

Suspend the Rules and Pass the Bill, S. 1595, With an Amendment
**(The amendment strikes all after the enacting clause and inserts a
new text)**

115TH CONGRESS
2D SESSION

S. 1595

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 12, 2017

Referred to the Committee on Foreign Affairs, and in addition to the Committees on the Judiciary, and Financial Services, 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

AN ACT

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,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Hizballah International Financing Prevention Amend-
6 ments Act of 2018”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 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 certain agencies and instrumentalities of foreign states.

Sec. 104. Diplomatic initiatives to prevent hostile activities by Iran and disrupt and degrade Hizballah's illicit networks.

TITLE II—NARCOTICS TRAFFICKING AND TRANSNATIONAL
CRIMINAL ACTIVITIES OF HIZBALLAH

Sec. 201. Imposition of sanctions with respect to affiliated networks of Hizballah for transnational criminal activities.

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

Sec. 203. Modification of report on activities of foreign governments to disrupt activities of Hizballah; reports on membership in Hizballah.

TITLE III—GENERAL PROVISIONS

Sec. 301. Regulatory authority.

Sec. 302. Implementation; penalties; judicial review; exemptions; rule of construction; exception relating to importation of goods.

Sec. 303. Report consolidation and modification.

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:

1 **“SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO**
2 **FUNDRAISING AND RECRUITMENT ACTIVI-**
3 **TIES FOR HIZBALLAH.**

4 “(a) IN GENERAL.—The President shall, on or after
5 the date of the enactment of the Hizballah International
6 Financing Prevention Amendments Act of 2018, impose
7 the sanctions described in subsection (b) with respect to
8 any foreign person that the President determines know-
9 ingly provides significant financial, material, or techno-
10 logical support for or to—

11 “(1) Bayt al-Mal, Jihad al-Bina, the Islamic
12 Resistance Support Association, the Foreign Rela-
13 tions Department of Hizballah, the External Secu-
14 rity Organization of Hizballah, or any successor or
15 affiliate thereof as designated by the President;

16 “(2) al-Manar TV, al Nour Radio, or the Leba-
17 nese Media Group, or any successor or affiliate
18 thereof as designated by the President;

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

22 “(4) a foreign person owned or controlled by a
23 person described in paragraph (1), (2), or (3).

24 “(b) SANCTIONS DESCRIBED.—The sanctions de-
25 scribed in this subsection are the following:

1 “(1) ASSET BLOCKING.—The exercise of all
2 powers granted to the President by the International
3 Emergency Economic Powers Act (50 U.S.C. 1701
4 et seq.) (except that the requirements of section 202
5 of such Act (50 U.S.C. 1701) shall not apply) to the
6 extent necessary to block and prohibit all trans-
7 actions in all property and interests in property of
8 a foreign person determined by the President to be
9 subject to subsection (a) if such property and inter-
10 ests in property are in the United States, come with-
11 in the United States, or are or come within the pos-
12 session or control of a United States person.

13 “(2) ALIENS INELIGIBLE FOR VISAS, ADMIS-
14 SION, OR PAROLE.—

15 “(A) VISAS, ADMISSION, OR PAROLE.—An
16 alien who the Secretary of State or the Sec-
17 retary of Homeland Security (or designee of
18 one of such Secretaries) determines is subject
19 to subsection (a) is—

20 “(i) inadmissible to the United States;

21 “(ii) ineligible to receive a visa or
22 other documentation to enter the United
23 States; and

24 “(iii) otherwise ineligible to be admit-
25 ted or paroled into the United States or to

1 receive any other benefit under the Immi-
2 gration and Nationality Act (8 U.S.C.
3 1101 et seq.).

4 “(B) CURRENT VISAS REVOKED.—

5 “(i) IN GENERAL.—The Secretary of
6 State or the Secretary of Homeland Secu-
7 rity (or designee of one of such Secre-
8 taries) shall revoke any visa or other entry
9 documentation issued to an alien who the
10 President determines is subject to sub-
11 section (a), regardless of when issued.

12 “(ii) EFFECT OF REVOCATION.—A
13 revocation under clause (i) shall take effect
14 immediately and shall automatically cancel
15 any other valid visa or entry documenta-
16 tion that is in the possession of the alien.

17 “(c) WAIVER.—

18 “(1) IN GENERAL.—The President may, for pe-
19 riods not to exceed 180 days, waive the imposition
20 of sanctions under this section if the President cer-
21 tifies to the appropriate congressional committees
22 that such waiver is in the national security interests
23 of the United States.

