

118TH CONGRESS
1ST SESSION

H. R. 5961

To freeze certain Iranian funds involved in the 2023 hostage deal between the United States and Iran, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 2023

Mr. MCCAUL (for himself, Mr. SCALISE, Ms. STEFANIK, Mr. WILSON of South Carolina, Mrs. RODGERS of Washington, Mr. BARR, Mr. BURCHETT, Mrs. WAGNER, Ms. SALAZAR, Mr. KEAN of New Jersey, Mr. BAIRD, Mr. SMITH of New Jersey, Mr. ISSA, Mr. MORAN, Mr. JAMES, Mr. WALTZ, Mr. SELF, Mrs. RADEWAGEN, Mr. MAST, Mr. MCCORMICK, Mrs. KIM of California, Mr. BUCK, Mr. MILLS, Mr. HUIZENGA, Mr. JACKSON of Texas, and Mr. LAWLER) introduced the following bill

OCTOBER 25, 2023

Referred to the Committee on Foreign Affairs

A BILL

To freeze certain Iranian funds involved in the 2023 hostage deal between the United States and Iran, 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.**

4 This Act may be cited as the “No Funds for Iranian
5 Terrorism Act”.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) On October 7, 2023, Iran-backed Hamas
4 terrorists launched a massive, unprovoked war on
5 Israel by air, land, and sea, in which they engaged
6 in the brutal murder of over 1,300 people and kid-
7 napped 130 people who are now being held hostage.

8 (2) Hamas, Palestinian Islamic Jihad, and
9 Hezbollah have all been designated by the United
10 States as Foreign Terrorist Organizations pursuant
11 to section 219 of the Immigration and Nationality
12 Act (8 U.S.C. 1189).

13 (3) According to an unclassified United States
14 government assessment, “Iran has historically pro-
15 vided up to \$100 million annually in combined sup-
16 port to Palestinian terrorist groups, including
17 Hamas, Palestinian Islamic Jihad (PIJ), and the
18 Popular Front for the Liberation of Palestine-Gen-
19 eral Command.”.

20 (4) As National Security Advisor Jake Sullivan
21 stated on October 10, 2023, “Iran is complicit in
22 this attack in a broad sense because they have pro-
23 vided the lion’s share of the funding for the military
24 wing of Hamas, they have provided training, they
25 have provided capabilities, they have provided sup-

1 port, and they have provided engagement and con-
2 tact with Hamas over years and years.”.

3 **SEC. 3. IMPOSITION OF SANCTIONS WITH RESPECT TO COV-**
4 **ERED IRANIAN ASSETS.**

5 (a) IN GENERAL.—On and after the date of the en-
6 actment of this Act, the President shall impose the sanc-
7 tion described in subsection (c) with respect to each for-
8 eign financial institution and each international financial
9 institution that the President determines engages in an
10 activity described in subsection (b).

11 (b) ACTIVITIES DESCRIBED.—A foreign financial in-
12 stitution or international financial institution engages in
13 an activity described in this subsection if the institution
14 processes, participates in, or facilitates a transaction using
15 or involving covered Iranian funds.

16 (c) BLOCKING OF PROPERTY.—The sanction de-
17 scribed in this subsection is the exercise of all of the pow-
18 ers granted to the President under the International
19 Emergency Economic Powers Act (50 U.S.C. 1701 et
20 seq.) to the extent necessary to block and prohibit all
21 transactions in property and interests in property of a for-
22 eign financial institution or international financial institu-
23 tion described in subsection (a) if such property and inter-
24 ests in property are in the United States, come within the

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

3 (d) PENALTIES.—The penalties provided for in sub-
4 sections (b) and (c) of section 206 of the International
5 Emergency Economic Powers Act (50 U.S.C. 1705) shall
6 apply to a person that violates, attempts to violate, con-
7 spires to violate, or causes a violation of this section or
8 any regulations promulgated to carry out this section to
9 the same extent that such penalties apply to a person that
10 commits an unlawful act described in section 206(a) of
11 that Act.

12 (e) TERMINATION OF SANCTIONS.—The President
13 shall not be required to impose sanctions under this sec-
14 tion with respect to a foreign financial institution or inter-
15 national financial institution described in subsection (a)
16 if the President certifies in writing to the appropriate con-
17 gressional committees that the Government of Iran—

18 (1) no longer repeatedly provides support for
19 international terrorism as determined by the Sec-
20 retary of State pursuant to—

21 (A) section 1754(c)(1)(A) of the Export
22 Control Reform Act of 2018 (50 U.S.C.
23 4318(c)(1)(A));

24 (B) section 620A of the Foreign Assistance
25 Act of 1961 (22 U.S.C. 2371);

1 (C) section 40 of the Arms Export Control
2 Act (22 U.S.C. 2780); or

3 (D) any other provision of law; and

4 (2) has ceased the pursuit, acquisition, and de-
5 velopment of, and verifiably dismantled its, nuclear,
6 biological, and chemical weapons and ballistic mis-
7 siles and ballistic missile launch technology.

8 **SEC. 4. DEFINITIONS.**

9 In this Act:

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

13 (A) the Committee on Foreign Affairs and
14 the Committee on Financial Services of the
15 House of Representatives; and

16 (B) the Committee on Foreign Relations
17 and the Committee on Banking, Housing, and
18 Urban Affairs of the Senate.

19 (2) COVERED IRANIAN FUNDS.—The term “cov-
20 ered Iranian funds” means any funds transferred
21 from accounts in the Republic of Korea to Qatar
22 pursuant to or under the authority or guaranty of
23 a waiver, license, assurance letter, or other guidance
24 issued pursuant to or in furtherance of the waiver
25 determination made pursuant to sections 1244(i)

1 (22 U.S.C. 8803(i) and 1247(f) of the Iran Freedom
2 and Counter-Proliferation Act of 2012 (22 U.S.C.
3 8806(f)) and section 1245(d)(5) of the National De-
4 fense Authorization Act for Fiscal Year 2012 (22
5 U.S.C. 8513a(d)(5)) that is the subject of the docu-
6 ment entitled “Waiver of Sanctions with Respect to
7 the Transfer of Funds from the Republic of Korea
8 to Qatar” and was transmitted to Congress in Sep-
9 tember 2023.

10 (3) FOREIGN FINANCIAL INSTITUTION.—The
11 term “foreign financial institution” has the meaning
12 given such term under section 561.308 of title 31,
13 Code of Federal Regulations.

14 (4) INTERNATIONAL FINANCIAL INSTITU-
15 TION.—The term “international financial institu-
16 tion” has the meaning given such term in section
17 1701(e) of the International Financial Institutions
18 Act (22 U.S.C. 262r(e)).

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