

111TH CONGRESS  
1ST SESSION

# H. R. 2194

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IN THE SENATE OF THE UNITED STATES

DECEMBER 16, 2009

Received; read twice and referred to the Committee on Banking, Housing, and  
Urban Affairs

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## AN ACT

To amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Iran Refined Petro-  
3 leum Sanctions Act of 2009”.

4 **SEC. 2. FINDINGS; SENSE OF CONGRESS; STATEMENT OF**  
5 **POLICY.**

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

7 (1) The illicit nuclear activities of the Govern-  
8 ment of Iran—combined with its development of un-  
9 conventional weapons and ballistic missiles, and sup-  
10 port for international terrorism—represent a serious  
11 threat to the security of the United States and U.S.  
12 allies in Europe, the Middle East, and around the  
13 world.

14 (2) The United States and other responsible na-  
15 tions have a vital interest in working together to  
16 prevent the Government of Iran from acquiring a  
17 nuclear weapons capability.

18 (3) The International Atomic Energy Agency  
19 (IAEA) has repeatedly called attention to Iran’s un-  
20 lawful nuclear activities, and, as a result, the United  
21 Nations Security Council has adopted a range of  
22 sanctions designed to encourage the Government of  
23 Iran to suspend those activities and comply with its  
24 obligations under the Treaty on the Non-Prolifera-  
25 tion of Nuclear Weapons (commonly known as the  
26 “Nuclear Non-Proliferation Treaty”).

1           (4) As a presidential candidate, then-Senator  
2           Obama stated that additional sanctions, especially  
3           those targeting Iran’s dependence on imported re-  
4           fined petroleum, may help to persuade the Govern-  
5           ment of Iran to abandon its illicit nuclear activities.

6           (5) On October 7, 2008, then-Senator Obama  
7           stated, “Iran right now imports gasoline, even  
8           though it’s an oil producer, because its oil infra-  
9           structure has broken down. If we can prevent them  
10          from importing the gasoline that they need and the  
11          refined petroleum products, that starts changing  
12          their cost-benefit analysis. That starts putting the  
13          squeeze on them.”.

14          (6) On June 4, 2008, then-Senator Obama  
15          stated, “We should work with Europe, Japan, and  
16          the Gulf states to find every avenue outside the U.N.  
17          to isolate the Iranian regime—from cutting off loan  
18          guarantees and expanding financial sanctions, to  
19          banning the export of refined petroleum to Iran.”.

20          (7) Major European allies, including the United  
21          Kingdom, France, and Germany, have advocated  
22          that sanctions be significantly toughened should  
23          international diplomatic efforts fail to achieve  
24          verifiable suspension of Iran’s uranium enrichment

1 program and an end to its nuclear weapons program  
2 and other illicit nuclear activities.

3 (8) The serious and urgent nature of the threat  
4 from Iran demands that the United States work to-  
5 gether with U.S. allies to do everything possible—  
6 diplomatically, politically, and economically—to pre-  
7 vent Iran from acquiring a nuclear weapons capa-  
8 bility.

9 (9) The human rights situation in Iran has  
10 steadily deteriorated in 2009, as punctuated by the  
11 transparent fraud that occurred on June 12, 2009,  
12 the brutal repression and murder, arbitrary arrests,  
13 and show trials of peaceful dissidents, and ongoing  
14 suppression of freedom of expression.

15 (10) The Iranian regime has been unresponsive  
16 to, and at times contemptuous of, the Obama Ad-  
17 ministration's unprecedented and serious efforts at  
18 engagement, revealing that Tehran is not interested  
19 in a diplomatic resolution, as made clear, for exam-  
20 ple, by the following:

21 (A) Iran's apparent rejection of the  
22 Tehran Research Reactor plan, generously of-  
23 fered by the United States and its partners, of  
24 potentially great benefit to the Iranian people,

1 and endorsed by Iran's own negotiators in Oc-  
2 tober, 2009.

3 (B) Iran's ongoing clandestine nuclear  
4 weapons program, as evidenced by its work on  
5 the secret uranium enrichment facility at Qom,  
6 its subsequent refusal to cooperate fully with  
7 IAEA inspectors, and its announcement that it  
8 would build 10 new uranium enrichment facili-  
9 ties.