24 “(2) BRIEFING.—Not later than 30 days after
25 the issuance of a waiver under paragraph (1) with

1 respect to a foreign person, and every 180 days
2 thereafter while the waiver remains in effect, the
3 President shall brief the appropriate congressional
4 committees on the status of the involvement of the
5 foreign person in activities described in subsection
6 (a).

7 “(d) DEFINITIONS.—In this section:

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

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

15 “(A) the Committee on Foreign Affairs,
16 the Committee on Ways and Means, the Com-
17 mittee on the Judiciary, the Committee on Fi-
18 nancial Services, and the Permanent Select
19 Committee on Intelligence of the House of Rep-
20 resentatives; and

21 “(B) the Committee on Foreign Relations,
22 the Committee on Finance, the Committee on
23 Banking, Housing, and Urban Affairs, the
24 Committee on the Judiciary, and the Select
25 Committee on Intelligence of the Senate.

1 “(3) ENTITY.—The term ‘entity’ means a part-
2 nership, association, corporation, or other organiza-
3 tion, group, or subgroup.

4 “(4) FOREIGN PERSON.—The term ‘foreign per-
5 son’ means any person that is not a United States
6 person.

7 “(5) HIZBALLAH.—The term ‘Hizballah’ has
8 the meaning given such term in section 102(e).

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

11 “(7) UNITED STATES PERSON.—The term
12 ‘United States person’ means a United States cit-
13 izen, an alien lawfully admitted for permanent resi-
14 dence, an entity organized under the laws of the
15 United States (including foreign branches), or a per-
16 son in the United States.”.

17 (b) CLERICAL AMENDMENT.—The table of contents
18 for the Hizballah International Financing Prevention Act
19 of 2015 is amended by striking the item relating to section
20 101 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 Section 102(d) of the Hizballah International Fi-
5 nancing Prevention Act of 2015 (Public Law 114–102; 50
6 U.S.C. 1701 note) is amended to read as follows:

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

10 “(1) IN GENERAL.—Not later than 180 days
11 after the date of the enactment of the Hizballah
12 International Financing Prevention Amendments
13 Act of 2018, and every 2 years thereafter for a pe-
14 riod not to exceed 4 years, the President shall sub-
15 mit to the appropriate congressional committees a
16 report that—

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

21 “(B) provides a detailed description of
22 each such activity.

23 “(2) FOREIGN FINANCIAL INSTITUTION DE-
24 SCRIBED.—

1 “(A) IN GENERAL.—A foreign financial in-
2 stitution described in this paragraph is a for-
3 eign financial institution—

4 “(i) that, wherever located, is—

5 “(I) organized under the laws of
6 a state sponsor of terrorism or any ju-
7 risdiction within a state sponsor of
8 terrorism;

9 “(II) owned or controlled by the
10 government of a state sponsor of ter-
11 rorism;

12 “(III) located in the territory of
13 a state sponsor of terrorism; or

14 “(IV) owned or controlled by a
15 foreign financial institution described
16 in subclause (I), (II), or (III); and

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

19 “(B) STATE SPONSOR OF TERRORISM DE-
20 FINED.—In this paragraph, the term ‘state
21 sponsor of terrorism’ means a country the gov-
22 ernment of which the Secretary of State has de-
23 termined is a government that has repeatedly
24 provided support for acts of international ter-
25 rorism for purposes of—

1 “(i) section 1754(c) of the Export
2 Control Reform Act of 2018;

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

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

7 “(iv) any other provision of law.”.

8 **SEC. 103. SANCTIONS AGAINST CERTAIN AGENCIES AND IN-**
9 **STRUMENTALITIES OF FOREIGN STATES.**

10 (a) IN GENERAL.—Title I of the Hizballah Inter-
11 national Financing Prevention Act of 2015 (Public Law
12 114–102; 50 U.S.C. 1701 note) is amended by adding at
13 the end the following:

14 **“SEC. 103. SANCTIONS AGAINST CERTAIN AGENCIES AND**
15 **INSTRUMENTALITIES OF FOREIGN STATES.**

16 “(a) SANCTIONS.—

17 “(1) IN GENERAL.—Not later than 180 days
18 after the date of the enactment of the Hizballah
19 International Financing Prevention Amendments
20 Act of 2018, and as appropriate thereafter, the
21 President shall impose the sanctions described in
22 paragraph (3) with respect to an agency or instru-
23 mentality of a foreign state described in paragraph
24 (2).

