SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO**  
6 **FUNDRAISING AND RECRUITMENT ACTIVI-**  
7 **TIES FOR HIZBALLAH.**

8 (a) IN GENERAL.—Section 101 of the Hizballah  
9 International Financing Prevention Act of 2015 (Public  
10 Law 114–102; 50 U.S.C. 1701 note) is amended to read  
11 as follows:

12 **“SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO**  
13 **FUNDRAISING AND RECRUITMENT ACTIVI-**  
14 **TIES FOR HIZBALLAH.**

15 “(a) IN GENERAL.—The President shall, on or after  
16 the date of the enactment of this section, impose the sanc-  
17 tions described in subsection (b) with respect to any for-  
18 eign person that the President determines knowingly as-  
19 sists, sponsors, or, provides significant financial, material,  
20 or technological support for—

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

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

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

7           “(4) a foreign person owned or controlled by a  
8 foreign person described in paragraph (1), (2), or  
9 (3).

10       “(b) SANCTIONS DESCRIBED.—

11           “(1) IN GENERAL.—The sanctions described in  
12 this subsection are the following:

13           “(A) ASSET BLOCKING.—The exercise of  
14 all powers granted to the President by the  
15 International Emergency Economic Powers Act  
16 (50 U.S.C. 1701 et seq.) (except that the re-  
17 quirements of section 202 of such Act (50  
18 U.S.C. 1701) shall not apply) to the extent nec-  
19 essary to block and prohibit all transactions in  
20 all property and interests in property of a for-  
21 eign person determined by the President to be  
22 subject to subsection (a) if such property and  
23 interests in property are in the United States,  
24 come within the United States, or are or come

1           within the possession or control of a United  
2           States person.

3                   “(B) ALIENS INELIGIBLE FOR VISAS, AD-  
4           MISSION, OR PAROLE.—

5                   “(i) VISAS, ADMISSION, OR PAROLE.—  
6           An alien who the Secretary of State or the  
7           Secretary of Homeland Security (or des-  
8           ignee of one of such Secretaries) deter-  
9           mines is subject to subsection (a) is—

10                   “(I) inadmissible to the United  
11           States;

12                   “(II) ineligible to receive a visa  
13           or other documentation to enter the  
14           United States; and

15                   “(III) otherwise ineligible to be  
16           admitted or paroled into the United  
17           States or to receive any other benefit  
18           under the Immigration and Nation-  
19           ality Act (8 U.S.C. 1101 et seq.).

20                   “(ii) CURRENT VISAS REVOKED.—

21                   “(I) IN GENERAL.—The Sec-  
22           retary of State or the Secretary of  
23           Homeland Security shall revoke any  
24           visa or other entry documentation  
25           issued to an alien who the President

1 determines is subject to subsection  
2 (a), regardless of when issued.

3 “(II) EFFECT OF REVOCATION.—

4 A revocation under subclause (I) shall  
5 take effect immediately and shall  
6 automatically cancel any other valid  
7 visa or entry documentation that is in  
8 the possession of the alien.

9 “(2) PENALTIES.—The penalties provided for  
10 in subsections (b) and (c) of section 206 of the  
11 International Emergency Economic Powers Act (50  
12 U.S.C. 1705) shall apply to a person that violates,  
13 attempts to violate, conspires to violate, or causes a  
14 violation of regulations prescribed under paragraph  
15 (1)(A) to the same extent that such penalties apply  
16 to a person that commits an unlawful act described  
17 in subsection (a) of such section 206.

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

22 “(d) WAIVER.—

23 “(1) IN GENERAL.—The President may, for pe-  
24 riods not to exceed 180 days, waive the imposition  
25 of sanctions under this section with respect to a for-

1        eign person or foreign persons if the President cer-  
2        tifies to the appropriate congressional committees  
3        that such waiver is in the national security interests  
4        of the United States.

5               “(2) CONSULTATION.—

6               “(A) BEFORE WAIVER EXERCISED.—Be-  
7        fore a waiver under paragraph (1) takes effect  
8        with respect to a foreign person, the President  
9        shall notify and brief the appropriate congress-  
10       sional committees on the status of the involve-  
11       ment of the foreign person in activities de-  
12       scribed in subsection (a).

13              “(B) AFTER WAIVER EXERCISED.—Not  
14        later than 90 days after the issuance of a waiv-  
15        er under paragraph (1) with respect to a for-  
16        eign person, and every 120 days thereafter  
17        while the waiver remains in effect, the Presi-  
18        dent shall brief the appropriate congressional  
19        committees on the status of the involvement of  
20        the foreign person in activities described in sub-  
21        section (a).

22              “(e) REPORT.—Not later than 90 days after the date  
23        of the enactment of the Hizballah International Financing  
24        Prevention Amendments Act of 2017, and every 180 days  
25        thereafter, the President shall submit to the appropriate

1 congressional committees and the Permanent Select Com-  
2 mittee on Intelligence of the House of Representatives and  
3 the Select Committee on Intelligence of the Senate a re-  
4 port that lists the foreign persons that the President has  
5 credible evidence knowingly assists, sponsors, or provides  
6 significant financial, material, or technological support for  
7 the foreign persons described in paragraph (1), (2), (3),  
8 or (4) of subsection (a).

9 “(f) DEFINITIONS.—In this section:

10 “(1) ADMITTED; ALIEN.—The terms ‘admitted’  
11 and ‘alien’ have meanings given those terms in sec-  
12 tion 101 of the Immigration and Nationality Act (8  
13 U.S.C. 1101).

14 “(2) APPROPRIATE CONGRESSIONAL COMMIT-  
15 TEES.—The term ‘appropriate congressional com-  
16 mittees’ means—

17 “(A) the Committee on Foreign Affairs,  
18 the Committee on Ways and Means, the Com-  
19 mittee on the Judiciary, and the Committee on  
20 Financial Services of the House of Representa-  
21 tives; and

22 “(B) the Committee on Foreign Relations,  
23 the Committee on Banking, Housing, and  
24 Urban Affairs, and the Committee on the Judi-  
25 ciary of the Senate.