10 (C) Iran's ongoing arms exports and sup-  
11 port to terrorists in direct contravention of  
12 United Nations Security Council resolutions.

13 (D) Iran's absurd claims that the West,  
14 and specifically the United States, have fo-  
15 mented the waves of anti-regime protests that  
16 followed the June 12, 2009, election in Iran.

17 (E) Iran's July 31, 2009, arrest of three  
18 young Americans on spying charges.

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

21 (1) international diplomatic efforts to address  
22 Iran's illicit nuclear efforts, unconventional and bal-  
23 listic missile development programs, and support for  
24 international terrorism are more likely to be effective  
25 if the President is empowered with the explicit au-

1       thority to impose additional sanctions on the Gov-  
2       ernment of Iran;

3               (2) the concerns of the United States regarding  
4       Iran are strictly the result of the actions of the Gov-  
5       ernment of Iran;

6               (3) the revelation in September 2009 that Iran  
7       is developing a secret uranium enrichment site on an  
8       Islamic Revolutionary Guard Corps base near Qom,  
9       which appears to have no civilian application, high-  
10      lights the urgency for Iran to fully disclose the full  
11      nature of its nuclear program, including any other  
12      secret locations, and provide the International Atom-  
13      ic Energy Agency (IAEA) unfettered access to its  
14      facilities pursuant to Iran's legal obligations under  
15      the Treaty on the Non-Proliferation of Nuclear  
16      Weapons and Iran's Safeguards Agreement with the  
17      IAEA;

18              (4) because of its involvement in Iran's nuclear  
19      program and other destabilizing activities, the Presi-  
20      dent should impose sanctions, including the full  
21      range of sanctions otherwise applicable to Iran, on  
22      any individual or entity that is an agent, alias, front,  
23      instrumentality, representative, official, or affiliate  
24      of the Islamic Revolutionary Guard Corps or is an  
25      individual serving as a representative of the Islamic

1 Revolutionary Guard Corps, or on any person that  
2 has conducted any commercial transaction or finan-  
3 cial transaction with such entities;

4 (5) Government to Government agreements  
5 with Iran to provide the regime with refined petro-  
6 leum products, such as the September 2009 agree-  
7 ment under which the Government of Venezuela  
8 committed to provide 20,000 barrels of gasoline per  
9 day to Iran, undermine efforts to pressure Iran to  
10 suspend its nuclear weapons program and cease all  
11 enrichment activities; and

12 (6) the people of the United States—

13 (A) have feelings of friendship for the peo-  
14 ple of Iran; and

15 (B) hold the people of Iran, their culture,  
16 and their ancient and rich history in the highest  
17 esteem.

18 (c) STATEMENT OF POLICY.—It shall be the policy  
19 of the United States—

20 (1) to prevent Iran from achieving the capa-  
21 bility to make nuclear weapons, including by sup-  
22 porting international diplomatic efforts to halt Iran's  
23 uranium enrichment program;

1 (2) to fully implement and enforce the Iran  
2 Sanctions Act of 1996 as a means of encouraging  
3 foreign governments to—

4 (A) direct state-owned entities to cease all  
5 investment in, and support of, Iran’s energy  
6 sector and all exports of refined petroleum  
7 products to Iran; and

8 (B) require private entities based in their  
9 territories to cease all investment in, and sup-  
10 port of, Iran’s energy sector and all exports of  
11 refined petroleum products to Iran;

12 (3) to impose sanctions on—

13 (A) the Central Bank of Iran, and any  
14 other financial institution in Iran that is en-  
15 gaged in proliferation activities or support of  
16 terrorist groups, and

17 (B) any other financial institution that  
18 conducts financial transactions with the Central  
19 Bank of Iran or with another financial institu-  
20 tion described in subparagraph (A),

21 including through the use of Executive Orders  
22 13224, 13382, and 13438 and United Nations Secu-  
23 rity Council Resolutions 1737, 1747, 1803, and  
24 1835;



