

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 850
OFFERED BY MR. ROYCE OF CALIFORNIA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Nuclear Iran Prevention Act of 2013”.

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

Sec. 1. Short title and table of contents.

Sec. 2. Findings and statement of policy.

TITLE I—HUMAN RIGHTS AND TERRORISM SANCTIONS

Sec. 101. Designation of Iran’s Revolutionary Guard Corps as foreign terrorist organization.

Sec. 102. Imposition of sanctions on certain persons responsible for or complicit in human rights abuses, engaging in censorship, or engaging in the diversion of goods intended for the people of Iran.

Sec. 103. Mandatory sanctions with respect to financial institutions that engage in certain transactions on behalf of persons involved in human rights abuses or that export sensitive technology to Iran.

TITLE II—ECONOMIC AND FINANCIAL SANCTIONS

Sec. 201. Sanctions with respect to certain transactions with Iran.

Sec. 202. Imposition of sanctions with respect to foreign financial institutions that facilitate financial transactions on behalf of persons owned or controlled by specially designated nationals.

Sec. 203. Imposition of sanctions with respect to the Central Bank of Iran and other Iranian financial institutions.

Sec. 204. Sense of Congress regarding the European Central Bank.

Sec. 205. Imposition of sanctions with respect to certain transactions in foreign currencies.

Sec. 206. Imposition of sanctions with respect to ports, special economic zones, free economic zones, and strategic sectors of Iran.

Sec. 207. Repeal of exemptions under sanctions provisions of National Defense Authorization Act for Fiscal Year 2013.

- Sec. 208. Prohibition on the transfer and retransfer of vessels.
Sec. 209. Imposition of sanctions with respect to vessels involved in vessel-to-vessel transfers of Iranian crude oil or other sanctioned imports and exports.
Sec. 210. Conditions for entry and operation of vessels.

TITLE III—MISCELLANEOUS PROVISIONS

- Sec. 301. Report on Iranian nuclear and economic capabilities.
Sec. 302. National Strategy on Iran.
Sec. 303. Authority to consolidate reports required under Iran sanctions laws.
Sec. 304. Amendments to definitions under Iran Sanctions Act of 1996 and Iran Threat Reduction and Syria Human Rights Act of 2012.
Sec. 305. Implementation; penalties.

1 **SEC. 2. FINDINGS AND STATEMENT OF POLICY.**

2 (a) FINDINGS.—Congress finds the following:

3 (1) Iran’s acquisition of a nuclear weapons ca-
4 pability would—

5 (A) embolden its already aggressive foreign
6 policy, including its arming of terrorist organi-
7 zations and other groups, its efforts to desta-
8 bilize countries in the Middle East, and its ef-
9 forts to target the United States, United States
10 allies, and United States interests globally;

11 (B) increase the risk that Iran would share
12 its nuclear technology and expertise with ex-
13 tremist groups and rogue nations;

14 (C) destabilize global energy markets, pos-
15 ing a direct and devastating threat to the
16 American and global economy; and

17 (D) likely lead other governments in the
18 region to pursue their own nuclear weapons
19 programs, increasing the prospect of nuclear

1 proliferation throughout the region and effec-
2 tively ending the viability of the global non-
3 proliferation regime, including the Treaty on
4 the Non-Proliferation of Nuclear Weapons,
5 done at Washington, London, and Moscow July
6 1, 1968, and entered into force on March 5,
7 1970.

8 (2) A nuclear arms-capable Iran possessing
9 intercontinental ballistic missiles, a development
10 most experts expect could occur within a decade,
11 would pose a direct nuclear threat to the United
12 States.

13 (b) STATEMENT OF POLICY.—It shall be the policy
14 of the United States to prevent Iran from acquiring a nu-
15 clear weapons capability.

16 **TITLE I—HUMAN RIGHTS AND**
17 **TERRORISM SANCTIONS**

18 **SEC. 101. DESIGNATION OF IRAN'S REVOLUTIONARY**
19 **GUARD CORPS AS FOREIGN TERRORIST OR-**
20 **GANIZATION.**

21 (a) IN GENERAL.—Subtitle A of title III of the Iran
22 Threat Reduction and Syria Human Rights Act of 2012
23 (22 U.S.C. 8741 et seq.) is amended—

24 (1) by redesignating section 304 as section 305;
25 and

1 (2) by inserting after section 303 the following
2 new section:

3 **“SEC. 304. DESIGNATION OF IRAN’S REVOLUTIONARY**
4 **GUARD CORPS AS FOREIGN TERRORIST OR-**
5 **GANIZATION.**

6 “(a) IN GENERAL.—Not later than 30 days after the
7 date of the enactment of this section, the Secretary of
8 State shall determine if Iran’s Revolutionary Guard Corps
9 meets the criteria for designation as a foreign terrorist
10 organization as set forth in section 219 of the Immigration
11 and Nationality Act (8 U.S.C. 1189).

12 “(b) AFFIRMATIVE DETERMINATION.—If the Sec-
13 retary of State determines under subsection (a) that
14 Iran’s Revolutionary Guard Corps meets the criteria set
15 forth under such section 219, the Secretary shall designate
16 Iran’s Revolutionary Guard Corps as a foreign terrorist
17 organization under such section 219.

18 “(c) NEGATIVE DETERMINATION.—

19 “(1) IN GENERAL.—If the Secretary of State
20 determines under subsection (a) that Iran’s Revolu-
21 tionary Guard Corps does not meet the criteria set
22 forth under such section 219, the Secretary shall
23 submit to the committees of Congress specified in
24 subsection (e) a report that contains a detailed jus-
25 tification as to which criteria have not been met.

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

4 “(d) APPLICABILITY OF SANCTIONS TO QODS
5 FORCE.—The sanctions applied to any entity designated
6 as a foreign terrorist organization as set forth in such sec-
7 tion 219 shall be applied to the Qods Force.

8 “(e) COMMITTEES OF CONGRESS SPECIFIED.—The
9 committees of Congress specified in this subsection are the
10 following:

11 “(1) The Committee on Foreign Affairs, the
12 Committee on the Judiciary, and the Committee on
13 Homeland Security of the House of Representatives.

14 “(2) The Committee on Foreign Relations, the
15 Committee on the Judiciary, and the Committee on
16 Homeland Security and Governmental Affairs of the
17 Senate.”.

18 (b) CLERICAL AMENDMENT.—The table of contents
19 for the Iran Threat Reduction and Syria Human Rights
20 Act of 2012 is amended by striking the item relating to
21 section 304 and inserting the following:

“Sec. 304. Designation of Iran’s Revolutionary Guard Corps as foreign ter-
rorist organization.

“Sec. 305. Rule of construction.”.

1 **SEC. 102. IMPOSITION OF SANCTIONS ON CERTAIN PER-**
2 **SONS RESPONSIBLE FOR OR COMPLICIT IN**
3 **HUMAN RIGHTS ABUSES, ENGAGING IN CEN-**
4 **SORSHIP, OR ENGAGING IN THE DIVERSION**
5 **OF GOODS INTENDED FOR THE PEOPLE OF**
6 **IRAN.**

7 (a) FINDING AND SENSE OF CONGRESS.—Section
8 401(a) of the Iran Threat Reduction and Syria Human
9 Rights Act of 2012 (Public Law 112–158; 126 Stat.
10 1251) is amended to read as follows:

11 “(a) FINDING AND SENSE OF CONGRESS.—

12 “(1) FINDING.—Congress finds that Iranian
13 persons holding the following positions in the Gov-
14 ernment of Iran are ultimately responsible for and
15 have and continue to knowingly order, control, direct
16 and implement gross violations of the human rights
17 of the Iranian people, the human rights of persons
18 in other countries, censorship, and the diversion of
19 food, medicine, medical devices, agricultural com-
20 modities and other goods intended for the Iranian
21 people:

22 “(A) The Supreme Leader of Iran.