1 “(3) ENTITY.—The term ‘entity’—

2 “(A) means a partnership, association, cor-  
3 poration, or other organization, group, or sub-  
4 group; and

5 “(B) includes a governmental entity

6 “(4) FUNDRAISING OR RECRUITMENT ACTIVI-  
7 TIES.—The term ‘fundraising or recruitment activi-  
8 ties’ includes online fundraising and other online  
9 commercial activities, or other means of such fund-  
10 raising, recruitment, and retention, as determined by  
11 the President.

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

14 “(6) PERSON.—The term ‘person’ means an in-  
15 dividual or entity.

16 “(7) UNITED STATES PERSON.—The term  
17 ‘United States person’ means a United States cit-  
18 izen, permanent resident alien, entity organized  
19 under the laws of the United States (including for-  
20 eign branches), or a person in the United States.”.

21 (b) CLERICAL AMENDMENT.—The table of contents  
22 for the Hizballah International Financing Prevention Act  
23 of 2015 is amended by striking the item relating to section  
24 101 and inserting the following new item:

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

1 **SEC. 102. MODIFICATION OF REPORT WITH RESPECT TO FI-**  
2 **NANCIAL INSTITUTIONS THAT ENGAGE IN**  
3 **CERTAIN TRANSACTIONS.**

4 (a) IN GENERAL.—Subsection (d) of section 102 of  
5 the Hizballah International Financing Prevention Act of  
6 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is  
7 amended to read as follows:

8 “(d) REPORT ON FINANCIAL INSTITUTIONS ORGA-  
9 NIZED UNDER THE LAWS OF STATE SPONSORS OF TER-  
10 RORISM.—

11 “(1) IN GENERAL.—Not later than 90 days  
12 after the date of the enactment of the Hizballah  
13 International Financing Prevention Amendments  
14 Act of 2017, and annually thereafter for a period  
15 not to exceed three years, the President shall submit  
16 to the appropriate congressional committees and the  
17 Committee on Appropriations of the House of Rep-  
18 resentatives and the Committee on Appropriations of  
19 the Senate a report that—

20 “(A) identifies each foreign financial insti-  
21 tution described in paragraph (2) that the  
22 President determines engages in one or more  
23 activities described in subsection (a)(2);

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

1           “(C) contains a determination with respect  
2           to each such foreign financial institution that is  
3           identified under subparagraph (A) as engaging  
4           in one or more activities described in subsection  
5           (a)(2) as to whether or not such foreign finan-  
6           cial institution is in violation of Executive  
7           Order 13224 (50 U.S.C. 1701 note; relating to  
8           blocking property and prohibiting transactions  
9           with persons who commit, threaten to commit,  
10          or support terrorism) or section 2339B of title  
11          18, United States Code, by reason of engaging  
12          in one or more such activities.

13          “(2) FOREIGN FINANCIAL INSTITUTION DE-  
14          SCRIBED.—

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

18                         “(i) that, wherever located, is—

19                                 “(I) organized under the laws of  
20                                 a state sponsor of terrorism or any ju-  
21                                 risdiction within a state sponsor of  
22                                 terrorism;

23                                 “(II) owned or controlled by the  
24                                 government of a state sponsor of ter-  
25                                 rorism;

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

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

6 “(ii) the capitalization of which ex-  
7 ceeds \$10,000,000.

8 “(B) STATE SPONSOR OF TERRORISM.—In  
9 this paragraph, the term ‘state sponsor of ter-  
10 rorism’ means a country the government of  
11 which the Secretary of State has determined is  
12 a government that has repeatedly provided sup-  
13 port for acts of international terrorism for pur-  
14 poses of—

15 “(i) section 6(j) of the Export Admin-  
16 istration Act of 1979 (50 U.S.C. 4605(j))  
17 (as continued in effect pursuant to the  
18 International Emergency Economic Powers  
19 Act (50 U.S.C. 1701 et seq.));

20 “(ii) section 620A of the Foreign As-  
21 sistance Act of 1961 (22 U.S.C. 2371);

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

24 “(iv) any other provision of law.”

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

3 (1) all countries should designate the entirety of  
4 Hizballah as a terrorist organization; and

5 (2) the notion of separate Hizballah political  
6 and military “wings” is an artificial construct that  
7 attempts to legitimize Hizballah members of par-  
8 liament and Hizballah cabinet officials who are  
9 complicit in Hizballah’s use of violence and coercion  
10 against its political opponents.

11 (c) MODIFICATION OF DEFINITION OF  
12 HIZBALLAH.—Clause (ii) of section 102(f)(1)(E) of the  
13 Hizballah International Financing Prevention Act of 2015  
14 (Public Law 114–102; 50 U.S.C. 1701 note) is amend-  
15 ed—

16 (1) by striking “(I)” and inserting “(I)(aa)”;

17 (2) by striking “(II)” and inserting “(bb)”;

18 (3) by striking “of Hizballah.” and inserting  
19 “of Hizballah; or”; and

20 (4) by adding at the end the following:

21 “(II) who the President deter-  
22 mines is an agent or affiliate of, or is  
23 owned or controlled by Hizballah.”.

24 (d) REPORT.—

1           (1) IN GENERAL.—Not later than 120 days  
2 after the date of the enactment of this Act, the  
3 President shall transmit to the appropriate congress-  
4 sional committees a report that contains a descrip-  
5 tion of any sanctions described in section 102 of the  
6 Hizballah International Financing Prevention Act of  
7 2015 (Public Law 114–102; 50 U.S.C. 1701 note)  
8 apply with respect to a foreign financial institution  
9 by reason of engaging in an activity described in  
10 subsection (a)(2) of such section with a member of  
11 the Lebanese parliament or any cabinet official of  
12 the Lebanese Republic who is a member of  
13 Hizballah or identifies as such.