1           (4) to persuade the allies of the United States  
2           and other countries to take appropriate measures to  
3           deny access to the international financial system by  
4           Iranian banks and financial institutions involved in  
5           proliferation activities or support of terrorist groups;

6           (5) to support all Iranian citizens who embrace  
7           the values of freedom, human rights, civil liberties,  
8           and the rule of law; and

9           (6) for the Secretary of State to make every ef-  
10          fort to assist United States citizens held hostage in  
11          Iran at any time during the period beginning on No-  
12          vember 4, 1979 and ending on January 20, 1981,  
13          and their survivors in matters of compensation re-  
14          lated to such citizens' detention.

15 **SEC. 3. AMENDMENTS TO THE IRAN SANCTIONS ACT OF**  
16 **1996.**

17          (a) EXPANSION OF SANCTIONS.—Section 5(a) of the  
18 Iran Sanctions Act of 1996 (50 U.S.C. 1701 note) is  
19 amended to read as follows:

20          “(a) SANCTIONS WITH RESPECT TO THE DEVELOP-  
21 MENT OF PETROLEUM RESOURCES OF IRAN AND EXPOR-  
22 TATION OF REFINED PETROLEUM TO IRAN.—

23                  “(1) DEVELOPMENT OF PETROLEUM RE-  
24 SOURCES OF IRAN.—

1           “(A) INVESTMENT.—Except as provided in  
2 subsection (f), the President shall impose 2 or  
3 more of the sanctions described in paragraphs  
4 (1) through (6) of section 6(a) if the President  
5 determines that a person has knowingly, on or  
6 after the date of the enactment of this Act,  
7 made an investment of \$20,000,000 or more (or  
8 any combination of investments of at least  
9 \$5,000,000 each, which in the aggregate equals  
10 or exceeds \$20,000,000 in any 12-month pe-  
11 riod), that directly and significantly contributed  
12 to the enhancement of Iran’s ability to develop  
13 petroleum resources of Iran.

14           “(B) PRODUCTION OF REFINED PETRO-  
15 LEUM PRODUCTS.—Except as provided in sub-  
16 section (f), the President shall impose the sanc-  
17 tions described in section 6(b) if the President  
18 determines that a person knowingly sells,  
19 leases, or provides to Iran any goods, services,  
20 technology, information, or support, or enters  
21 into a contract to sell, lease, or provide to Iran  
22 any goods, services, technology, information, or  
23 support, that would allow Iran to maintain or  
24 expand its domestic production of refined petro-  
25 leum products, including any assistance in the

1 construction, modernization, or repair of refin-  
2 eries that make refined petroleum products,  
3 if—

4 “(i) the value of the goods, services,  
5 technology, information, or support pro-  
6 vided in such sale, lease, or provision, or to  
7 be provided in such contract, exceeds  
8 \$200,000; or

9 “(ii) the value of the goods, services,  
10 technology, information, or support pro-  
11 vided in any combination of such sales,  
12 leases, or provision in any 12-month pe-  
13 riod, or to be provided under contracts en-  
14 tered into in any 12-month period, exceeds  
15 \$500,000.

16 “(2) EXPORTATION OF REFINED PETROLEUM  
17 PRODUCTS TO IRAN.—

18 “(A) IN GENERAL.—Except as provided in  
19 subsection (f), the President shall impose the  
20 sanctions described in section 6(b) if the Presi-  
21 dent determines that a person knowingly pro-  
22 vides Iran with refined petroleum products or  
23 knowingly engages in any of the activities de-  
24 scribed in subparagraph (B), if—

1           “(i) the value of such products or of  
2           the goods, services, technology, informa-  
3           tion, or support provided or to be provided  
4           in connection with such activity exceeds  
5           \$200,000; or

6           “(ii) the value of such products, or of  
7           the goods, services, technology, informa-  
8           tion, or support, provided or to be provided  
9           in connection with any combination of pro-  
10          viding such products or such activities, in  
11          any 12-month period exceeds \$500,000.