23 “(B) The President of Iran.

24 “(C) Members of the Council of Guard-
25 ians.

26 “(D) Members of the Expediency Council.

1 “(E) The Minister of Intelligence and Se-
2 curity.

3 “(F) The Commander of the Iran’s Revo-
4 lutionary Guard Corps.

5 “(G) The Commander of the Basij-e-
6 Mostaz’afin.

7 “(H) The Commander of Ansar-e-
8 Hezbollah.

9 “(I) The Commander of the Quds Force.

10 “(J) The Commander in Chief of the Po-
11 lice Force.

12 “(2) SENSE OF CONGRESS.—It is the sense of
13 Congress that—

14 “(A) the President should include any Ira-
15 nian person holding a position in the Govern-
16 ment of Iran described in paragraph (1) on one
17 or more of the lists of persons subject to sanc-
18 tions pursuant to section 105(b), 105A(b),
19 105B(b), or 105C(b) of the Comprehensive Iran
20 Sanctions, Accountability, and Divestment Act
21 of 2010 (22 U.S.C. 8514(b), 8514a(b),
22 8514b(b), or 8514c(b)); and

23 “(B) the President should impose sanc-
24 tions on such Iranian person pursuant to sec-

1 tion 105, 105A, 105B, or 105C of such Act (as
2 the case may be).”.

3 (b) ADDITIONAL FINDING AND SENSE OF CON-
4 GRESS.—Section 401 of the Iran Threat Reduction and
5 Syria Human Rights Act of 2012 (Public Law 112–158;
6 126 Stat. 1251) is amended—

7 (1) by redesignating subsection (b) as sub-
8 section (c); and

9 (2) inserting after subsection (a) the following:

10 “(b) ADDITIONAL FINDING AND SENSE OF CON-
11 GRESS.—

12 “(1) FINDING.—Congress finds that other sen-
13 ior officials of the Government of Iran, its agencies
14 and instrumentalities, also have and continue to
15 knowingly order, control, direct, and implement
16 gross violations of the human rights of the Iranian
17 people and the human rights of persons in other
18 countries.

19 “(2) SENSE OF CONGRESS.—It is the sense of
20 Congress that—

21 “(A) the President should investigate viola-
22 tions of human rights described in paragraph
23 (1) to identify other senior officials of the Gov-
24 ernment of Iran that also have or continue to
25 knowingly order, control, direct, and implement

1 gross violations of human rights of the Iranian
2 people and the human rights of persons in other
3 countries;

4 “(B) the President should include any such
5 official on one or more of the lists of persons
6 subject to sanctions pursuant to section 105(b),
7 105A(b), 105B(b), or 105C(b) of the Com-
8 prehensive Iran Sanctions, Accountability, and
9 Divestment Act of 2010 (22 U.S.C. 8514(b),
10 8514a(b), 8514b(b), or 8514c(b)); and

11 “(C) the President should impose sanctions
12 on any such official pursuant to section 105,
13 105A, 105B, or 105C of such Act (as the case
14 may be).”.

15 (c) REPORT.—Section 401(c)(1) of the Iran Threat
16 Reduction and Syria Human Rights Act of 2012 (Public
17 Law 112–158; 126 Stat. 1251), as redesignated by sub-
18 section (b) of this section, is amended—

19 (1) by striking “Not later than” and inserting
20 the following:

21 “(A) IN GENERAL.—Not later than”;

22 (2) by striking “this Act” and inserting “the
23 Nuclear Iran Prevention Act of 2013, and annually
24 thereafter for 3 years”;

1 (3) by striking “otherwise directing the commis-
2 sion of” and inserting “otherwise directing—

3 “(i) the commission of”;

4 (4) by striking “Iran.” and inserting “Iran;

5 “(ii) censorship or related activities
6 with respect to Iran; or

7 “(iii) the diversion of goods, food,
8 medicine, and medical devices, and agricul-
9 tural commodities, intended for the people
10 of Iran.”; and

11 (5) by striking “For any such person” and in-
12 serting the following:

13 “(B) ADDITIONAL REQUIREMENT.—For
14 any such person”.

15 (d) CLERICAL AMENDMENT.—The table of contents
16 for the Iran Threat Reduction and Syria Human Rights
17 Act of 2012 is amended by striking the item relating to
18 section 401 and inserting the following:

“Sec. 401. Imposition of sanctions on certain persons responsible for or
 complicit in human rights abuses, engaging in censorship, or
 engaging in the diversion of goods intended for the people of
 Iran.”.

1 **SEC. 103. MANDATORY SANCTIONS WITH RESPECT TO FI-**
2 **NANCIAL INSTITUTIONS THAT ENGAGE IN**
3 **CERTAIN TRANSACTIONS ON BEHALF OF**
4 **PERSONS INVOLVED IN HUMAN RIGHTS**
5 **ABUSES OR THAT EXPORT SENSITIVE TECH-**
6 **NOLOGY TO IRAN.**

7 (a) IN GENERAL.—Section 104(c)(2) of the Com-
8 prehensive Iran Sanctions, Accountability, and Divestment
9 Act of 2010 (22 U.S.C. 8513(c)(2)) is amended—

10 (1) in subparagraph (D), by striking “or” at
11 the end;

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

14 (3) by adding at the end the following new sub-
15 paragraph:

16 “(F) facilitates a significant transaction or
17 transactions or provides significant financial
18 services for—

19 “(i) a person that is subject to sanc-
20 tions under section 105(c), 105A(c),
21 105B(c), or 105C(a); or

22 “(ii) a person that exports sensitive
23 technology to Iran and is subject to the
24 prohibition on procurement contracts as
25 described in section 106.”.

1 (b) **EFFECTIVE DATE.**—The amendments made by
2 subsection (a) take effect on the date of the enactment
3 of this Act and apply with respect to any activity described
4 in subparagraph (F) of section 104(c)(2) of the Com-
5 prehensive Iran Sanctions, Accountability, and Divestment
6 Act of 2010 (as added by subsection (a)(3)) initiated on
7 or after the date that is 90 days after such date of enact-
8 ment.

9 (c) **REGULATIONS.**—Not later than 90 days after the
10 date of the enactment of this Act, the Secretary of the
11 Treasury shall prescribe regulations to carry out the
12 amendments made by subsection (a).

13 **TITLE II—ECONOMIC AND**
14 **FINANCIAL SANCTIONS**

15 **SEC. 201. SANCTIONS WITH RESPECT TO CERTAIN TRANS-**
16 **ACTIONS WITH IRAN.**

17 (a) **IN GENERAL.**—Subtitle B of title II of the Iran
18 Threat Reduction and Syria Human Rights Act of 2012
19 (22 U.S.C. 8721 et seq.) is amended by adding at the end
20 the following new section:

21 **“SEC. 225. SANCTIONS WITH RESPECT TO CERTAIN TRANS-**
22 **ACTIONS WITH IRAN.**

23 **“(a) AUTHORIZATION OF SANCTIONS.**—

24 **“(1) IN GENERAL.**—Except as specifically pro-
25 vided in this section, the President may impose sanc-

1 tions pursuant to the International Emergency Eco-
2 nomic Powers Act (50 U.S.C. 1701 et seq.) on a for-
3 eign person that the President determines has, on or
4 after the date that is 180 days after the date of the
5 enactment of this section, knowingly conducted or
6 facilitated a significant financial transaction with the
7 Central Bank of Iran or other Iranian financial in-
8 stitution that has been designated by the Secretary
9 of the Treasury for the imposition of sanctions pur-
10 suant to such Act, for—

11 “(A) the purchase of goods (other than pe-
12 troleum or petroleum products) or services by a
13 person in Iran or on behalf of a person in Iran;
14 or

15 “(B) the purchase of goods (other than pe-
16 troleum or petroleum products) or services from
17 a person in Iran or on behalf of a person in
18 Iran.