1 “(2) AGENCY OR INSTRUMENTALITY OF A FOR-
2 EIGN STATE DESCRIBED.—An agency or instrumen-
3 tality of a foreign state is described in this para-
4 graph if the President determines that the agency or
5 instrumentality has, on or after the date of the en-
6 actment of the Hizballah International Financing
7 Prevention Amendments Act of 2018, knowingly—

8 “(A) conducted significant joint combat
9 operations with, or significantly supported com-
10 bat operations of, Hizballah; or

11 “(B) provided significant financial support
12 for or to, or significant arms or related materiel
13 to, Hizballah.

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

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

3 “(b) WAIVER.—

4 “(1) IN GENERAL.—The President may, for pe-
5 riods not to exceed 180 days, waive the imposition
6 of sanctions under this section with respect to an
7 agency or instrumentality of a foreign state if the
8 President certifies to the appropriate congressional
9 committees that such waiver is vital to the national
10 security interests of the United States.

11 “(2) BRIEFING.—Not later than 30 days after
12 the issuance of a waiver under paragraph (1) with
13 respect to an agency or instrumentality of a foreign
14 state, and every 180 days thereafter while the waiver
15 remains in effect, the President shall brief the ap-
16 propriate congressional committees on the status of
17 the involvement of the agency or instrumentality in
18 activities described in subsection (a)(2).

19 “(c) SPECIAL RULE.—The President shall not be re-
20 quired to impose sanctions under this section with respect
21 to an agency or instrumentality of a foreign state if the
22 Secretary certifies in writing to the appropriate congres-
23 sional committees that—

24 “(1) the agency or instrumentality—

1 “(A) is no longer engaging in activities de-
2 scribed in subsection (a)(2); or

3 “(B) has taken and is continuing to take
4 significant verifiable steps toward terminating
5 such activities; and

6 “(2) the President has received reliable assur-
7 ances from the government of the foreign state that
8 the agency or instrumentality will not engage in any
9 activity described in subsection (a)(2) in the future.

10 “(d) DEFINITIONS.—In this section:

11 “(1) AGENCY OR INSTRUMENTALITY OF A FOR-
12 EIGN STATE.—The term ‘agency or instrumentality
13 of a foreign state’ has the meaning given the term
14 in section 1603(b) of title 28, United States Code.

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

18 “(A) the Committee on Foreign Affairs,
19 the Committee on Financial Services, the Com-
20 mittee on Ways and Means, the Committee on
21 the Judiciary, the Committee on Appropria-
22 tions, and the Permanent Select Committee on
23 Intelligence of the House of Representatives;
24 and

1 “(B) the Committee on Foreign Relations,
2 the Committee on Banking, Housing, and
3 Urban Affairs, the Committee on the Judiciary,
4 Committee on Finance, Committee on Appro-
5 priations, and the Select Committee on Intel-
6 ligence of the Senate.

7 “(3) ARMS OR RELATED MATERIEL.—The term
8 ‘arms or related materiel’ means—

9 “(A) nuclear, biological, chemical, or radio-
10 logical weapons or materials or components of
11 such weapons;

12 “(B) ballistic or cruise missile weapons or
13 materials or components of such weapons; and

14 “(C) destabilizing numbers and types of
15 advanced conventional weapons.

16 “(4) HIZBALLAH.—The term ‘Hizballah’ has
17 the meaning given such term in section 102(e).

18 “(5) UNITED STATES PERSON.—The term
19 ‘United States person’ has the meaning given such
20 term in section 101(d).”.

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

 “Sec. 103. Sanctions against certain agencies and instrumentalities of foreign
 states.”.