12          “(B) ACTIVITIES DESCRIBED.—The activi-  
13          ties referred to in subparagraph (A) are the fol-  
14          lowing:

15               “(i) Providing ships, vehicles, or other  
16               means of transportation to deliver refined  
17               petroleum products to Iran, or providing  
18               services relating to the shipping or other  
19               transportation of refined petroleum prod-  
20               ucts to Iran.

21               “(ii) Underwriting or otherwise pro-  
22               viding insurance or reinsurance for an ac-  
23               tivity described in clause (i).

24               “(iii) Financing or brokering an activ-  
25               ity described in clause (i).”.

1 (b) DESCRIPTION OF SANCTIONS.—Section 6 of such  
2 Act is amended—

3 (1) by striking “The sanctions to be imposed on  
4 a sanctioned person under section 5 are as follows:”  
5 and inserting the following:

6 “(a) IN GENERAL.—The sanctions to be imposed on  
7 a sanctioned person under subsections (a)(1)(A) and  
8 (b)(1) of section 5 are as follows:”;

9 (2) in paragraph (4), by striking “section 5”  
10 each place it appears and inserting “subsections  
11 (a)(1)(A) and (b) of section 5”; and

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

13 “(b) ADDITIONAL MANDATORY SANCTIONS.—The  
14 sanctions to be imposed on a sanctioned person under  
15 paragraphs (1)(B) and (2) of section 5(a) are as follows:

16 “(1) FOREIGN EXCHANGE.—The President  
17 shall prohibit any transactions in foreign exchange  
18 by the sanctioned person.

19 “(2) BANKING TRANSACTIONS.—The President  
20 shall prohibit any transfers of credit or payments be-  
21 tween, by, through, or to any financial institution, to  
22 the extent that such transfers or payments involve  
23 any interest of the sanctioned person.

24 “(3) PROPERTY TRANSACTIONS.—The Presi-  
25 dent shall prohibit any acquisition, holding, with-

1 holding, use, transfer, withdrawal, transportation,  
2 importation, or exportation of, dealing in, or exer-  
3 cising any right, power, or privilege with respect to,  
4 or transactions involving, any property in which the  
5 sanctioned person has any interest by any person, or  
6 with respect to any property, subject to the jurisdic-  
7 tion of the United States.

8 “(c) ADDITIONAL MEASURE RELATING TO REFINED  
9 PETROLEUM PRODUCTS.—

10 “(1) IN GENERAL.—The head of each executive  
11 agency shall ensure that each contract with a person  
12 entered into by such executive agency for the pro-  
13 curement of goods or services, or agreement for the  
14 use of Federal funds as part of a grant, loan, or  
15 loan guarantee to a person, includes a clause that  
16 requires the person to certify to the contracting offi-  
17 cer or other appropriate official of such agency that  
18 the person does not conduct any activity described in  
19 paragraph (1)(B) or (2) of section 5(a).

20 “(2) EXCLUSION.—Paragraph (1) shall not  
21 apply to a loan or other program under title IV of  
22 the Higher Education Act of 1965 (20 U.S.C. 1070  
23 et seq.), or to any payment of educational assistance  
24 by the Secretary of Veterans Affairs under title 38,  
25 United States Code.

1 “(3) REMEDIES.—

2 “(A) IN GENERAL.—If the head of the ex-  
3 ecutive agency determines that such person has  
4 submitted a false certification under paragraph  
5 (1) after the date on which the Federal Acquisi-  
6 tion Regulation is revised to implement the re-  
7 quirements of this subsection, the head of an  
8 executive agency may terminate a contract, or  
9 agreement described in paragraph (1), with  
10 such person or debar or suspend such person  
11 from eligibility for Federal contracts or such  
12 agreements for a period not to exceed 3 years.  
13 Any such debarment or suspension shall be sub-  
14 ject to the procedures that apply to debarment  
15 and suspension under the Federal Acquisition  
16 Regulation under subpart 9.4 of part 9 of title  
17 48, Code of Federal Regulations.