19 “(2) RULE OF CONSTRUCTION.—Nothing in
20 this section shall be construed to affect the imposi-
21 tion of sanctions with respect to a financial trans-
22 action for the purchase of petroleum or petroleum
23 products from Iran under section 1245(d)(4) of the
24 National Defense Authorization Act for Fiscal Year
25 2012 (Public Law 112–81; 125 Stat. 1648).

1 “(b) EXCEPTION FOR OVERALL REDUCTIONS OF EX-
2 PORTS TO AND IMPORTS FROM IRAN.—

3 “(1) IN GENERAL.—The President is author-
4 ized not to impose sanctions under subsection (a) on
5 a foreign person if the President determines and
6 submits to the appropriate congressional committees
7 a report that contains a determination of the Presi-
8 dent that the country with primary jurisdiction over
9 the foreign person has, during the time period de-
10 scribed in paragraph (2), significantly reduced the
11 value of imports and exports of goods (other than
12 petroleum or petroleum products) and services be-
13 tween such country and Iran.

14 “(2) TIME PERIOD DESCRIBED.—The time pe-
15 riod referred to in paragraph (1) is the 180-day pe-
16 riod ending on the date on which the President
17 makes the determination under paragraph (1) as
18 compared to the immediately preceding 180-day pe-
19 riod.

20 “(c) EXCEPTION FOR SALES OF AGRICULTURAL
21 COMMODITIES, FOOD, MEDICINE AND MEDICAL DE-
22 VICES.—The President may not impose sanctions under
23 subsection (a) on a foreign person with respect to a trans-
24 action for the sale of agricultural commodities, food, medi-
25 cine or medical devices to Iran.

1 “(d) DEFINITIONS.—In this section:

2 “(1) FOREIGN PERSON.—The term ‘foreign per-
3 son’ has the meaning given that term in section 14
4 of the Iran Sanctions Act of 1996 (Public Law 104–
5 172; 50 U.S.C. 1701 note).

6 “(2) IRANIAN FINANCIAL INSTITUTION.—The
7 term ‘Iranian financial institution’ has the meaning
8 given that term in section 104A(d) of the Com-
9 prehensive Iran Sanctions, Accountability, and Di-
10 vestment Act of 2010 (22 U.S.C. 8513b(d)).”.

11 (b) CLERICAL AMENDMENT.—The table of contents
12 for the Iran Threat Reduction and Syria Human Rights
13 Act of 2012 is amended by inserting after the item relat-
14 ing to section 224 the following:

“Sec. 225. Sanctions with respect to certain transactions with Iran.”.

15 **SEC. 202. IMPOSITION OF SANCTIONS WITH RESPECT TO**
16 **FOREIGN FINANCIAL INSTITUTIONS THAT FA-**
17 **CILITATE FINANCIAL TRANSACTIONS ON BE-**
18 **HALF OF PERSONS OWNED OR CONTROLLED**
19 **BY SPECIALLY DESIGNATED NATIONALS.**

20 Section 1247 of the National Defense Authorization
21 Act for Fiscal Year 2013 (22 U.S.C. 8806) is amended—

22 (1) by redesignating subsection (f) as sub-
23 section (g); and

24 (2) by inserting after subsection (e) the fol-
25 lowing new subsection:

1 “(f) PERSONS OWNED OR CONTROLLED BY SPE-
2 cially Designated Nationals.—

3 “(1) IN GENERAL.—The President shall impose
4 sanctions described in subsection (a) with respect to
5 a foreign financial institution that the President de-
6 termines has, on or after the date that is 90 days
7 after the date of the enactment of the Nuclear Iran
8 Prevention Act of 2013, knowingly facilitated a sig-
9 nificant financial transaction on behalf of any person
10 determined by the President to be directly owned or
11 controlled by an Iranian person included on the list
12 of specially designated nationals and blocked persons
13 maintained by the Office of Foreign Assets Control
14 of the Department of the Treasury (other than an
15 Iranian financial institution described in subsection
16 (b)).

17 “(2) SENSE OF CONGRESS.—It is the sense of
18 the President routinely should determine on or after
19 the date of the enactment of this subsection those
20 persons that are directly or indirectly owned or con-
21 trolled by an Iranian person included on the list of
22 specially designated nationals and blocked persons
23 maintained by the Office of Foreign Assets Control
24 of the Department of the Treasury (other than an

1 Iranian financial institution described in subsection
2 (b)).

3 “(3) CONSIDERATION OF DATA FROM OTHER
4 COUNTRIES AND NONGOVERNMENTAL ORGANIZA-
5 TIONS.—The President shall consider credible data
6 already obtained by other countries and nongovern-
7 mental organizations in making determinations de-
8 scribed in paragraph (1).”.

9 **SEC. 203. IMPOSITION OF SANCTIONS WITH RESPECT TO**
10 **THE CENTRAL BANK OF IRAN AND OTHER**
11 **IRANIAN FINANCIAL INSTITUTIONS.**

12 (a) EXCEPTION TO APPLICABILITY OF SANCTIONS
13 WITH RESPECT TO PETROLEUM TRANSACTIONS.—Sec-
14 tion 1245(d)(4)(D)(i)(I) of the National Defense Author-
15 ization Act for Fiscal Year 2012 (Public Law 112–81; 125
16 Stat. 1648) is amended—

17 (1) by inserting “or of Iranian origin” after
18 “from Iran”; and

19 (2) by adding at the end before the semicolon
20 the following: “, and the President certifies in writ-
21 ing to Congress that the President has based such
22 determination on accurate information on that coun-
23 try’s total purchases of crude oil from Iran or of Ira-
24 nian origin”.

25 (b) FINANCIAL TRANSACTIONS DESCRIBED.—

1 (1) IN GENERAL.—Section
2 1245(d)(4)(D)(ii)(II) of the National Defense Au-
3 thorization Act for Fiscal Year 2012 (Public Law
4 112–81; 125 Stat. 1648) is amended—

5 (A) by striking “(II)” and inserting
6 “(II)(aa)”;

7 (B) in item (aa) (as designated by sub-
8 paragraph (A) of this paragraph), by striking
9 the period at the end and inserting “; and”;
10 and

11 (C) by adding at the end the following new
12 item:

13 “(bb) the foreign financial insti-
14 tution holding the account described
15 in item (aa) does not knowingly facili-
16 tate any significant financial transfers
17 for, with, or on behalf of the Govern-
18 ment of Iran, unless the transaction is
19 excepted from sanctions under para-
20 graph (2) or is a transaction described
21 in subclause (I) or item (aa).”.

22 (2) EFFECTIVE DATE.—The amendments made
23 by paragraph (1) take effect on the date of the en-
24 actment of this Act and apply with respect to finan-
25 cial transactions conducted or facilitated by a for-

1 eign financial institution on or after the date that is
2 180 days after such date of enactment.