14           (2) FORM.—The report required by this sub-  
15 section shall be transmitted in unclassified form but  
16 may include a classified annex.

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

20                   (A) the Committee on Foreign Affairs, the  
21 Committee on Appropriations, the Permanent  
22 Select Committee on Intelligence, and the Com-  
23 mittee on Financial Services of the House of  
24 Representatives; and

1 (B) the Committee on Foreign Relations,  
2 the Committee on Appropriations, the Select  
3 Committee on Intelligence, and the Committee  
4 on Banking, Housing, and Urban Affairs of the  
5 Senate.

6 **SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT SUP-**  
7 **PORT HIZBALLAH.**

8 (a) IN GENERAL.—Title I of the Hizballah Inter-  
9 national Financing Prevention Act of 2015 (Public Law  
10 114–102; 50 U.S.C. 1701 note) is amended by adding at  
11 the end the following:

12 **“SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT**  
13 **SUPPORT HIZBALLAH.**

14 **“(a) SANCTIONS AGAINST CERTAIN AGENCIES AND**  
15 **INSTRUMENTALITIES OF FOREIGN STATES.—**

16 **“(1) IN GENERAL.—**Not later than 90 days  
17 after the date of the enactment of this section, and  
18 as appropriate thereafter, the President shall impose  
19 the sanctions described in paragraph (3) with re-  
20 spect to any agency or instrumentality of a foreign  
21 state described in paragraph (2).

22 **“(2) AGENCY OR INSTRUMENTALITY DE-**  
23 **SCRIBED.—**An agency or instrumentality of a for-  
24 eign state described in this paragraph is an agency  
25 or instrumentality of a foreign state that the Presi-

1       dent determines has, on or after the date of the en-  
2       actment of this section, knowingly—

3               “(A) directly or indirectly conducted com-  
4       bat operations with, or supported combat oper-  
5       ations of, Hizballah or an entity owned or con-  
6       trolled by Hizballah; or

7               “(B) directly or indirectly provided signifi-  
8       cant financial or material support for, or sig-  
9       nificant arms or related material to, Hizballah  
10       or an entity owned or controlled by Hizballah.

11              “(3) SANCTIONS DESCRIBED.—The sanctions  
12       described in this paragraph are the exercise of all  
13       powers granted to the President by the International  
14       Emergency Economic Powers Act (50 U.S.C. 1701  
15       et seq.) (except that the requirements of section 202  
16       of such Act (50 U.S.C. 1701) shall not apply) to the  
17       extent necessary to block and prohibit all trans-  
18       actions in all property and interests in property of  
19       an agency or instrumentality of a foreign state if  
20       such property and interests in property are in the  
21       United States, come within the United States, or are  
22       or come within the possession or control of a United  
23       States person.

24              “(b) SANCTIONS AGAINST STATE SPONSORS OF TER-  
25       RORISM.—



1           “(1) IN GENERAL.—In the case of an agency or  
2           instrumentality of a foreign state that engages in  
3           the activities described in subsection (a) that is an  
4           agency or instrumentality of a foreign state de-  
5           scribed in paragraph (3), the President shall, pursu-  
6           ant to section 6 of the Export Administration Act of  
7           1979 (as continued in effect pursuant to the Inter-  
8           national Emergency Economic Powers Act (50  
9           U.S.C. 1701 et seq.)), require a license under the  
10          Export Administration Regulations to export or re-  
11          export to that foreign state any item designated by  
12          the Secretary of Commerce as ‘EAR 99’, other than  
13          food, medicine, medical devices, or similarly licensed  
14          items.

15          “(2) AUDITING REQUIREMENTS.—In the case of  
16          an agency or instrumentality of a foreign state that  
17          engages in the activities described in subsection (a)  
18          that is an agency or instrumentality of a foreign  
19          state described in paragraph (3), or the Government  
20          of the Russian Federation if the President deter-  
21          mines such Government is engaged in the activities  
22          described in subsection (a), the President shall—

23                  “(A) ensure that United States persons,  
24                  and foreign persons subject to United States ju-  
25                  risdiction, exercise enhanced due diligence in

1 the jurisdiction of that foreign state to ensure  
2 such persons do not directly or indirectly fi-  
3 nance Hizballah or engage in transactions with  
4 foreign persons that directly or indirectly fi-  
5 nance Hizballah;

6 “(B) ensure that United States persons,  
7 and foreign persons subject to United States ju-  
8 risdiction, maintain—

9 “(i) internal controls to prevent such  
10 persons from engaging in a transaction or  
11 transactions with Hizballah; and

12 “(ii) full compliance with relevant  
13 laws and regulations;

14 “(C) ensure that United States persons,  
15 and foreign persons subject to United States ju-  
16 risdiction, engage an auditor to perform due  
17 diligence to ascertain whether—

18 “(i) the internal controls of such per-  
19 son are effective; and

20 “(ii) any transactions of such person  
21 are directly or indirectly financing  
22 Hizballah; and

23 “(D) ensure the accuracy of the inde-  
24 pendent private sector audits and other due  
25 diligence processes by providing recommenda-

1           tions for the processes used to carry out such  
2           audits, including to—

3                   “(i) improve the accuracy of such au-  
4                   dits; and

5                   “(ii) establish standards of best prac-  
6                   tices.

7           “(3) FOREIGN STATE DESCRIBED.—A foreign  
8           state described in this paragraph is a foreign state  
9           that—

10                   “(A) the President determines has, on or  
11                   after the date of the enactment of this section,  
12                   knowingly provided significant financial or ma-  
13                   terial support for, or arms or related material  
14                   to—

15                           “(i) Hizballah; or

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

18                   “(B) is a state sponsor of terrorism.