18 “(B) INCLUSION ON LIST OF PARTIES EX-  
19 CLUDED FROM FEDERAL PROCUREMENT AND  
20 NONPROCUREMENT PROGRAMS.—The Adminis-  
21 trator of General Services shall include on the  
22 List of Parties Excluded from Federal Procure-  
23 ment and Nonprocurement Programs main-  
24 tained by the Administrator under part 9 of the  
25 Federal Acquisition Regulation issued under

1 section 25 of the Office of Federal Procurement  
2 Policy Act (41 U.S.C. 421) each person that is  
3 debarred, suspended, proposed for debarment,  
4 or declared ineligible by the head of an execu-  
5 tive agency on the basis of a determination of  
6 a false certification under subparagraph (A).

7 “(C) RULE OF CONSTRUCTION.—This sub-  
8 section shall not be construed to limit the use  
9 of other remedies available to the head of an ex-  
10 ecutive agency or any other official of the Fed-  
11 eral Government on the basis of a determina-  
12 tion of a false certification under paragraph  
13 (1).

14 “(4) IMPLEMENTATION THROUGH THE FED-  
15 ERAL ACQUISITION REGULATION.—Not later than  
16 120 days after the date of the enactment of the Iran  
17 Refined Petroleum Sanctions Act of 2009, the Fed-  
18 eral Acquisition Regulation issued pursuant to sec-  
19 tion 25 of the Office of Federal Procurement Policy  
20 Act (41 U.S.C. 421) shall be revised to provide for  
21 the implementation of the requirements of this sub-  
22 section.

23 “(5) CLARIFICATION REGARDING CERTAIN  
24 PRODUCTS.—Section 5(f)(2) applies with respect to  
25 the imposition of remedies under paragraph (3) to



1 the same extent as such section applies with respect  
2 to sanctions under subsection (a) or (b) of section  
3 5.”.

4 (c) ADDITIONAL MANDATORY SANCTIONS RELATING  
5 TO TRANSFER OF NUCLEAR TECHNOLOGY.—Section 5(b)  
6 of the Iran Sanctions Act of 1996 is amended—

7 (1) by redesignating paragraphs (1) and (2) as  
8 subparagraphs (A) and (B), respectively, and mov-  
9 ing such paragraphs 2 ems to the right;

10 (2) by striking “The President shall impose”  
11 and inserting the following:

12 “(1) IN GENERAL.—The President shall im-  
13 pose”;

14 (3) by striking “section 6” and inserting “sec-  
15 tion 6(a)”;

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

17 “(2) ADDITIONAL SANCTION.—

18 “(A) RESTRICTION.—In any case in which  
19 a person is subject to sanctions under para-  
20 graph (1) because of an activity described in  
21 such paragraph that relates to the acquisition  
22 or development of nuclear weapons or related  
23 technology or of missiles or other advanced con-  
24 ventional weapons that are capable of delivering  
25 a nuclear weapon, then notwithstanding any

1 other provision of law, the following measures  
2 shall apply with respect to the country that has  
3 jurisdiction over such person, unless the Presi-  
4 dent determines and notifies the appropriate  
5 congressional committees that the government  
6 of such country has taken, or is taking, effec-  
7 tive actions to penalize such person and to pre-  
8 vent a reoccurrence of such activity in the fu-  
9 ture:

10 “(i) No agreement for cooperation be-  
11 tween the United States and the govern-  
12 ment of such country may be submitted to  
13 the President or to Congress pursuant to  
14 section 123 of the Atomic Energy Act of  
15 1954 (42 U.S.C. 2153), or may enter into  
16 force.

17 “(ii) No license may be issued for the  
18 export, and no approval may be given for  
19 the transfer or retransfer, directly or indi-  
20 rectly, to such country of any nuclear ma-  
21 terial, facilities, components, or other  
22 goods, services, or technology that would  
23 be subject to an agreement to cooperation.

24 “(B) CONSTRUCTION.—The restrictions in  
25 subparagraph (A) shall apply in addition to all

1 other applicable procedures, requirements, and  
2 restrictions contained in the Atomic Energy Act  
3 of 1954 and other laws.