1 **SEC. 104. DIPLOMATIC INITIATIVES TO PREVENT HOSTILE**
2 **ACTIVITIES BY IRAN AND DISRUPT AND DE-**
3 **GRADE HIZBALLAH'S ILLICIT NETWORKS.**

4 (a) DIPLOMATIC ENGAGEMENT.—Title I of the
5 Hizballah International Financing Prevention Act of 2015
6 (Public Law 114–102; 129 Stat. 2206; 50 U.S.C. 1701
7 note), as amended by section 103 of this Act, is further
8 amended by adding at the end the following:

9 **“SEC. 104. DIPLOMATIC INITIATIVES TO PREVENT HOSTILE**
10 **ACTIVITIES BY IRAN AND DISRUPT AND DE-**
11 **GRADE HIZBALLAH'S ILLICIT NETWORKS.**

12 “Not later than 180 days after the date of the enact-
13 ment of the Hizballah International Financing Prevention
14 Amendments Act of 2018, the President shall instruct the
15 Secretary of State, in consultation with the Secretary of
16 the Treasury, to increase cooperation with foreign govern-
17 ments to assist in strengthening the capacity of such gov-
18 ernments to prevent hostile activity by Iran and disrupt
19 and degrade Hizballah’s illicit activities, including diplo-
20 matic engagement that involves—

21 “(1) efforts to target and expose illicit finance
22 networks, arrest perpetrators, freeze assets, and ad-
23 dress Iran and Hizballah’s use of illicit financial net-
24 works using international trade and banking sys-
25 tems;

1 “(2) efforts to assist willing governments with
2 the development of counter-organized crime legisla-
3 tion, the strengthening of financial investigative ca-
4 pacity, and a fully-vetted counter-organized crime ju-
5 dicial model in jurisdictions plagued with corruption;
6 and

7 “(3) efforts to persuade governments to list
8 Hizballah as a terrorist organization.”.

9 (b) CLERICAL AMENDMENT.—The table of contents
10 for the Hizballah International Financing Prevention Act
11 of 2015 is amended by inserting after the item related
12 to section 103, as added by section 103(b) of this Act,
13 the following new item:

 “Sec. 104. Diplomatic initiatives to prevent hostile activities by Iran and dis-
 rupt and degrade Hizballah’s illicit networks.”.

14 **TITLE II—NARCOTICS TRAF-**
15 **FICKING AND**
16 **TRANSNATIONAL CRIMINAL**
17 **ACTIVITIES OF HIZBALLAH**

18 **SEC. 201. IMPOSITION OF SANCTIONS WITH RESPECT TO**
19 **AFFILIATED NETWORKS OF HIZBALLAH FOR**
20 **TRANSNATIONAL CRIMINAL ACTIVITIES.**

21 (a) STATEMENT OF POLICY.—It is the policy of the
22 United States to determine if individuals and entities that
23 are designated by the United States Government on or
24 after the date of the enactment of this Act as being associ-

1 ated with Hizballah are engaged in transnational orga-
2 nized crime or related activities on or after such date of
3 enactment.

4 (b) IN GENERAL.—Section 201 of the Hizballah
5 International Financing Prevention Act of 2015 (Public
6 Law 114–102; 50 U.S.C. 1701 note) is amended to read
7 as follows:

8 **“SEC. 201. IMPOSITION OF SANCTIONS WITH RESPECT TO**
9 **AFFILIATED NETWORKS OF HIZBALLAH FOR**
10 **TRANSNATIONAL CRIMINAL ACTIVITIES.**

11 “(a) IN GENERAL.—The President shall, on or after
12 the date of the enactment of the Hizballah International
13 Financing Prevention Amendments Act of 2018, impose
14 the sanctions described in subsection (b) with respect to
15 affiliated networks of Hizballah, including, as appropriate,
16 by reason of significant transnational criminal activities
17 engaged in by such networks.

18 “(b) SANCTIONS DESCRIBED.—The sanctions de-
19 scribed in this subsection are sanctions applicable with re-
20 spect to Hizballah pursuant to any provision of law, in-
21 cluding Executive Order 13581 (50 U.S.C. 1701 note; re-
22 lating to blocking property of transnational criminal orga-
23 nizations) (as such Executive Order was in effect on the
24 day before the date of the enactment of the Hizballah

1 International Financing Prevention Amendments Act of
2 2018).

3 “(c) WAIVER.—The President may, for periods not
4 to exceed 180 days, waive the imposition of sanctions
5 under this section if the President certifies to the appro-
6 priate congressional committees that such waiver is in the
7 national security interests of the United States.

8 “(d) DEFINITIONS.—In this section:

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

12 “(A) the Committee on Foreign Affairs,
13 the Committee on Ways and Means, the Com-
14 mittee on Appropriations, the Committee on Fi-
15 nancial Services, and the Permanent Select
16 Committee on Intelligence of the House of Rep-
17 resentatives; and

18 “(B) the Committee on Foreign Relations,
19 the Committee on Banking, Housing, and
20 Urban Affairs, the Committee on Appropria-
21 tions, and the Select Committee on Intelligence
22 of the Senate.