19           “(c) WAIVER.—

20                   “(1) IN GENERAL.—The President may, for pe-  
21                   riods not to exceed 180 days, waive the imposition  
22                   of sanctions under this section with respect to a for-  
23                   eign state or an agency or instrumentality of a for-  
24                   eign state if the President certifies to the appro-  
25                   priate congressional committees that such waiver is

1 vital to the national security interests of the United  
2 States.

3 “(2) CONSULTATION.—

4 “(A) BEFORE WAIVER EXERCISED.—Be-  
5 fore a waiver under paragraph (1) takes effect  
6 with respect to a foreign state or an agency or  
7 instrumentality of a foreign state, the President  
8 shall notify and brief the appropriate congres-  
9 sional committees on the status of the involve-  
10 ment of the foreign state in activities described  
11 in subsection (b)(3) or involvement of the agen-  
12 cy or instrumentality of a foreign state in ac-  
13 tivities described in subsection (a)(2), as the  
14 case may be.

15 “(B) AFTER WAIVER EXERCISED.—Not  
16 later than 90 days after the issuance of a waiv-  
17 er under paragraph (1) with respect to a for-  
18 eign state or an agency or instrumentality of a  
19 foreign state, and every 120 days thereafter  
20 while the waiver remains in effect, the Presi-  
21 dent shall brief the appropriate congressional  
22 committees on the status of the involvement of  
23 the foreign state in activities described in sub-  
24 section (b)(3) or involvement of the agency or  
25 instrumentality of a foreign state in activities

1           described in subsection (a)(2), as the case may  
2           be.

3           “(d) REPORT ON SUPPLY CHAIN OF HIZBALLAH’S  
4 MISSILE PRODUCTION FACILITIES.—

5           “(1) IN GENERAL.—Not later than 120 days  
6           after the date of the enactment of this subsection,  
7           the President shall submit to the appropriate con-  
8           gressional committees and the Committee on Appro-  
9           priations and the Permanent Select Committee on  
10          Intelligence of the House of Representatives and the  
11          Committee on Appropriations and the Select Com-  
12          mittee on Intelligence of the Senate on a report that  
13          contains the following:

14                 “(A) An analysis of the foreign and domes-  
15                 tic supply chain that significantly facilitates,  
16                 supports, or otherwise aids Hizballah’s acquisi-  
17                 tion or development of missile production facili-  
18                 ties.

19                 “(B) A description of the geographic dis-  
20                 tribution of the foreign and domestic supply  
21                 chain described in subparagraph (A).

22                 “(C) An assessment of the provision of  
23                 goods, services, or technology transferred to  
24                 Hizballah by the Government of Iran or its af-

1           filiates to indigenously manufacture or other-  
2           wise produce missiles.

3           “(D) An identification of foreign persons  
4           that have, on or after the date of the enactment  
5           of this subsection, and based on credible evi-  
6           dence—

7                   “(i) knowingly provided significant fi-  
8                   nancial or material support for, or signifi-  
9                   cant arms or related material to, Hizballah  
10                  or an entity owned or controlled by  
11                  Hizballah; or

12                   “(ii) knowingly facilitated the transfer  
13                  of significant arms or related materiel to  
14                  Hizballah utilizing commercial aircraft or  
15                  air carriers.

16           “(E) A description of the steps that the  
17           President is taking to disrupt the foreign and  
18           domestic supply chain described in subpara-  
19           graph (A).

20           “(2) FORM.—The report required under para-  
21           graph (1) shall be submitted in unclassified form,  
22           but may contain a classified annex.

23           “(e) DEFINITIONS.—In this section:

24                   “(1) AGENCY OR INSTRUMENTALITY OF A FOR-  
25                  EIGN STATE; FOREIGN STATE.—The terms ‘agency

1 or instrumentality of a foreign state’ and ‘foreign  
2 state’ have the meanings given those terms in sec-  
3 tion 1603 of title 28, United States Code.

4 “(2) APPROPRIATE CONGRESSIONAL COMMIT-  
5 TEES.—The term ‘appropriate congressional com-  
6 mittees’ means—

7 “(A) the Committee on Foreign Affairs,  
8 the Committee on Financial Services, the Com-  
9 mittee on Ways and Means, the Committee on  
10 the Judiciary, the Committee on Appropria-  
11 tions, and the Permanent Select Committee on  
12 Intelligence of the House of Representatives;  
13 and

14 “(B) the Committee on Foreign Relations,  
15 the Committee on Banking, Housing, and  
16 Urban Affairs, the Committee on Finance, the  
17 Committee on the Judiciary, the Committee on  
18 Appropriations, and the Select Committee on  
19 Intelligence of the Senate.

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

22 “(A) nuclear, biological, chemical, or radio-  
23 logical weapons or materials or components of  
24 such weapons;

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

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

5           “(D) defense articles or defense services,  
6 as those terms are defined in paragraphs (3)  
7 and (4), respectively, of section 47 of the Arms  
8 Export Control Act (22 U.S.C. 2794); or

9           “(E) defense information, as that term is  
10 defined in section 644 of the Foreign Assist-  
11 ance Act of 1961 (22 U.S.C. 2403).

12           “(4) EXPORT ADMINISTRATION REGULA-  
13 TIONS.—The term ‘Export Administration Regula-  
14 tions’ means subchapter C of chapter VII of title 15,  
15 Code of Federal Regulations (as in effect on the  
16 date of the enactment of this Act).

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

19           “(6) STATE SPONSOR OF TERRORISM.—In this  
20 paragraph, the term ‘state sponsor of terrorism’  
21 means a country the government of which the Sec-  
22 retary of State has determined is a government that  
23 has repeatedly provided support for acts of inter-  
24 national terrorism for purposes of—



1           “(A) section 6(j) of the Export Adminis-  
2           tration Act of 1979 (50 U.S.C. 4605(j)) (as  
3           continued in effect pursuant to the Inter-  
4           national Emergency Economic Powers Act (50  
5           U.S.C. 1701 et seq.);

6           “(B) section 620A of the Foreign Assist-  
7           ance Act of 1961 (22 U.S.C. 2371);

8           “(C) section 40 of the Arms Export Con-  
9           trol Act (22 U.S.C. 2780); or

10           “(D) any other provision of law.”.