4 “(C) DEFINITION.—In this paragraph, the  
5 term ‘agreement for cooperation’ has the mean-  
6 ing given that term in section 11 b. of the  
7 Atomic Energy Act of 1954 (42 U.S.C.  
8 2014(b)).”.

9 (d) STRENGTHENING OF WAIVER AUTHORITY AND  
10 SANCTIONS IMPLEMENTATION.—

11 (1) INVESTIGATIONS.—Section 4(f) of the Iran  
12 Sanctions Act of 1996 (50 U.S.C. 1701 note) is  
13 amended—

14 (A) in paragraph (1)—

15 (i) by striking “should initiate” and  
16 inserting “shall immediately initiate”;

17 (ii) by inserting “or 5(b)” after “sec-  
18 tion 5(a)”; and

19 (iii) by striking “as described in such  
20 section” and inserting “as described in sec-  
21 tion 5(a)(1) or other activity described in  
22 section 5(a)(2) or 5(b) (as the case may  
23 be)”; and

24 (B) in paragraph (2), by striking “should  
25 determine, pursuant to section 5(a), if a person

1 has engaged in investment activity in Iran as  
2 described in such section” and inserting “shall  
3 determine, pursuant to section 5(a) or (b) (as  
4 the case may be), if a person has engaged in in-  
5 vestment activity in Iran as described in section  
6 5(a)(1) or other activity described in section  
7 5(a)(2) or 5(b) (as the case may be)”.

8 (2) GENERAL WAIVER AUTHORITY.—Section  
9 9(c) of the Iran Sanctions Act of 1996 (50 U.S.C.  
10 1701 note) is amended—

11 (A) in paragraph (1)—

12 (i) by inserting after “on a person de-  
13 scribed in section 5(c),” the following: “or  
14 on a country described in section  
15 5(b)(2)(A) (if the President certifies to the  
16 appropriate congressional committees that  
17 the President is unable to make the deter-  
18 mination described in such section  
19 5(b)(2)(A) with respect to the government  
20 of that country),”; and

21 (ii) by striking “important to the na-  
22 tional interest of the United States” and  
23 inserting “vital to the national security in-  
24 terest of the United States”; and

25 (B) in paragraph (2)—

1 (i) in subparagraphs (A), (B), and  
2 (D), by striking “or (b)” each place it ap-  
3 pears and inserting “or (b)(1)”; and

4 (ii) by amending subparagraph (C) to  
5 read as follows:

6 “(C) an estimate of the significance of the  
7 provision of the items described in paragraph  
8 (1) or (2) of section 5(a) or section 5(b)(1) to  
9 Iran’s ability to develop its petroleum resources,  
10 to maintain or expand its domestic production  
11 of refined petroleum products, to import refined  
12 petroleum products, or to develop its weapons  
13 of mass destruction or other military capabili-  
14 ties (as the case may be); and”.

15 (e) REPORTS ON UNITED STATES EFFORTS TO CUR-  
16 TAIL CERTAIN BUSINESS AND OTHER TRANSACTIONS RE-  
17 LATING TO IRAN.—Section 10 of such Act is amended—

18 (1) in subsection (a), by amending paragraph  
19 (4) to read as follows:

20 “(4) Iran’s use in the Middle East, the Western  
21 Hemisphere, Africa, and other regions, of Iranian  
22 diplomats and representatives of other government  
23 and military or quasi-governmental institutions or  
24 proxies of Iran, including, but not limited to,  
25 Hezbollah, to promote acts of international terrorism

1 or to develop or sustain Iran’s nuclear, chemical, bi-  
2 ological, and missile weapons programs.”; and

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

4 “(d) REPORTS ON CERTAIN BUSINESS AND OTHER  
5 TRANSACTIONS RELATING TO IRAN.—

6 “(1) IN GENERAL.—Not later than 90 days  
7 after the date of the enactment of the Iran Refined  
8 Petroleum Sanctions Act of 2009, and every 6  
9 months thereafter, the President shall submit a re-  
10 port to the appropriate congressional committees re-  
11 garding any person who has—

12 “(A) provided Iran with refined petroleum  
13 products;

14 “(B) sold, leased, or provided to Iran any  
15 goods, services, or technology that would allow  
16 Iran to maintain or expand its domestic produc-  
17 tion of refined petroleum products; or

18 “(C) engaged in any activity described in  
19 section 5(a)(2)(B).