23 “(2) HIZBALLAH.—The term ‘Hizballah’ has
24 the meaning given such term in section 102(e).”.

1 (c) CONFORMING AMENDMENT.—The title heading
2 for title II of the Hizballah International Financing Pre-
3 vention Act of 2015 is amended to read as follows:

4 **“TITLE II—SANCTIONS AND RE-**
5 **PORTS RELATING TO NAR-**
6 **COTICS TRAFFICKING AND**
7 **SIGNIFICANT**
8 **TRANSNATIONAL CRIMINAL**
9 **ACTIVITIES OF HIZBALLAH”.**

10 (d) CLERICAL AMENDMENTS.—The table of contents
11 for the Hizballah International Financing Prevention Act
12 of 2015 is amended—

13 (1) by striking the item relating to title II and
14 inserting the following:

“TITLE II—SANCTIONS AND REPORTS RELATING TO NARCOTICS
TRAFFICKING AND SIGNIFICANT TRANSNATIONAL CRIMINAL
ACTIVITIES OF HIZBALLAH”; AND

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

“Sec. 201. Imposition of sanctions with respect to affiliated networks of
Hizballah for transnational criminal activities.”.

17 **SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**
18 **GAGED IN BY HIZBALLAH.**

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

1 **“SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**
2 **GAGED IN BY HIZBALLAH.**

3 “(a) IN GENERAL.—Not later than 180 days after
4 the date of the enactment of the Hizballah International
5 Financing Prevention Amendments Act of 2018, the
6 President shall submit to the appropriate congressional
7 committees a report on information regarding activities
8 that Hizballah, and agents and affiliates of Hizballah,
9 have engaged in that are racketeering activities, including
10 any patterns regarding such racketeering activities.

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

14 “(c) DEFINITIONS.—In this section:

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

18 “(A) the Committee on the Judiciary, the
19 Committee on Foreign Affairs, the Committee
20 on Financial Services, and the Committee on
21 Appropriations of the House of Representatives;
22 and

23 “(B) the Committee on the Judiciary, the
24 Committee on Foreign Relations, the Com-
25 mittee on Banking, Housing, and Urban Af-

1 fairs, and the Committee on Appropriations of
2 the Senate.

3 “(2) HIZBALLAH.—The term ‘Hizballah’ has
4 the meaning given such term in section 102(e).

5 “(3) RACKETEERING ACTIVITY.—The term
6 ‘racketeering activity’ means any activity that would
7 be considered a racketeering activity (as defined in
8 section 1961(1) of title 18, United States Code) if
9 the activity were engaged in the United States or by
10 a United States person.

11 “(4) UNITED STATES PERSON.—The term
12 ‘United States person’ has the meaning given such
13 term in section 101(d).”.

14 (b) CLERICAL AMENDMENT.—The table of contents
15 for the Hizballah International Financing Prevention Act
16 of 2015 is amended by striking the item relating to section
17 202 and inserting the following:

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

18 **SEC. 203. MODIFICATION OF REPORT ON ACTIVITIES OF**
19 **FOREIGN GOVERNMENTS TO DISRUPT AC-**
20 **TIVITIES OF HIZBALLAH; REPORTS ON MEM-**
21 **BERSHIP IN HIZBALLAH.**

22 (a) IN GENERAL.—Section 204 of the Hizballah
23 International Financing Prevention Act of 2015 (Public
24 Law 114–102; 50 U.S.C. 1701 note) is amended—

25 (1) in subsection (a)(1)—

1 (A) in the matter preceding subparagraph
2 (A), by striking “this Act” and inserting “the
3 Hizballah International Financing Prevention
4 Amendments Act of 2018, and once every 2
5 years thereafter for the following 4 years”;

6 (B) in subparagraph (D)(ii)(II), by strik-
7 ing “and” at the end;

8 (C) in subparagraph (E), by striking “and
9 free-trade zones.” and inserting “free-trade
10 zones, business partnerships and joint ventures,
11 and other investments in small and medium-
12 sized enterprises;”; and

13 (D) by adding at the end the following:

14 “(F) a list of jurisdictions outside of Leb-
15 anon that expressly consent to, or with knowl-
16 edge allow, the use of their territory by
17 Hizballah to carry out terrorist activities, in-
18 cluding training, financing, and recruitment;