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

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

15           (c) REPORT ON SIGNIFICANT MATERIAL SUPPORT  
16 AND ARMS OR RELATED MATERIEL PROVIDED BY THE  
17 RUSSIAN FEDERATION TO HIZBALLAH.—

18           (1) IN GENERAL.—Not later than 120 days  
19 after the date of the enactment of this Act, the  
20 President shall submit to the appropriate congres-  
21 sional committees a report that contains the fol-  
22 lowing:

23           (A) A description of significant material  
24 support and arms or related material that the  
25 Government of the Russian Federation has, on

1 or after the date of the enactment of this Act,  
2 knowingly, directly or indirectly, provided to  
3 Hizballah or an entity owned or controlled by  
4 Hizballah.

5 (B) An analysis of the extent to which  
6 Russian strategic weapons deployed in Syria,  
7 including air defense systems, have provided  
8 protection for Hizballah fighters in Syria.

9 (C) An assessment of whether Russian  
10 counter-proliferation safeguards can ensure that  
11 any arms or related materiel described in sub-  
12 paragraph (A) will not be used against Israel in  
13 the future.

14 (2) FORM.—The report required by paragraph  
15 (1) shall be submitted in unclassified form but may  
16 include a classified annex.

17 (3) DEFINITIONS.—In this subsection:

18 (A) APPROPRIATE CONGRESSIONAL COM-  
19 MITTEES.—The term “appropriate congres-  
20 sional committees” has the meaning given such  
21 term in section 103 of the Hizballah Inter-  
22 national Financing Prevention Act of 2015, as  
23 added by this section.

24 (B) ARMS OR RELATED MATERIAL.—The  
25 term “arms or related material” has the mean-

1           ing given such term in section 103 of the  
2           Hizballah International Financing Prevention  
3           Act of 2015, as added by this section.

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

7           Section 104(c)(2)(A)(ii) of the Comprehensive Iran  
8           Sanctions, Accountability, and Divestment Act of 2010  
9           (22 U.S.C. 8513(c)(2)(A)(ii)) is amended by inserting be-  
10          fore “or support for acts of international terrorism” the  
11          following “, including Hizballah (as defined in section  
12          102(f)(1)(E) of the Hizballah International Financing  
13          Prevention Act of 2015 (Public Law 114–102; 50 U.S.C.  
14          1701 note)), and any affiliates or successors thereof.”.

15 **SEC. 105. UNITED STATES STRATEGY TO PREVENT HOSTILE**  
16                           **ACTIVITIES BY IRAN AND DISRUPT AND DE-**  
17                           **GRADE HIZBALLAH’S ILLICIT NETWORKS IN**  
18                           **THE WESTERN HEMISPHERE.**

19          (a) IN GENERAL.—Not later than 180 days after the  
20          date of the enactment of this Act, the Secretary of State  
21          shall submit to the appropriate congressional committees  
22          a strategy to prevent hostile activities by Iran and disrupt  
23          and degrade Hizballah’s illicit networks in the Western  
24          Hemisphere that—

1           (1) identifies Department of State priorities, in  
2           coordination with other executive branch agencies,  
3           for defining United States policy to protect United  
4           States interests from Iranian and Hizballah threats  
5           in the Western Hemisphere;

6           (2) coordinates with other executive branch  
7           agencies to ensure that information-sharing, inter-  
8           dictions, arrests, investigations, indictments, sanc-  
9           tions, and designations related to Hizballah individ-  
10          uals or networks in the Western Hemisphere are in-  
11          tegrated, coordinated, and publicly communicated by  
12          the United States in a manner that supports United  
13          States interests;

14          (3) describes Iranian and Hizballah activities in  
15          the Western Hemisphere, their relationships with  
16          transnational criminal organizations in the region,  
17          their use of the region's commodities trade to engage  
18          in illicit activities, and their use of Latin American  
19          and Caribbean visas, including through Citizenship  
20          by Investment Programs to seek admittance into the  
21          United States, as well as a plan to address any secu-  
22          rity vulnerabilities to the United States;

23          (4) includes a review of all relevant United  
24          States sanctions that relate to Hizballah's activities  
25          in Latin America and the Caribbean and an assess-

1       ment of their use, effectiveness, and any capability  
2       gaps;

3           (5) includes a review of the use of the Depart-  
4       ment of State's rewards program under section 36  
5       of the State Department Basic Authorities Act (22  
6       U.S.C. 2708) to obtain information related to Latin  
7       America-based Hizballah operatives and illicit net-  
8       works and an assessment of the effectiveness of this  
9       program for targeting Hizballah in the Western  
10      Hemisphere;

11          (6) includes a review of all relevant United  
12      States sanctions on financial institutions in Latin  
13      America and the Caribbean that engage in activities  
14      outlined by section 102 of Hizballah International  
15      Financing Prevention Act of 2015 (Public Law 114-  
16      102; 50 U.S.C. 1701 note) and an assessment of the  
17      use of the authorities outlined, their effectiveness,  
18      and recommendations for improvement;

19          (7) describes Hizballah criminal support net-  
20      works, including country facilitation, in the Western  
21      Hemisphere and outlines a United States approach  
22      to partners in the region to address those illicit net-  
23      works and build country capacity to combat the  
24      transnational criminal activities of Hizballah; and

1           (8) includes a review of the actions of govern-  
2           ments in the Western Hemisphere to identify, inves-  
3           tigate, and prosecute Latin America-based Hizballah  
4           operatives, and enforce sanctions either personally or  
5           to their business interests of Latin America-based  
6           Hizballah operatives as well as recommendations for  
7           United States action towards governments who  
8           refuse to impose sanctions or who willingly facilitate  
9           Latin America-based Hizballah illicit activities.