3 (c) STRATEGY TO REDUCE CRUDE OIL PURCHASES
4 FROM IRAN OR OF IRANIAN ORIGIN.—

5 (1) STATEMENT OF POLICY.—It is the policy of
6 the United States to seek to ensure that countries
7 that have received an exception under subparagraph
8 (D)(i)(I) of section 1245(d)(4) of the National De-
9 fense Authorization Act for Fiscal Year 2012 (Pub-
10 lic Law 112–81; 125 Stat. 1648) shall reduce their
11 crude oil purchases from Iran or of Iranian origin so
12 that the aggregate amount of such purchases is re-
13 duced by not less than an average of 1,000,000 bar-
14 rels of crude oil per day by the end of the 1-year pe-
15 riod beginning on the date of submission of the
16 strategy descibed in subparagraph (E)(ii) of such
17 section (as added by paragraph (2) of this sub-
18 section).

19 (2) AMENDMENT.—Section 1245(d)(4) of the
20 National Defense Authorization Act for Fiscal Year
21 2012 (Public Law 112–81; 125 Stat. 1648) is
22 amended by adding at the end the following new
23 subparagraph:

1 “(E) STRATEGY TO REDUCE CRUDE OIL
2 PURCHASES FROM IRAN OR OF IRANIAN ORI-
3 GIN.—

4 “(i) IN GENERAL.—Not later than 30
5 days after the date of the enactment of the
6 Nuclear Iran Prevention Act of 2013, the
7 President shall make a determination,
8 based on the information contained in the
9 most recent report required under subpara-
10 graph (A), of whether each country that
11 received an exception under subparagraph
12 (D)(i)(I) before such date of enactment is
13 able to reduce its crude oil purchases from
14 Iran or of Iranian origin so that the aggre-
15 gate amount of such purchases is reduced
16 by not less than an average of 1,000,000
17 barrels of crude oil per day by the end of
18 the 1-year period beginning on the date of
19 submission of the strategy described in
20 clause (ii).

21 “(ii) STRATEGY.—If the President
22 makes an affirmative determination under
23 clause (i), then not later than 60 days
24 after the date of such affirmative deter-
25 mination, the President shall develop and

1 submit to the appropriate congressional
2 committees a strategy to seek to ensure
3 that the requirements of clause (i) are met
4 by the end of the 1-year period beginning
5 on such date of submission.

6 “(iii) FUTURE EXCEPTIONS.—

7 “(I) AFFIRMATIVE DETERMINA-
8 TION.—If the President determines
9 that the strategy described in clause
10 (ii) was achieved, then each country
11 described in clause (i) shall be eligible
12 to receive one or more further excep-
13 tions under subparagraph (D)(i)(I) in
14 accordance with the provisions of such
15 subparagraph.

16 “(II) NEGATIVE DETERMINA-
17 TION.—Except as provided in sub-
18 clause (III), if the President deter-
19 mines that the strategy described in
20 clause (ii) was not achieved, then each
21 country described in clause (i) shall be
22 ineligible to receive any further excep-
23 tion under subparagraph (D)(i)(I) in
24 accordance with the provisions of such
25 subparagraph.

1 “(III) EXCEPTION.—

2 “(aa) IN GENERAL.—Sub-
3 clause (II) shall not apply with
4 respect to a country described in
5 clause (i) if the country—

6 “(AA) dramatically re-
7 duced its crude oil purchases
8 from Iran or of Iranian ori-
9 gin during the 1-year period
10 described in clause (ii); and

11 “(BB) has committed
12 itself to continue its reduc-
13 tions to a de minimis level.

14 “(bb) DATA.—The President
15 shall submit to the appropriate
16 congressional committees all data
17 used to make a determination
18 under item (aa) not later than 15
19 days before issuing an exception
20 under item (aa).

21 “(iv) APPROPRIATE CONGRESSIONAL
22 COMMITTEES.—In this subparagraph, the
23 term ‘appropriate congressional commit-
24 tees’ means—

1 “(I) the Committee on Foreign
2 Affairs and the Committee on Finan-
3 cial Services of the House of Rep-
4 resentatives; and

5 “(II) the Committee on Foreign
6 Relations and the Committee on
7 Banking, Housing, and Urban Affairs
8 of the Senate.”.

9 (d) DEFINITION OF CRUDE OIL.—Section
10 1245(d)(4)(D) of the National Defense Authorization Act
11 for Fiscal Year 2012 (22 U.S.C. 8513a(d)(4)(D)) is
12 amended by adding at the end the following new clause:

13 “(iii) CRUDE OIL.—In this subpara-
14 graph, the term ‘crude oil’ includes unfin-
15 ished oils, liquefied petroleum gases, dis-
16 tillate fuel oil, and residual fuel oil.”.

17 (e) WAIVER.—Section 1245(d)(5)(A) of the National
18 Defense Authorization Act for Fiscal Year 2012 (22
19 U.S.C. 8513a(d)(5)(A)) is amended by striking “in the na-
20 tional” and inserting “vital to the national”.

21 (f) EFFECTIVE DATE.—The amendments made by
22 subsections (c) and (d) take effect beginning on the date
23 that is 180 days after the date of the enactment of this
24 Act.

1 **SEC. 204. SENSE OF CONGRESS REGARDING THE EURO-**
2 **PEAN CENTRAL BANK.**

3 (a) FINDINGS.—Congress finds the following:

4 (1) The Government of Iran, its agencies and
5 instrumentalities, continue to have access to, and
6 utilize, euro-denominated transactions, including for
7 goods and services that are subject to sanctions im-
8 posed by the United States, the European Union
9 and its member states and by the United Nations.

10 (2) The Guidelines of the European Central
11 Bank (Article 39(1)) states that: “Participants shall
12 be deemed to be aware of, and shall comply with, all
13 obligations on them relating to legislation on data
14 protection, prevention of money laundering and the
15 financing of terrorism, proliferation-sensitive nuclear
16 activities and the development of nuclear weapons
17 delivery systems, in particular in terms of imple-
18 menting appropriate measures concerning any pay-
19 ments debited or credited on their PM accounts.”

20 (3) United States and European convergence
21 with respect to United States sanctions efforts to-
22 ward the Government of Iran is a vital component
23 of United States policy aimed at preventing the Gov-
24 ernment of Iran from acquiring a nuclear weapons
25 capability.

1 (b) SENSE OF CONGRESS.—It is the sense of Con-
2 gress that the President should continue to closely coordi-
3 nate and cooperate with the European Union and its mem-
4 ber states to restrict access to and use of the euro cur-
5 rency by the Government of Iran, its agencies and instru-
6 mentalities, for transactions with the exception of food,
7 medicine, medical devices and other humanitarian goods.

8 **SEC. 205. IMPOSITION OF SANCTIONS WITH RESPECT TO**
9 **CERTAIN TRANSACTIONS IN FOREIGN CUR-**
10 **RENCIES.**

11 (a) IMPOSITION OF SANCTIONS.—Subtitle B of title
12 II of the Iran Threat Reduction and Syria Human Rights
13 Act of 2012 (22 U.S.C. 8721 et seq.) is amended by in-
14 serting after section 220 the following:

15 **“SEC. 220A. IMPOSITION OF SANCTIONS WITH RESPECT TO**
16 **CERTAIN TRANSACTIONS IN FOREIGN CUR-**
17 **RENCIES.**

18 “(a) IN GENERAL.—The President—

19 “(1) shall prohibit the opening, and prohibit or
20 impose strict conditions on the maintaining, in the
21 United States of a correspondent account or a pay-
22 able-through account by a foreign financial institu-
23 tion that is a person described in subsection (b); and

24 “(2) may impose sanctions pursuant to the
25 International Emergency Economic Powers Act (50

1 U.S.C. 1701 et seq.) with respect to any other per-
2 son described in subsection (b).

3 “(b) PERSON DESCRIBED.—A person described in
4 this subsection is a person the President determines has
5 knowingly conducted or facilitated a significant trans-
6 action involving the currency of a country other than the
7 country in which the person is operating at the time of
8 the transaction with, for, or on behalf of—

9 “(1) the Central Bank of Iran or another Ira-
10 nian financial institution designated by the Sec-
11 retary of the Treasury for the imposition of sanc-
12 tions pursuant to the International Emergency Eco-
13 nomic Powers Act (50 U.S.C. 1701 et seq.); or

14 “(2) a person described in section 1244(c)(2) of
15 the Iran Freedom and Counter-Proliferation Act (22
16 U.S.C. 8803(c)(2)) (other than a person described in
17 subparagraph (C)(iii) of that section).