19 “(G) a description of the total aggregate
20 revenues and remittances that Hizballah re-
21 ceives from the global logistics networks of
22 Hizballah;

23 “(H) a list of Hizballah’s sources of rev-
24 enue, including sources of revenue based on il-

1 licit activity, revenues from Iran, charities, and
2 other business activities;

3 “(I) a list of Hizballah’s expenditures, in-
4 cluding expenditures for ongoing military oper-
5 ations, social networks, and external operations;

6 “(J) a description of steps to be taken by
7 Federal agencies to combat the illicit tobacco
8 trafficking networks used by Hizballah;

9 “(K) an assessment of Hizballah’s finan-
10 cial operations in areas under its operational or
11 political control in Lebanon and Syria and
12 available measures to target Hizballah’s finan-
13 cial operations in those areas;

14 “(L) a review of Hizballah’s international
15 operational capabilities, including in the United
16 States;

17 “(M) a review of—

18 “(i) the total number and value of
19 Hizballah-related assets seized and for-
20 feited; and

21 “(ii) the total number of indictments,
22 prosecutions, and extraditions of Hizballah
23 members or affiliates; and

24 “(N) a review of efforts by the United
25 States to prevent hostile activities by Iran and

1 disrupt and degrade Hizballah’s illicit networks
2 in the Western Hemisphere, including inter-
3 agency coordination to ensure that information-
4 sharing, interdictions, arrests, investigations,
5 indictments, sanctions, and designations related
6 to Hizballah individuals or networks in the
7 Western Hemisphere are integrated, coordi-
8 nated, and publicly communicated by the
9 United States in a manner that supports
10 United States interests.”;

11 (2) by redesignating subsections (b) and (c) as
12 subsections (c) and (d), respectively;

13 (3) by inserting after subsection (a) the fol-
14 lowing:

15 “(b) ENHANCED DUE DILIGENCE.—

16 “(1) IN GENERAL.—The President is author-
17 ized to require each financial institution in the
18 United States that knowingly maintains a cor-
19 respondent account or a payable-through account in
20 the United States for a foreign financial institution
21 described in paragraph (2) to establish enhanced due
22 diligence policies, procedures, and controls in accord-
23 ance with section 5318(i)(2)(B) of title 31, United
24 States Code, and regulations to implement such sec-
25 tion with respect to such accounts.

1 “(2) FOREIGN FINANCIAL INSTITUTION DE-
2 SCRIBED.—A foreign financial institution described
3 in this paragraph is a foreign financial institution
4 that the President determines provides significant fi-
5 nancial services to persons operating in a jurisdic-
6 tion identified in unclassified form in the list re-
7 quired under subsection (a)(1)(F).

8 “(3) DEFINITIONS.—In this subsection, the
9 terms ‘correspondent account’ and ‘payable-through
10 account’ have the meanings given those terms in sec-
11 tion 5318A of title 31, United States Code.”; and

12 (4) in subsection (c), as redesignated by para-
13 graph (2)—

14 (A) by striking “this Act, and every 180
15 days thereafter,” and inserting “the Hizballah
16 International Financing Prevention Amend-
17 ments Act of 2018, and every 180 days there-
18 after for the following 4 years,”; and

19 (B) by adding before the period at the end
20 the following: “and on any requirements for en-
21 hanced due diligence prescribed under sub-
22 section (b)”.

23 (b) REPORT ON ESTIMATED NET WORTH OF SENIOR
24 HIZBALLAH MEMBERS.—

1 (1) IN GENERAL.—Not later than 180 days
2 after the date of the enactment of this Act, the
3 President shall submit to the appropriate congress-
4 sional committees a report that contains—

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

7 (B) to the extent feasible, a description of
8 how funds of each individual described in para-
9 graph (2) were acquired, and how such funds
10 have been used or employed.

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

13 (A) The Secretary General of Hizballah.

14 (B) Members of Hizballah’s senior leader-
15 ship or senior associates of Hizballah that the
16 President determines materially assist or sup-
17 port Hizballah.

18 (C) Any other individual that the President
19 determines is a senior foreign political figure of
20 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 contain 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 in precompressed, easily downloadable versions
5 that are made available in all appropriate for-
6 mats.