10          (b) FORM.—The strategy required by subsection (a)  
11         shall be submitted in unclassified form to the greatest ex-  
12         tent possible but may include a classified annex.

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

16                 (1) the Committee on Foreign Affairs, the  
17                 Committee on Financial Services, the Committee on  
18                 Appropriations, and the Permanent Select Com-  
19                 mittee on Intelligence of the House of Representa-  
20                 tives; and

21                 (2) the Committee on Foreign Relations, the  
22                 Committee on Banking, Housing, and Urban Af-  
23                 fairs, the Committee on Appropriations, and the Se-  
24                 lect Committee on Intelligence of the Senate.

25          (d) DIPLOMATIC ENGAGEMENT.—

1           (1) IN GENERAL.—Title I of the Hizballah  
2 International Financing Prevention Act of 2015  
3 (Public Law 114–102; 129 Stat. 2206; 50 U.S.C.  
4 1701 note), as amended by section 103 of this Act,  
5 is further amended by adding at the end the fol-  
6 lowing:

7 **“SEC. 104. DIPLOMATIC INITIATIVES.**

8           “Not later than 90 days after the date of the enact-  
9 ment of this section, the President shall instruct—

10           “(1) the Secretary of State to increase coopera-  
11 tion with countries in the Western Hemisphere to  
12 assist in strengthening the capacity of governments  
13 to prevent hostile activity by Iran and disrupt and  
14 degrade Hizballah’s illicit networks operating in the  
15 region, including diplomatic engagement that in-  
16 volves—

17           “(A) efforts to target and expose illicit net-  
18 works, arrest perpetrators, freeze assets, and  
19 attack Iran and Hizballah’s use of illicit net-  
20 works using international trade and banking  
21 systems;

22           “(B) efforts to revoke or deny visas from  
23 those implicated in Hizballah’s activity in the  
24 region, including lawyers, accountants, business  
25 partners, service providers, and politicians who

1 knowingly facilitate or fail to take measures to  
2 counter Hizballah's illicit finance in their own  
3 jurisdictions;

4 “(C) efforts to assist willing nations with  
5 the development of counter-organized crime leg-  
6 islation, the strengthening of financial inves-  
7 tigative capacity, and a fully-vetted counter-or-  
8 ganized crime judicial model in places plagued  
9 with corruption; and

10 “(D) efforts to persuade governments in  
11 the region to list Hizballah as a terrorist orga-  
12 nization;

13 “(2) the United States Permanent Representa-  
14 tive to the Organization of American States to work  
15 to secure support at the Organization of American  
16 States for a resolution that would declare Hizballah  
17 as a terrorist organization and address Hizballah's  
18 illicit networks operating in the region;

19 “(3) the United States Ambassador to the Or-  
20 ganization for Security and Cooperation in Europe  
21 (OSCE) to work to secure a report on compliance by  
22 participating states with OSCE Decision Number  
23 1063, the ‘Consolidated Framework for the Fight  
24 Against Terrorism’, in regard to Hizballah, with  
25 particular focus on the mandate to ‘suppress the fi-



1 financing of terrorism, including its links with money-  
2 laundering and illegal economic activities’, especially  
3 as it relates transatlantic relations, including with  
4 Latin America and the Caribbean; and

5 “(4) United States diplomats to work with  
6 international forums, including the Financial Action  
7 Task Force, to identify government entities within  
8 Latin America and the Caribbean that provide sup-  
9 port, facilitation, or assistance to individuals affili-  
10 ated with Hizballah in the Western Hemisphere.”.

11 (2) CLERICAL AMENDMENT.—The table of con-  
12 tents for the Hizballah International Financing Pre-  
13 vention Act of 2015 is amended by inserting after  
14 the item related to section 103 the following new  
15 item:

“Sec. 104. Diplomatic initiatives.”.

16 **TITLE II—NARCOTICS TRAF-**  
17 **FICKING AND SIGNIFICANT**  
18 **TRANSNATIONAL CRIMINAL**  
19 **ACTIVITIES OF HIZBALLAH**

20 **SEC. 201. BLOCKING OF PROPERTY OF AFFILIATED NET-**  
21 **WORKS OF HIZBALLAH.**

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

1 **“SEC. 201. IMPOSITION OF SANCTIONS WITH RESPECT TO**  
2 **AFFILIATED NETWORKS OF HIZBALLAH.**

3 “(a) IN GENERAL.—Not later than 120 days after  
4 the date of the enactment of this section, and as appro-  
5 priate thereafter, the President shall impose the sanctions  
6 described in subsection (b) with respect to affiliated net-  
7 works of Hizballah, including by reason of significant  
8 transnational criminal activities of such networks.

9 “(b) SANCTIONS DESCRIBED.—The sanctions de-  
10 scribed in this subsection are sanctions applied with re-  
11 spect to a foreign person pursuant to Executive Order  
12 13581 (75 Fed. Reg. 44,757) (as such Executive order  
13 was in effect on the day before the date of the enactment  
14 of this section).

15 “(c) DEFINITION.—In this section, the term  
16 ‘Hizballah’ has the meaning given such term in section  
17 102(f).”

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

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

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

23 and

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

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

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

6 **SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**  
7 **GAGED IN BY HIZBALLAH.**

8           (a) **IN GENERAL.**—Section 202 of the Hizballah  
9 International Financing Prevention Act of 2015 (Public  
10 Law 114–102; 50 U.S.C. 1701 note) is amended to read  
11 as follows:

12 **“SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**  
13 **GAGED IN BY HIZBALLAH.**

14           “(a) **IN GENERAL.**—Not later than 120 days after  
15 the date of the enactment of the Hizballah International  
16 Financing Prevention Amendments Act of 2017, and an-  
17 nually thereafter for the following 5 years, the Assistant  
18 Attorney General for the Criminal Division of the Depart-  
19 ment of Justice and the Administrator of the Drug En-  
20 forcement Administration, in coordination with the Sec-  
21 retary of the Treasury and the heads of other applicable  
22 Federal agencies, shall jointly submit to the appropriate  
23 congressional committees a report on the following:

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

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

7           “(b) FORM OF REPORT.—Each report required under  
8 subsection (a) shall be submitted in an unclassified form  
9 but may contain a classified annex.