18 “(c) WAIVER.—

19 “(1) IN GENERAL.—The President may waive
20 the application of subsection (a) with respect to a
21 person for a period of not more than 180 days, and
22 may renew that waiver for additional periods of not
23 more than 180 days, if the President—

24 “(A) determines that the waiver is vital to
25 the national security of the United States; and

1 “(B) not less than 7 days before the waiver
2 er or the renewal of the waiver, as the case may
3 be, takes effect, submits a report to the appropriate
4 congressional committees on the waiver
5 and the reason for the waiver.

6 “(2) FORM OF REPORT.—Each report submitted
7 under paragraph (1)(B) shall be submitted in
8 unclassified form but may include a classified annex.

9 “(d) RULE OF CONSTRUCTION.—Nothing in this section
10 shall be construed to prohibit any person from, or
11 authorize or require the imposition of sanctions with respect
12 to any person for, conducting or facilitating any
13 transaction in the currency of the country in which the
14 person is operating at the time of the transaction for the
15 sale of agricultural commodities, food, medicine, or medical
16 devices.

17 “(e) DEFINITIONS.—In this section:

18 “(1) ACCOUNT; CORRESPONDENT ACCOUNT;
19 PAYABLE-THROUGH ACCOUNT.—The terms ‘account’,
20 ‘correspondent account’, and ‘payable-through
21 account’ have the meanings given those
22 terms in section 5318A of title 31, United States
23 Code.

24 “(2) AGRICULTURAL COMMODITY.—The term
25 ‘agricultural commodity’ has the meaning given that

1 term in section 102 of the Agricultural Trade Act of
2 1978 (7 U.S.C. 5602).

3 “(3) FOREIGN FINANCIAL INSTITUTION.—The
4 term ‘foreign financial institution’ has the meaning
5 given that term in section 561.308 of title 31, Code
6 of Federal Regulations (or any corresponding similar
7 regulation or ruling).

8 “(4) IRANIAN FINANCIAL INSTITUTION.—The
9 term ‘Iranian financial institution’ has the meaning
10 given that term in section 104A(d) of the Com-
11 prehensive Iran Sanctions, Accountability, and Di-
12 vestment Act of 2010 (22 U.S.C. 8513b(d)).

13 “(5) MEDICAL DEVICE.—The term ‘medical de-
14 vice’ has the meaning given the term ‘device’ in sec-
15 tion 201 of the Federal Food, Drug, and Cosmetic
16 Act (21 U.S.C. 321).

17 “(6) MEDICINE.—The term ‘medicine’ has the
18 meaning given the term ‘drug’ in section 201 of the
19 Federal Food, Drug, and Cosmetic Act (21 U.S.C.
20 321).

21 “(7) TRANSACTION.—The term ‘transaction’ in-
22 cludes a foreign exchange swap, a foreign exchange
23 forward, and any other type of similar currency ex-
24 change or conversion or similar derivative instru-
25 ment.

1 (b) CONFORMING AMENDMENTS.—

2 (1) IMPLEMENTATION.—Section 601(a)(1) of
3 the Iran Threat Reduction and Syria Human Rights
4 Act of 2012 (22 U.S.C. 8781(a)(1)) is amended by
5 inserting “220A,” after “220,”.

6 (2) PENALTIES.—Section 601(b)(2)(A) of such
7 Act (22 U.S.C. 8781(b)(2)(A)) is amended by strik-
8 ing “and 220,” and inserting “220, and 220A,”.

9 (3) TERMINATION.—Section 605(a) of such Act
10 (22 U.S.C. 8785(a)) is amended by inserting
11 “220A,” after “220,”.

12 (c) CLERICAL AMENDMENT.—The table of contents
13 for the Iran Threat Reduction and Syria Human Rights
14 Act of 2012 is amended by inserting after the item relat-
15 ing to section 220 the following:

“Sec. 220A. Imposition of sanctions with respect to certain transactions in for-
eign currencies.”.

16 (d) EFFECTIVE DATE.—The amendments made by
17 this section take effect on the date of the enactment of
18 this Act and apply with respect to transactions entered
19 into on or after the date that is 90 days after such date
20 of enactment.

1 **SEC. 206. IMPOSITION OF SANCTIONS WITH RESPECT TO**
2 **PORTS, SPECIAL ECONOMIC ZONES, FREE**
3 **ECONOMIC ZONES, AND STRATEGIC SECTORS**
4 **OF IRAN.**

5 (a) FINDINGS.—Subsection (a)(1) of section 1244 of
6 the National Defense Authorization Act for Fiscal Year
7 2013 (22 U.S.C. 8803) is amended by striking “and ship-
8 building” and inserting “shipbuilding, automotive, con-
9 struction, engineering, or mining”.

10 (b) DESIGNATION OF PORTS, SPECIAL ECONOMIC
11 ZONES, FREE ECONOMIC ZONES, AND ENTITIES IN STRA-
12 TEGIC SECTORS AS ENTITIES OF PROLIFERATION CON-
13 CERN.—Subsection (b) of such section is amended—

14 (1) in the subsection heading, by striking “AND
15 ENTITIES IN THE ENERGY, SHIPPING, AND SHIP-
16 BUILDING SECTORS” and inserting “, SPECIAL ECO-
17 NOMIC ZONES, FREE ECONOMIC ZONES, AND ENTI-
18 TIES IN STRATEGIC SECTORS”; and

19 (2) by striking “and entities in the energy,
20 shipping, and shipbuilding sectors” and inserting “,
21 entities that operate special economic zones or free
22 economic zones, and entities in the strategic sectors
23 (as defined in subsection (c)(4))”.

24 (c) BLOCKING OF PROPERTY OF PORTS, SPECIAL
25 ECONOMIC ZONES, FREE ECONOMIC ZONES, AND ENTI-

1 TIES IN STRATEGIC SECTORS.—Subsection (c) of such
2 section is amended—

3 (1) in the subsection heading, by striking “EN-
4 TITIES IN ENERGY, SHIPPING, AND SHIPBUILDING
5 SECTORS” and inserting “PORTS, SPECIAL ECO-
6 NOMIC ZONES, FREE ECONOMIC ZONES, AND ENTI-
7 TIES IN STRATEGIC SECTORS”;

8 (2) in paragraph (2)—

9 (A) by striking “the energy, shipping, or
10 shipbuilding sectors” each place it appears and
11 inserting “a strategic sector (as defined in
12 paragraph (4)(A))”; and

13 (B) by inserting “, special economic zone,
14 or free economic zone” after “port” each place
15 it appears; and

16 (3) by adding at the end the following new
17 paragraphs:

18 “(4) STRATEGIC SECTOR DEFINED.—In this
19 section, the term ‘strategic sector’ means—

20 “(A) the energy, shipping, shipbuilding,
21 automotive, or mining sector of Iran;

22 “(B) the construction or engineering sector
23 of Iran if the President determines and reports
24 to Congress not later than 45 days after the
25 date of the enactment of the Nuclear Iran Pre-

1 vention Act of 2013 that the construction or en-
2 gineering sector of Iran, as the case may be, is
3 of strategic importance to Iran; and

4 “(C) any other sector that the President
5 designates as of strategic importance to Iran.