7 (4) DEFINITIONS.—In this subsection:

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

11 (i) the Committee on Foreign Affairs,
12 the Committee on Financial Services, and
13 the 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, and the Select
19 Committee on Intelligence of the Senate.

20 (B) FUNDS.—The term “funds” means—

21 (i) cash;

22 (ii) equity;

23 (iii) any other intangible asset the
24 value of which is derived from a contrac-
25 tual claim, including bank deposits, bonds,

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

7 (iv) anything else of value that the
8 Secretary of the Treasury determines to be
9 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 (c) REPORT ON INDIVIDUALS WHO ARE MEMBERS
16 OF THE LEBANESE PARLIAMENT AND WHO IDENTIFY AS
17 MEMBERS OF HIZBALLAH.—

18 (1) IN GENERAL.—Not later than 180 days
19 after the date of the enactment of this Act, the
20 President shall transmit to the appropriate congres-
21 sional committees a report that contains the fol-
22 lowing:

23 (A) A list of individuals who are members
24 of the Lebanese Parliament and who identify as
25 members of Hizballah.

1 (B) A description of any significant con-
2 duct of individuals on the list required under
3 subparagraph (A) that the President deter-
4 mines may be grounds for designation pursuant
5 to Executive Order 13224 (50 U.S.C. 1701
6 note; relating to blocking property and prohib-
7 iting transactions with persons who commit,
8 threaten to commit, or support terrorism).

9 (2) FORM.—The report required under para-
10 graph (1) shall be transmitted in unclassified form,
11 but may include a classified annex.

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

15 (A) the Committee on Foreign Affairs, the
16 Committee on Financial Services, and the Per-
17 manent Select Committee on Intelligence of the
18 House of Representatives; and

19 (B) the Committee on Foreign Relations,
20 the Committee on Banking, Housing, and
21 Urban Affairs, and the Select Committee on In-
22 telligence of the Senate.

1 **TITLE III—GENERAL**
2 **PROVISIONS**

3 **SEC. 301. REGULATORY AUTHORITY.**

4 (a) **IN GENERAL.**—The President shall, not later
5 than 180 days after the date of the enactment of this Act,
6 prescribe regulations as necessary for the implementation
7 of this Act and the amendments made by this Act.

8 (b) **NOTIFICATION TO CONGRESS.**—Not later than 10
9 days before the prescription of regulations under sub-
10 section (a), the President shall notify the appropriate con-
11 gressional committees regarding the proposed regulations
12 and the provisions of this Act and the amendments made
13 by this Act that the regulations are implementing.

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

17 (1) the Committee on Foreign Affairs and the
18 Committee on Financial Services of the House of
19 Representatives; and

20 (2) the Committee on Foreign Relations and
21 the Committee on Banking, Housing, and Urban Af-
22 fairs of the Senate.

1 **SEC. 302. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**
2 **VIEW; EXEMPTIONS; RULE OF CONSTRUC-**
3 **TION; EXCEPTION RELATING TO IMPORTA-**
4 **TION OF GOODS.**

5 (a) IN GENERAL.—Title I of the Hizballah Inter-
6 national Financing Prevention Act of 2015 (Public Law
7 114–102; 50 U.S.C. 1701 note), as amended by sections
8 103 and 104 of this Act, is further amended by adding
9 at the end the following:

10 **“SEC. 105. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**
11 **VIEW; EXEMPTIONS; RULE OF CONSTRUC-**
12 **TION.**

13 “(a) IMPLEMENTATION.—The President may exercise
14 all authorities provided under sections 203 and 205 of the
15 International Emergency Economic Powers Act (50
16 U.S.C. 1702 and 1704) to carry out sections 101, 102,
17 103, and 201 of this Act.

18 “(b) PENALTIES.—The penalties provided for in sub-
19 sections (b) and (c) of section 206 of the International
20 Emergency Economic Powers Act (50 U.S.C. 1705) shall
21 apply to a person that violates, attempts to violate, con-
22 spires to violate, or causes a violation of regulations pre-
23 scribed to carry out section 101, 102, 103, or 201 of this
24 Act to the same extent that such penalties apply to a per-
25 son that commits an unlawful act described in subsection
26 (a) of such section 206.