10          “(c) DEFINITIONS.—In this section:

11           “(1) APPROPRIATE CONGRESSIONAL COMMIT-  
12 TEES.—The term ‘appropriate congressional com-  
13 mittees’ means—

14           “(A) the Committee on the Judiciary, the  
15 Committee on Foreign Affairs, and the Com-  
16 mittee on Appropriations of the House of Rep-  
17 resentatives; and

18           “(B) the Committee on the Judiciary, the  
19 Committee on Foreign Relations, and the Com-  
20 mittee on Appropriations of the Senate.

21           “(2) HIZBALLAH.—The term ‘Hizballah’ has  
22 the meaning given that term in section 102(f).

23           “(3) RACKETEERING ACTIVITY.—The term  
24 ‘racketeering activity’ has the meaning given that

1 term in section 1961(1) of title 18, United States  
2 Code.”.

3 (b) CLERICAL AMENDMENT.—The table of contents  
4 for the Hizballah International Financing Prevention Act  
5 of 2015 is amended by striking the item relating to section  
6 202 and inserting the following:

“Sec. 202. Report on racketeering activities engaged in by Hizballah.”.

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

12 (a) IN GENERAL.—Section 204(a)(1) of the  
13 Hizballah International Financing Prevention Act of 2015  
14 (Public Law 114–102; 50 U.S.C. 1701 note) is amend-  
15 ed—

16 (1) in the matter preceding subparagraph (A),  
17 by striking “this Act” and inserting “the Hizballah  
18 International Financing Prevention Amendments  
19 Act of 2017, and annually thereafter for the fol-  
20 lowing 5 years”;

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

23 (3) in subparagraph (E), by striking “and free-  
24 trade zones.” and inserting “free-trade zones, busi-  
25 ness partnerships and joint ventures, and other in-

1 vestments in small and medium-sized enterprises;”;  
2 and

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

4 “(F) a list of provinces, municipalities, and  
5 local governments outside of Lebanon that ex-  
6 pressly consent to, or with knowledge allow, tol-  
7 erate, or disregard the use of their territory by  
8 Hizballah to carry out terrorist activities, in-  
9 cluding training, financing, and recruitment;

10 “(G) a description of the total aggregate  
11 revenues and remittances that Hizballah re-  
12 ceives from the global logistics networks of  
13 Hizballah, including—

14 “(i) a list of Hizballah’s sources of  
15 revenue, including sources of revenue  
16 based on illicit activity, revenues from  
17 Iran, charities, and other business activi-  
18 ties; and

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

23 “(H) a survey of national and  
24 transnational legal measures available to target  
25 Hizballah’s financial networks;

1           “(I) an assessment of Hizballah’s financial  
2           operations in areas under its operational or po-  
3           litical control in Lebanon and Syria and avail-  
4           able measures to target Hizballah’s financial  
5           operations in those areas;

6           “(J) a review of Hizballah’s international  
7           operational capabilities, including in the United  
8           States; and

9           “(K) a review of—

10           “(i) the total number and value of  
11           Hizballah-related assets seized and for-  
12           feited; and

13           “(ii) the total number of indictments,  
14           prosecutions, and extraditions of Hizballah  
15           members or affiliates.”.

16           (b) REPORT ON ESTIMATED NET WORTH OF AND  
17           DETERMINATION WITH RESPECT TO SENIOR HIZBALLAH  
18           MEMBERS.—

19           (1) IN GENERAL.—Not later than 180 days  
20           after the date of the enactment of this Act, and not  
21           less frequently than annually thereafter for the fol-  
22           lowing 2 years, the President shall submit to the ap-  
23           propriate congressional committees a report that  
24           contains—

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

3 (B) a description of how funds of each in-  
4 dividual described in paragraph (2) were ac-  
5 quired, and how such funds have been used or  
6 employed; and

7 (C) a determination of whether each indi-  
8 vidual described in paragraph (2) meets the cri-  
9 teria described in paragraph (3) or (4) of sec-  
10 tion 1263(a) of the National Defense Author-  
11 ization Act for Fiscal Year 2017 (Public Law  
12 114–328; 22 U.S.C. 2656 note).

13 (2) INDIVIDUALS DESCRIBED.—The individuals  
14 described in this paragraph are the following:

15 (A) The Secretary General of Hizballah.

16 (B) Members of the Hizballah Politburo.

17 (C) Any other individual that the President  
18 determines is a senior foreign political figure of  
19 Hizballah, is associated with Hizballah, or oth-  
20 erwise provides significant support to Hizballah.

21 (3) FORM OF REPORT; PUBLIC AVAILABILITY.—

22 (A) FORM.—The report required under  
23 paragraph (1) shall be submitted in unclassified  
24 form but may include a classified annex.



1 (B) PUBLIC AVAILABILITY.—The unclassi-  
2 fied portion of the report required under para-  
3 graph (1) shall be made available to the public  
4 and posted on the website of the Department of  
5 State and all United States Embassy websites.

6 (4) DEFINITIONS.—In this subsection:

7 (A) APPROPRIATE CONGRESSIONAL COM-  
8 MITTEES.—The term “appropriate congres-  
9 sional committees” means—

10 (i) the Committee on Foreign Affairs,  
11 the Committee on Financial Services, the  
12 Committee on Appropriations, and the  
13 Permanent Select Committee on Intel-  
14 ligence of the House of Representatives;  
15 and

16 (ii) the Committee on Foreign Rela-  
17 tions, the Committee on Banking, Hous-  
18 ing, and Urban Affairs, the Committee on  
19 Appropriations, and the Select Committee  
20 on Intelligence of the Senate.