6 “(5) NOTIFICATION AND REPORT RELATING TO
7 STRATEGIC SECTORS.—

8 “(A) NOTIFICATION.—The President shall
9 submit to Congress a notification of the des-
10 ignation of a sector as a strategic sector of Iran
11 for purposes of paragraph (4)(C) not later than
12 30 days after the date on which the President
13 makes such designation.

14 “(B) REPORT.—Not later than 90 days
15 after the date on which the President submits
16 to Congress a notification of the designation of
17 a sector as a strategic sector of Iran under sub-
18 paragraph (A), the Comptroller General of the
19 United States shall submit to Congress a report
20 that contains—

21 “(i) a review and comment on such
22 designation; and

23 “(ii) recommendations regarding the
24 designation of additional sectors as stra-

1 tegic sectors of Iran for purposes of para-
2 graph (4).”.

3 (d) ADDITIONAL SANCTIONS WITH RESPECT TO
4 STRATEGIC SECTORS.—Subsection (d) of such section is
5 amended—

6 (1) in the subsection heading, by striking “THE
7 ENERGY, SHIPPING, AND SHIPBUILDING SECTORS”
8 and inserting “STRATEGIC SECTORS”; and

9 (2) in paragraph (3), by striking “the energy,
10 shipping, or shipbuilding sectors” and inserting “a
11 strategic sector (as defined in subsection
12 (c)(4)(A))”.

13 (e) EXCEPTION FOR AFGHANISTAN RECONSTRUC-
14 TION.—Subsection (f) of such section is amended—

15 (1) in the matter preceding paragraph (1), by
16 inserting “for a period of not more than 1 year, and
17 may renew that exception for additional periods of
18 not more than 1 year” after “economic development
19 for Afghanistan”;

20 (2) in paragraph (1)—

21 (A) by striking “to the extent that” and
22 inserting “if”;

23 (B) by inserting “or the renewal of the ex-
24 ception, as the case may be,” after “such an ex-
25 ception”; and

1 (C) by striking “in the national interest”
2 and inserting “in the national security inter-
3 est”; and

4 (3) in paragraph (2)—

5 (A) by inserting “or the renewal of the ex-
6 ception, as the case may be,” before “not later
7 than 15 days”; and

8 (B) by inserting at the end before the pe-
9 riod the following: “or the renewal of the excep-
10 tion”.

11 (f) CONFORMING AMENDMENT.—Such section is fur-
12 ther amended in the section heading by striking “**THE EN-**
13 **ERGY, SHIPPING, AND SHIPBUILDING SECTORS**” and
14 inserting “**PORTS, SPECIAL ECONOMIC ZONES, FREE**
15 **ECONOMIC ZONES, AND STRATEGIC SECTORS**”.

16 (g) EFFECTIVE DATE.—The amendments made by
17 this section—

18 (1) take effect on the date that is 90 days after
19 the date of the enactment of this Act; and

20 (2)(A) with respect to subsection (c) of section
21 1244 of the National Defense Authorization Act for
22 Fiscal Year 2013, as so amended, apply with respect
23 to all transactions in all property and interests in
24 property of any person described in subsection (c)(2)

1 of such section that occur on or after the date that
2 is 180 days after such date of enactment; and

3 (B)(i) with respect to subsection (d)(1) of sec-
4 tion 1244 of the National Defense Authorization Act
5 for Fiscal Year 2013, apply with respect to the sale,
6 supply, or transfer to or from Iran of goods or serv-
7 ices described in subsection (d)(3) of such section, as
8 so amended, that occurs on or after the date that is
9 180 days after such date of enactment; and

10 (ii) with respect to subsection (d)(2) of section
11 1244 of the National Defense Authorization Act for
12 Fiscal Year 2013, apply with respect to the conduct
13 or facilitation of a significant financial transaction
14 for the sale, supply, or transfer to or from Iran of
15 goods or services described in subsection (d)(3) of
16 such section, as so amended, that occurs on or after
17 the date that is 180 days after such date of enact-
18 ment.

19 **SEC. 207. REPEAL OF EXEMPTIONS UNDER SANCTIONS**
20 **PROVISIONS OF NATIONAL DEFENSE AU-**
21 **THORIZATION ACT FOR FISCAL YEAR 2013.**

22 Subtitle D of title XII of the National Defense Au-
23 thorization Act for Fiscal Year 2013 (22 U.S.C. 8801 et
24 seq.) is amended—

25 (1) in section 1244—

- 1 (A) in subsection (c)(1)—
- 2 (i) by striking “(1) BLOCKING OF
3 PROPERTY.—” and all that follows through
4 “On or after” and inserting “(1) BLOCK-
5 ING OF PROPERTY.—On or after”; and
- 6 (ii) by striking subparagraph (B); and
- 7 (B) in subsection (d)(1)—
- 8 (i) by striking “(1) SALE, SUPPLY, OR
9 TRANSFER OF CERTAIN GOODS AND SERV-
10 ICES.—” and all that follows through “Ex-
11 cept as provided” and inserting “(1) SALE,
12 SUPPLY, OR TRANSFER OF CERTAIN GOODS
13 AND SERVICES.—Except as provided”; and
- 14 (ii) by striking subparagraph (B);
- 15 (2) in section 1245(a)—
- 16 (A) by striking “(a) SALE, SUPPLY, OR
17 TRANSFER OF CERTAIN MATERIALS.—” and all
18 that follows through “The President” and in-
19 serting “(a) SALE, SUPPLY, OR TRANSFER OF
20 CERTAIN MATERIALS.—The President”;
- 21 (B) by redesignating subparagraphs (A),
22 (B), and (C) as paragraphs (1), (2) and (3), re-
23 spectively (and by redesignating all sub-units
24 therein accordingly);

1 (C) in paragraph (3)(B) (as redesignig-
2 nated)—

3 (i) in clause (i), by striking “sub-
4 clause (I) of clause (i)” and inserting
5 “clause (i) of subparagraph (A)”;

6 (ii) in clause (ii), by striking “sub-
7 clause (II) of that clause” and inserting
8 “clause (ii) of that subparagraph”; and

9 (iii) in clause (iii), by striking “sub-
10 clause (III) of that clause” and inserting
11 “clause (iii) of that subparagraph”; and

12 (D) by striking “(2) EXCEPTION.—” and
13 all that follows through “paragraph (1).”; and
14 (3) in section 1246(a)—

15 (A) by striking “(a) IMPOSITION OF SANC-
16 TIONS.—” and all that follows through “Except
17 as provided” and inserting “(a) IMPOSITION OF
18 SANCTIONS.—Except as provided”;

19 (B) by redesignating subparagraphs (A),
20 (B), and (C) as paragraphs (1), (2) and (3), re-
21 spectively (and by redesignating all sub-units
22 therein accordingly); and

23 (C) by striking “(2) EXCEPTION.—” and
24 all that follows through “paragraph (1).”; and

1 **SEC. 208. PROHIBITION ON THE TRANSFER AND RE-**
2 **TRANSFER OF VESSELS.**

3 (a) IN GENERAL.—Section 5(a)(7)(A) of the Iran
4 Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C.
5 1701 note) is amended—

6 (1) in clause (i), by striking “and” at the end;

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

9 (3) by adding at the end the following new
10 clause:

11 “(iii) the person is a person who
12 knowingly sells, leases, or otherwise facili-
13 tates the transfer of ownership of a vessel
14 to the Government of Iran, or any agencies
15 or affiliates thereof, for the purpose of
16 transportation of crude oil from Iran to
17 another country.”.