1 “(c) PROCEDURES FOR JUDICIAL REVIEW OF CLAS-
2 SIFIED INFORMATION.—

3 “(1) IN GENERAL.—If a finding under section
4 101, 102, 103, or 201 of this Act, or a prohibition,
5 condition, or penalty imposed as a result of any such
6 finding, is based on classified information (as de-
7 fined in section 1(a) of the Classified Information
8 Procedures Act (18 U.S.C. App.)) and a court re-
9 views the finding or the imposition of the prohibi-
10 tion, condition, or penalty, the President may submit
11 such information to the court ex parte and in cam-
12 era.

13 “(2) RULE OF CONSTRUCTION.—Nothing in
14 this subsection shall be construed to confer or imply
15 any right to judicial review of any finding under sec-
16 tion 101, 102, 103, or 201 of this Act, or any prohi-
17 bition, condition, or penalty imposed as a result of
18 any such finding.

19 “(d) EXEMPTIONS.—The following activities shall be
20 exempt from sections 101, 102, 103, and 201 of this Act:

21 “(1) Any authorized intelligence, law enforce-
22 ment, or national security activities of the United
23 States.

24 “(2) Any transaction necessary to comply with
25 United States obligations under the Agreement be-

1 tween the United Nations and the United States of
2 America regarding the Headquarters of the United
3 States, signed at Lake Success June 26, 1947, and
4 entered into force November 21, 1947, or the Con-
5 vention on Consular Relations, done at Vienna April
6 24, 1963, and entered into force March 19, 1967, or
7 any other United States international agreement.

8 “(e) RULE OF CONSTRUCTION.—Nothing in section
9 101, 102, 103, or 201 of this Act shall be construed to
10 limit the authority of the President under the Inter-
11 national Emergency Economic Powers Act (50 U.S.C.
12 1701 et seq.) or under any other provision of law.

13 “(f) EXCEPTION RELATING TO IMPORTATION OF
14 GOODS.—

15 “(1) IN GENERAL.—The authorities and re-
16 quirements to impose sanctions under this Act shall
17 not include the authority or requirement to impose
18 sanctions on the importation of goods.

19 “(2) DEFINITION.—In this subsection, the term
20 ‘good’ means any article, natural or manmade sub-
21 stance, material, supply or manufactured product,
22 including inspection and test equipment, and exclud-
23 ing technical data.”.

24 “(b) CLERICAL AMENDMENT.—The table of contents
25 for the Hizballah International Financing Prevention Act

1 of 2015, as amended by this Act, is further amended by
2 inserting after the item relating to section 104, as added
3 by section 104(b) of this Act, the following new item:

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

4 (c) CONFORMING AMENDMENTS.—Section 102 of the
5 Hizballah International Financing Prevention Act of 2015
6 (Public Law 114–102; 50 U.S.C. 1701 note) is amend-
7 ed—

8 (1) in subsection (a), by striking paragraphs
9 (3) and (4);

10 (2) by striking subsection (e); and

11 (3) by redesignating subsection (f) as sub-
12 section (e).

13 **SEC. 303. REPORT CONSOLIDATION AND MODIFICATION.**

14 (a) IN GENERAL.—Any and all reports required to
15 be submitted to Congress under this Act or the Hizballah
16 International Financing Prevention Act of 2015 (Public
17 Law 114–102; 50 U.S.C. 1701 note) that are subject to
18 a deadline for submission consisting of the same unit of
19 time may be consolidated into a single report that is sub-
20 mitted to Congress pursuant to such deadline.

21 (b) MATTERS TO BE INCLUDED.—Any report that is
22 consolidated into a single report as described in subsection
23 (a) shall contain all information required under this Act
24 or the Hizballah International Financing Prevention Act

1 of 2015 in addition to all other elements required by pre-
2 vious law.

3 (c) REPORTS MODIFICATION.—The North Korea
4 Sanctions and Policy Enhancement Act of 2016 is amend-
5 ed as follows:

6 (1) In section 209(a)(3)(A) (22 U.S.C.
7 9229(a)(3)(A)), by striking “not later than 90 days
8 after the date of the enactment of this Act, and
9 every 180 days thereafter” and inserting “not later
10 than 90 days after the date of the enactment of the
11 Hizballah International Financing Prevention
12 Amendments Act of 2018, and every 180 days there-
13 after for 5 years”.

14 (2) In section 302(a) (22 U.S.C. 9241(a)), by
15 striking “Not later than 180 days after the date of
16 the enactment of this Act” and inserting “Not later
17 than 120 days after the date of the enactment of the
18 Hizballah International Financing Prevention
19 Amendments Act of 2018, and periodically there-
20 after”.