20 “(2) DESCRIPTION.—For each activity set forth  
21 in subparagraphs (A) through (C) of paragraph (1),  
22 the President shall provide a complete and detailed  
23 description of such activity, including—

24 “(A) the date or dates of such activity;

1           “(B) the name of any persons who partici-  
2           pated or invested in or facilitated such activity;

3           “(C) the United States domiciliary of the  
4           persons referred to in subparagraph (B);

5           “(D) any Federal Government contracts to  
6           which the persons referred to in subparagraph  
7           (B) are parties; and

8           “(E) the steps taken by the United States  
9           to respond to such activity.

10          “(3) ADDITIONAL INFORMATION.—The report  
11          required by this subsection shall also include a list  
12          of—

13               “(A) any person that the President deter-  
14               mines is an agent, alias, front, instrumentality,  
15               representative, official, or affiliate of the Is-  
16               lamic Revolutionary Guard Corps or is an indi-  
17               vidual serving as a representative of the Islamic  
18               Revolutionary Guard Corps;

19               “(B) any person that the President deter-  
20               mines has knowingly provided material support  
21               to the Islamic Revolutionary Guard Corps or an  
22               agent, alias, front, instrumentality, representa-  
23               tive, official, or affiliate of the Islamic Revolu-  
24               tionary Guard Corps; and

1           “(C) any person who has conducted any  
2           commercial transaction or financial transaction  
3           with the Islamic Revolutionary Guards Corps or  
4           an agent, alias, front, instrumentality, rep-  
5           resentative, official, or affiliate of the Islamic  
6           Revolutionary Guard Corps.

7           “(4) FORM OF REPORTS; PUBLICATION.—The  
8           reports required under this subsection shall be—

9                   “(A) submitted in unclassified form, but  
10                  may contain a classified annex; and

11                  “(B) published in the Federal Register.

12           “(e) REPORTS ON GLOBAL TRADE RELATING TO  
13           IRAN.—Not later than one year after the date of the en-  
14           actment of the Iran Refined Petroleum Sanctions Act of  
15           2009 and annually thereafter, the President shall submit  
16           to the appropriate congressional committees a report, with  
17           respect to the immediately preceding 12-month period, on  
18           the dollar value amount of trade, including in the energy  
19           sector, between Iran and each country maintaining mem-  
20           bership in the Group of Twenty Finance Ministers and  
21           Central Bank Governors.”.

22           (f) CLARIFICATION AND EXPANSION OF DEFINI-  
23           TIONS.—Section 14 of such Act is amended—

24                   (1) in paragraph (13)(B)—



1 (A) by inserting “financial institution, in-  
2 surer, underwriter, guarantor, any other busi-  
3 ness organization, including any foreign sub-  
4 sidiary, parent, or affiliate of such a business  
5 organization,” after “trust,”; and

6 (B) by inserting “, such as an export cred-  
7 it agency” before the semicolon at the end;

8 (2) by redesignating paragraphs (15) and (16)  
9 as paragraphs (17) and (18), respectively; and

10 (3) by striking paragraph (14) and inserting  
11 the following:

12 “(14) KNOWINGLY.—The term ‘knowingly’  
13 means—

14 “(A) having actual knowledge; or

15 “(B) having the constructive knowledge  
16 deemed to be possessed by a reasonable indi-  
17 vidual who acts under similar circumstances.

18 “(15) PETROLEUM RESOURCES.—The term ‘pe-  
19 troleum resources’ includes petroleum, oil or lique-  
20 fied natural gas, oil or liquefied natural gas tankers,  
21 and products used to construct or maintain pipelines  
22 used to transport oil or compressed or liquefied nat-  
23 ural gas.

24 “(16) REFINED PETROLEUM PRODUCTS.—The  
25 term ‘refined petroleum products’ means gasoline,

1 kerosene, diesel fuel, residual fuel oil, and distillates  
2 and other goods classified in headings 2709 and  
3 2710 of the Harmonized Tariff Schedule of the  
4 United States.”.