18 (b) EFFECTIVE DATE.—The amendments made by
19 subsection (a) apply with respect to actions described in
20 clause (iii) of section 5(a)(7)(A) of the Iran Sanctions Act
21 of 1996, as added by subsection (a), that occur on or after
22 the date that is 90 days after the date of the enactment
23 of this Act.

1 **SEC. 209. IMPOSITION OF SANCTIONS WITH RESPECT TO**
2 **VESSELS INVOLVED IN VESSEL-TO-VESSEL**
3 **TRANSFERS OF IRANIAN CRUDE OIL OR**
4 **OTHER SANCTIONED IMPORTS AND EXPORTS.**

5 (a) IN GENERAL.—Section 5(a)(7) of the Iran Sanc-
6 tions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701
7 note) is amended—

8 (1) in the paragraph heading, by striking
9 “FROM IRAN” and inserting “FROM IRAN AND CER-
10 TAIN IMPORTS AND EXPORTS TO AND FROM IRAN”;
11 and

12 (2) in subparagraph (A)(i)—

13 (A) by striking “a vessel that, on or after”
14 and inserting the following: “a vessel that—
15 “(I) on or after”; and

16 (B) by striking “and” at the end and in-
17 serting “or”; and

18 (C) by adding at the end the following:

19 “(II)(aa) knowingly transports to
20 or from Iran any good if the importa-
21 tion to Iran or exportation from Iran,
22 as the case may be, of that good is
23 subject to sanctions under this Act; or

24 “(bb) knowingly engages in a
25 vessel-to-vessel transfer of crude oil
26 transported from Iran;”.

1 (b) **EFFECTIVE DATE.**—The amendments made by
2 subsection (a) apply with respect to actions described in
3 subclause (II) of section 5(a)(7)(A)(i) of the Iran Sanc-
4 tions Act of 1996, as added by subsection (a), that occur
5 on or after the date that is 90 days after the date of the
6 enactment of this Act.

7 **SEC. 210. CONDITIONS FOR ENTRY AND OPERATION OF**
8 **VESSELS.**

9 (a) **IN GENERAL.**—The Ports and Waters Safety Act
10 (33 U.S.C. 1221 et seq.) is amended by adding at the end
11 the following:

12 **“SEC. 16. PROHIBITION ON ENTRY AND OPERATION.**

13 “(a) **IN GENERAL.**—No foreign vessel described in
14 subsection (b) shall enter or operate in the navigable
15 waters of the United States or transfer cargo in any port
16 or place under the jurisdiction of the United States.

17 “(b) **VESSELS DESCRIBED.**—A vessel referred to in
18 subsection (a) is a foreign vessel—

19 “(1) for which a Notice of Arrival is required
20 to be filed under section 160 of title 33, Code of
21 Federal Regulations, as in effect on the date of en-
22 actment of the Nuclear Iran Prevention Act of 2013;
23 and

24 “(2) that is knowingly registered, pursuant to
25 the Geneva Convention on the High Seas (13 U.S.T.

1 2312; TIAS 5200; 450 UNTS 82), by a ship reg-
2 istry that is maintaining a registration of a vessel
3 that is included in the list published under sub-
4 section (c).

5 “(c) NOTIFICATION OF GOVERNMENTS.—The Sec-
6 retary of Transportation, in consultation with the Sec-
7 retary of State, shall—

8 “(1) maintain timely information on registra-
9 tions of all foreign vessels over 300 gross tons that
10 are—

11 “(A) owned or operated by or on behalf
12 of—

13 “(i) the National Iran Tanker Com-
14 pany or the Islamic Republic of Iran Ship-
15 ping Line; or

16 “(ii) any successor to an entity re-
17 ferred to in clause (i); or

18 “(B) otherwise owned or operated by or on
19 behalf of Iran;

20 “(2) notify each government the agents or in-
21 strumentalities of which are maintaining a registra-
22 tion of a foreign vessel described in paragraph (1),
23 that all vessels registered under such government’s
24 authority are prohibited from entering or operating
25 in the navigable waters of the United States or

1 transferring cargo in any port or place under the ju-
2 risdiction of the United States; and

3 “(3) publish in the Federal Register a list of
4 vessels described in paragraph (1), including periodic
5 updates of such list.

6 “(d) NOTIFICATION OF VESSELS.—

7 “(1) IN GENERAL.—Except as provided in para-
8 graphs (2) and (3), upon receiving a Notice of Ar-
9 rival under section 160 of title 33, Code of Federal
10 Regulations (as in effect on the date of enactment
11 of the Nuclear Iran Prevention Act of 2013) from
12 a vessel described in (b), the Secretary shall notify
13 the master of such vessel that the vessel may not
14 enter or operate in the navigable waters of the
15 United States or transfer cargo in any port or place
16 under the jurisdiction of the United States.

17 “(2) PROVISIONAL ENTRY.—The Secretary may
18 allow provisional entry of, or transfer of cargo from,
19 a foreign vessel described in subsection (b) if such
20 entry or transfer is necessary for the safety of the
21 vessel or persons aboard.

22 “(3) ENTRY FOR DUE DILIGENCE.—The Sec-
23 retary may allow entry of, and transfer of cargo
24 from, a vessel described in subsection (b) if the mas-
25 ter shows the owner and operator of the vessel exer-

1 cised due diligence to avoid registration of the vessel
2 by a registry that registers vessels described in sub-
3 section (c).

4 “(e) RIGHT OF INNOCENT PASSAGE.—This section
5 shall not be construed as authority to restrict the right
6 of innocent passage as recognized under international law.

7 “(f) FOREIGN VESSEL DEFINED.—In this section the
8 term ‘foreign vessel’ has the meaning given that term in
9 section 2101 of title 46, United States Code.”

10 (b) DEADLINE FOR PUBLICATION.—The Secretary
11 shall publish a list under section 16(c)(3) of the Ports and
12 Waters Safety Act, as amended by this section, by not
13 later than 30 days after the date of the enactment of this
14 Act.

15 (c) LIMITATION ON APPLICATION OF PROHIBI-
16 TION.—Subsection (a) of section 16 of the Ports and
17 Waters Safety Act, as amended by this section, shall not
18 apply until 90 days after the date of publication of the
19 list required by subsection (e) of such section.

20 **TITLE III—MISCELLANEOUS** 21 **PROVISIONS**

22 **SEC. 301. REPORT ON IRANIAN NUCLEAR AND ECONOMIC** 23 **CAPABILITIES.**

24 (a) IN GENERAL.—Not later than 180 days after the
25 date of the enactment of this Act, and every 180 days

1 thereafter for 3 years, the President shall submit to the
2 appropriate congressional committees a report on the fol-
3 lowing:

4 (1) An estimate of the timeline for Iranian ca-
5 pabilities to develop nuclear weapons, including—

6 (A) a nuclear explosive device; and

7 (B) breakout capacity.

8 (2) An assessment of Iranian strategy and ca-
9 pabilities relating to development of nuclear weap-
10 ons, including—

11 (A) a summary and analysis of current nu-
12 clear weapons capabilities;

13 (B) an estimate of the amount and sources
14 of funding expended by, and an analysis of pro-
15 curement networks utilized by, Iran to develop
16 its nuclear weapons capabilities;

17 (C) a summary of the capabilities of Iran's
18 unconventional weapons and Iran's ballistic
19 missile forces and Iran's cruise missile forces;

20 (D) a detailed analysis of the effectiveness
21 of Iran's unconventional weapons and Iran's
22 ballistic missile forces and Iran's cruise missile
23 forces as delivery systems for a nuclear device;
24 and

1 (E) an estimate of the amount and sources
2 of funding expended by, and an analysis of pro-
3 curement networks utilized by, Iran on pro-
4 grams to develop a nuclear weapons capability.