21 (B) FUNDS.—The term “funds” means—

22 (i) cash;

23 (ii) equity;

24 (iii) any other intangible asset the  
25 value of which is derived from a contrac-

1 tual claim, including bank deposits, bonds,  
2 stocks, a security (as defined in section  
3 2(a) of the Securities Act of 1933 (15  
4 U.S.C. 77b(a))), or a security or an equity  
5 security (as those terms are defined in sec-  
6 tion 3(a) of the Securities Exchange Act of  
7 1934 (15 U.S.C. 78c(a))); and

8 (iv) anything else of value that the  
9 President determines to be appropriate.

10 (C) SENIOR FOREIGN POLITICAL FIG-  
11 URE.—The term “senior foreign political fig-  
12 ure” has the meaning given that term in section  
13 1010.605 of title 31, Code of Federal Regula-  
14 tions (or any successor regulation).

15 **SEC. 204. REPORT ON COMBATING THE ILLICIT TOBACCO**  
16 **TRAFFICKING NETWORKS USED BY**  
17 **HIZBALLAH AND OTHER FOREIGN TER-**  
18 **RORIST ORGANIZATIONS.**

19 (a) IN GENERAL.—Not later than 180 days after the  
20 date of the enactment of this Act, the President shall sub-  
21 mit to the appropriate congressional committees a report  
22 on combating the illicit tobacco trafficking networks used  
23 by Hizballah and other foreign terrorist organizations to  
24 finance their operations, as described in the report sub-  
25 mitted to Congress in December 2015 by the Department

1 of State, the Department of Justice, the Department of  
2 the Treasury, the Department of Homeland Security, and  
3 the Department of Health and Human Services entitled,  
4 “The Global Illicit Trade in Tobacco: A Threat to Na-  
5 tional Security.”.

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

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

12 (2) A description of the steps to be taken to en-  
13 gage State and local law enforcement authorities in  
14 efforts to combat illicit tobacco trafficking networks  
15 operating within the United States.

16 (3) A description of the steps to be taken to en-  
17 gage foreign government law enforcement and intel-  
18 ligence authorities in efforts to combat illicit tobacco  
19 trafficking networks operating outside the United  
20 States.

21 (4) Recommendations for legislative or adminis-  
22 trative action needed to address the threat of illicit  
23 tobacco trafficking networks.

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

4 (1) the Committee on Foreign Affairs, the  
5 Committee on Armed Services, the Committee on  
6 Homeland Security, the Committee on the Judiciary,  
7 the Committee on Financial Services, the Committee  
8 on Ways and Means, the Committee on Appropria-  
9 tions, and the Permanent Select Committee on Intel-  
10 ligence of the House of Representatives; and

11 (2) the Committee on Foreign Relations, the  
12 Committee on Armed Services, the Committee on  
13 Homeland Security and Governmental Affairs, the  
14 Committee on the Judiciary, the Committee on  
15 Banking, Housing, and Urban Affairs, the Com-  
16 mittee on Finance, the Committee on Appropria-  
17 tions, and the Select Committee on Intelligence of  
18 the Senate.

## 19 **TITLE III—GENERAL** 20 **PROVISIONS**

### 21 **SEC. 301. REGULATORY AUTHORITY.**

22 (a) IN GENERAL.—The President shall, not later  
23 than 180 days after the date of the enactment of this Act,  
24 prescribe regulations as necessary for the implementation  
25 of this Act and the amendments made by this Act.

1 (b) BRIEFING TO CONGRESS.—Not later than 10  
2 days before the prescription of regulations under sub-  
3 section (a), the President shall brief the appropriate con-  
4 gressional committees of the proposed regulations and the  
5 provisions of this Act and the amendments made by this  
6 Act that the regulations are implementing.

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

10 (1) the Committee on Foreign Affairs, the  
11 Committee on Financial Services, and the Com-  
12 mittee on Ways and Means of the House of Rep-  
13 resentatives; and

14 (2) the Committee on Foreign Relations, the  
15 Committee on Banking, Housing, and Urban Af-  
16 fairs, and the Committee on Finance of the Senate.

17 **SEC. 302. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**  
18 **VIEW; EXEMPTIONS.**

19 (a) IN GENERAL.—Title I of the Hizballah Inter-  
20 national Financing Prevention Act of 2015 (Public Law  
21 114–102; 50 U.S.C. 1701 note), as amended by sections  
22 103 and 105 of this Act, is further amended by adding  
23 at the end the following:

1 **“SEC. 105. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**  
2 **VIEW; EXEMPTIONS; RULE OF CONSTRUC-**  
3 **TION.**

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

8 “(b) PENALTIES.—The penalties provided for in sub-  
9 sections (b) and (c) of section 206 of the International  
10 Emergency Economic Powers Act (50 U.S.C. 1705) shall  
11 apply to a person that violates, attempts to violate, con-  
12 spires to violate, or causes a violation of regulations pre-  
13 scribed to carry out section 101 or 103 to the same extent  
14 that such penalties apply to a person that commits an un-  
15 lawful act described in subsection (a) of such section 206.

16 “(c) PROCEDURES FOR JUDICIAL REVIEW OF CLAS-  
17 SIFIED INFORMATION.—

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

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

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

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

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

21           “(e) RULE OF CONSTRUCTION.—Nothing in section  
22 101 or 103 shall be construed to limit the authority of  
23 the President under the International Emergency Eco-  
24 nomic Powers Act (50 U.S.C. 1701 et seq.) or under any  
25 other provision of law.”.

1           (b) CLERICAL AMENDMENT.—The table of contents  
2 for the Hizballah International Financing Prevention Act  
3 of 2015 is amended by inserting after the item relating  
4 to section 104, as added by section 105(c) of this Act,  
5 the following new item:

“Sec. 105. Implementation; penalties; judicial review; exemptions; rule of construction.”.