5 (g) TERMINATION OF CERTAIN PROVISIONS.—Sec-  
6 tion 8 of the Iran Sanctions Act of 1996 is amended—

7 (1) by striking “The requirement under section  
8 5(a)” and inserting “(a) SANCTIONS RELATING TO  
9 INVESTMENT.—The requirement under section  
10 5(a)(1)(A)”;

11 (2) by striking “with respect to Iran”; and

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

13 “(b) REFINED PETROLEUM PRODUCTS.—The re-  
14 quirements under paragraphs (1)(B) and (2) of section  
15 5(a) and section 6(b) to impose sanctions shall no longer  
16 have force or effect if the President determines and cer-  
17 tifies to the appropriate congressional committees that  
18 Iran—

19 “(1) has ceased its efforts to design, develop,  
20 manufacture, or acquire a nuclear explosive device or  
21 related materials and technology; and

22 “(2) has ceased nuclear-related activities, in-  
23 cluding uranium enrichment, that would facilitate  
24 the efforts described in paragraph (1).”.

1 (h) EXTENSION OF ACT.—Section 13(b) of the Iran  
2 Sanctions Act of 1996 is amended by striking “2011” and  
3 inserting “2016”.

4 (i) TECHNICAL AMENDMENTS.—

5 (1) MULTILATERAL REGIME.—Section 4 of  
6 such Act is amended—

7 (A) in subsection (b)(2), by striking “(in  
8 addition to that provided in subsection (d))”;  
9 and

10 (B) by striking subsection (d) and redesignating  
11 subsections (e) and (f) as subsections (d)  
12 and (e), respectively.

13 (2) REFERENCE TO COMMITTEE ON FOREIGN  
14 AFFAIRS.—Section 14(2) of such Act is amended by  
15 striking “International Relations” and inserting  
16 “Foreign Affairs”.

17 (3) CONFORMING AMENDMENTS.—(A) Section  
18 5(c)(1) of such Act is amended by striking “or (b)”  
19 and inserting “or (b)(1)”.

20 (B) Section 9(a) of such Act is amended by  
21 striking “or 5(b)” each place it appears and insert-  
22 ing “or 5(b)(1)”.

23 **SEC. 4. EFFECTIVE DATE; RULE OF CONSTRUCTION.**

24 (a) IN GENERAL.—The amendments made by this  
25 Act shall take effect upon the expiration of the 60-day

1 period beginning on the date of the enactment of this Act,  
2 except that—

3 (1) paragraphs (1) and (2) of section 5(a), sec-  
4 tion 5(b)(2), and section 6(b), of the Iran Sanctions  
5 Act of 1996, as amended by this Act, shall apply to  
6 conduct engaged in on or after October 28, 2009,  
7 notwithstanding section 5(f)(3) of the Iran Sanc-  
8 tions Act of 1996; and

9 (2) the amendments made by subsection (d) of  
10 section 3 of this Act shall apply with respect to con-  
11 duct engaged in before, on, or after the date of the  
12 enactment of this Act.

13 (b) RULE OF CONSTRUCTION.—

14 (1) EXISTING SANCTIONS NOT AFFECTED.—  
15 The amendments made by subsections (a) and (b) of  
16 section 3 of this Act shall not be construed to affect  
17 the requirements of section 5(a) of the Iran Sanc-  
18 tions Act of 1996 as in effect before the date of the  
19 enactment of this Act, and such requirements con-  
20 tinue to apply, on and after such date of enactment,  
21 to conduct engaged in before October 28, 2009.

22 (2) WAIVER AUTHORITY.—The amendments  
23 made by subsection (d) of section 3 of this Act shall  
24 not be construed to affect any exercise of the au-  
25 thority under section 4(f) or section 9(c) of the Iran

1 Sanctions Act of 1996 as in effect on the day before  
2 the date of the enactment of this Act.

Passed the House of Representatives December 15,  
2009.

Attest:                   LORRAINE C. MILLER,  
*Clerk.*