5 (3) Projected economic effects of international
6 sanctions on Iran, including—

7 (A) sources of funding for the activities of
8 the Government of Iran described in para-
9 graphs (1) and (2);

10 (B) the role of the Government of Iran in
11 the formal and informal sector of the domestic
12 Iranian economy;

13 (C) evasive and other efforts by the Gov-
14 ernment of Iran to circumvent international
15 and bilateral sanctions regimes; and

16 (D) Iran's capital accounts, current ac-
17 counts, foreign exchange reserve levels (includ-
18 ing access to foreign exchange reserves), and
19 other leading macroeconomic indicators, and es-
20 timated timelines with respect to Iran's macro-
21 economic viability, including Iran's exhaustion
22 of foreign exchange reserves.

23 (b) FORM.—The report required under subsection (a)
24 shall be submitted in unclassified form to the greatest ex-

1 tent possible, but may include a classified annex, if nec-
2 essary.

3 (c) DEFINITIONS.—In this section:

4 (1) NUCLEAR EXPLOSIVE DEVICE.—The term
5 “nuclear explosive device” means any device, wheth-
6 er assembled or disassembled, that is designed to
7 produce an instantaneous release of an amount of
8 nuclear energy from special nuclear material that is
9 greater than the amount of energy that would be re-
10 leased from the detonation of one pound of trinitro-
11 toluene (TNT).

12 (2) BREAKOUT CAPACITY.—The term “break-
13 out capacity” means the point at which a country is
14 able to produce enough weapon-grade uranium (or
15 sufficient separated plutonium) for one or more nu-
16 clear explosive devices.

17 (3) APPROPRIATE CONGRESSIONAL COMMIT-
18 TEES.—The term “appropriate congressional com-
19 mittees” means—

20 (A) the Committee on Foreign Affairs, the
21 Committee on Armed Services, the Committee
22 on Financial Services, and the Permanent Se-
23 lect Committee on Intelligence of the House of
24 Representatives; and

1 (B) the Committee on Foreign Relations,
2 the Committee on Armed Services, the Com-
3 mittee on Banking, Housing, and Urban Af-
4 fairs, the Committee on Finance, and the Select
5 Committee on Intelligence of the Senate.

6 **SEC. 302. NATIONAL STRATEGY ON IRAN.**

7 (a) NATIONAL STRATEGY REQUIRED.—The Presi-
8 dent shall develop a strategy, to be known as the “Na-
9 tional Strategy on Iran”, that provides strategic guidance
10 for activities that support the objective of addressing the
11 threats posed by Iran.

12 (b) ANNUAL REPORT.—Not later than January 30
13 of each year, the President shall submit to the appropriate
14 congressional committees the National Strategy on Iran
15 required under subsection (a).

16 (c) MATTERS TO BE INCLUDED.—The report re-
17 quired under subsection (b) shall include, at a minimum,
18 the following:

19 (1) A description of Iran’s grand strategy and
20 security strategy, including strategic objectives, and
21 the security posture and objectives of Iran.

22 (2) A description of the United States strategy
23 to—

1 (A) address and counter the capabilities of
2 Iran's conventional forces and Iran's unconven-
3 tional forces;

4 (B) disrupt and deny Iranian efforts to de-
5 velop or augment capabilities related to nuclear,
6 unconventional, and missile forces development;

7 (C) address the Government of Iran's eco-
8 nomic strategy to enable the objectives de-
9 scribed in this subsection; and

10 (D) exploit key vulnerabilities.

11 (3) An implementation plan for the United
12 States strategy described in paragraph (2).

13 (d) FORM.—The report required under subsection (b)
14 shall be submitted in unclassified form to the greatest ex-
15 tent possible, but may include a classified annex, if nec-
16 essary.

17 (e) APPROPRIATE CONGRESSIONAL COMMITTEES.—
18 In this section, the term “appropriate congressional com-
19 mittees” means—

20 (1) the Committee on Foreign Affairs, the
21 Committee on Armed Services, the Committee on Fi-
22 nancial Services, the Committee on Ways and
23 Means, and the Permanent Select Committee on In-
24 telligence of the House of Representatives; and

1 (2) the Committee on Foreign Relations, the
2 Committee on Armed Services, the Committee on
3 Banking, Housing, and Urban Affairs, the Com-
4 mittee on Finance, and the Permanent Select Com-
5 mittee on Intelligence of the Senate.

6 **SEC. 303. AUTHORITY TO CONSOLIDATE REPORTS RE-**
7 **QUIRED UNDER IRAN SANCTIONS LAWS.**

8 (a) IN GENERAL.—Any or all reports required to be
9 submitted to Congress under the provisions of law de-
10 scribed in subsection (c) on or after the date of the enact-
11 ment of this Act may, notwithstanding the deadline re-
12 quirements for submission under such provisions of law,
13 be consolidated into a single report that is submitted to
14 Congress on an annual basis.

15 (b) EXCEPTION.—Subsection (a) shall not apply with
16 respect to the initial report of any report described in sub-
17 section (a).

18 (c) PROVISIONS OF LAW DESCRIBED.—The provi-
19 sions of law referred to in this section are the following:

20 (1) This Act and the amendments made by this
21 Act.

22 (2) The Iran Freedom and Counter-Prolifera-
23 tion Act of 2012 (22 U.S.C. 8801 et seq.).

1 (3) The Iran Threat Reduction and Syria
2 Human Rights Act of 2012 (22 U.S.C. 8701 et
3 seq.).

4 (4) The Comprehensive Iran Sanctions, Ac-
5 countability, and Divestment Act of 2010 (22 U.S.C.
6 8501 et seq.).

7 **SEC. 304. AMENDMENTS TO DEFINITIONS UNDER IRAN**
8 **SANCTIONS ACT OF 1996 AND IRAN THREAT**
9 **REDUCTION AND SYRIA HUMAN RIGHTS ACT**
10 **OF 2012.**

11 (a) IRAN SANCTIONS ACT OF 1996.—Section
12 14(4)(B) of the Iran Sanctions Act of 1996 (Public Law
13 104–172; 50 U.S.C. 1701 note) is amended by striking
14 “may include, in the discretion of the President” and in-
15 serting “includes”.

16 (b) IRAN THREAT REDUCTION AND SYRIA HUMAN
17 RIGHTS ACT OF 2012.—Section 211 of the Iran Threat
18 Reduction and Syria Human Rights Act of 2012 (22
19 U.S.C. 8721) is amended by adding at the end the fol-
20 lowing new subsection:

21 “(f) DEFINITION.—In this section, the term ‘appro-
22 priate congressional committees’ includes the Committee
23 on Transportation and Infrastructure of the House of
24 Representatives and the Committee on Commerce,
25 Science, and Transportation of the Senate.”.

1 **SEC. 305. IMPLEMENTATION; PENALTIES.**

2 (a) IMPLEMENTATION.—The President may exercise
3 all authorities provided under sections 203 and 205 of the
4 International Emergency Economic Powers Act (50
5 U.S.C. 1702 and 1704) to carry out this Act and the
6 amendments made by this Act.

7 (b) PENALTIES.—The penalties provided for in sub-
8 sections (b) and (c) of section 206 of the International
9 Emergency Economic Powers Act (50 U.S.C. 1705) shall
10 apply to a person that violates, attempts to violate, con-
11 spires to violate, or causes a violation of this Act or any
12 amendment made by this Act or regulations prescribed
13 under this Act to the same extent that such penalties
14 apply to a person that commits an unlawful act described
15 in section 206(a) of the International Emergency Eco-
16 nomic Powers Act (50 U.S.C. 1705(a)).

