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1ST SESSION

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To impose strict conditions on the lifting of sanctions imposed with respect to the Islamic Republic of Iran.

IN THE SENATE OF THE UNITED STATES

MAY 27, 2021

Mr. LANKFORD (for himself, Mr. CORNYN, and Mr. SCOTT of South Carolina) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To impose strict conditions on the lifting of sanctions imposed with respect to the Islamic Republic of Iran.

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 “Iran Sanctions Preser-
5 vation Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) The Islamic Republic of Iran is the world’s
9 leading state sponsor of terrorism and has been des-

1 ignated as a state sponsor of terrorism by the
2 United States since 1984.

3 (2) Iran’s support for terrorism, development of
4 nuclear weapons and ballistic missiles, and gross vio-
5 lations of human rights are a threat to the security
6 interests of the United States and the rules-based
7 international order.

8 (3) Iran has given ballistic missiles, conven-
9 tional weapons, and technical support to Hamas, the
10 Palestinian Islamic Jihad, the Taliban, Ansar Allah
11 (commonly referred to as the “Houthis”) in Yemen,
12 Shia militias in Iraq, the Assad regime in Syria, and
13 Hezbollah in Lebanon, which those proxies have
14 used to implement terrorist attacks throughout the
15 world that have killed citizens of the United States
16 and its allies.

17 (4) Iran continues to hold United States citi-
18 zens hostage, including Bob Levinson, Baquer and
19 Siamak Namazi, Morad Tahbaz, and Emad Shargi,
20 while also serving as a safe harbor for senior leaders
21 of al Qaeda such as Abd al-Rahman al-Maghribi.

22 (5) The Joint Comprehensive Plan of Action
23 (commonly referred to as the “JCPOA”), which was
24 finalized by President Barack Obama and the re-
25 spective governments of the United Kingdom, Ger-

1 many, France, the People's Republic of China, and
2 the Russian Federation (commonly referred to as
3 the "P5+1") on July 14, 2015, permitted Iran to
4 continue uranium enrichment at 3.67 percent levels
5 and possess more 6,000 IR-1 centrifuges, thereby
6 failing to eliminate Iran's pathway to a nuclear
7 weapon.

8 (6) The JCPOA contained sunset provisions
9 that allow Iran to increase its number of IR-1 cen-
10 trifuges and resume operation of IR-2 centrifuges
11 after 10 years, and exceed the 3.67 percent uranium
12 enrichment threshold after 15 years.

13 (7) The verification and compliance mecha-
14 nisms of the JCPOA were insufficient to ensure and
15 enforce compliance, allowing the International Atom-
16 ic Energy Agency only limited access to select facili-
17 ties and establishing a protracted process to request
18 access to sites suspected of hosting activity incon-
19 sistent with Iran's obligations under the JCPOA.

20 (8) Iran repeatedly violated numerous provi-
21 sions of the JCPOA by maintaining more advanced
22 centrifuges than was permitted, exceeding the limits
23 on heavy water stocks, and refusing to grant inter-
24 national inspectors access to nuclear research and
25 military facilities, among other violations.

1 (9) A central strategic flaw of the JCPOA was
2 its exclusive focus on Iran’s nuclear program apart
3 from its support for terrorism, which was bolstered
4 by the more than \$100,000,000,000 in sanctions re-
5 lief it received under the deal.

6 (10) The JCPOA contained no provisions ad-
7 dressing Iran’s development of ballistic and cruise
8 missiles capable of carrying nuclear weapons.

9 (11) The JCPOA failed to address the human
10 rights record of the Iranian regime, including the re-
11 gime’s suppression of free speech, a free press,
12 peaceful assembly, and the free exercise of religion.

13 (12) Iran is one of the world’s worst human
14 rights violators, having received a 16 out of 100
15 “Global Freedom Score” and a 15 out of 100
16 “Internet Freedom Score” from Freedom House,
17 and has been designated as a country of particular
18 concern for religious freedom under section
19 402(b)(1)(A)(ii) of the International Religious Free-
20 dom Act of 1998 (22 U.S.C. 6442(b)(1)(A)(ii)) for
21 its suppression of religious freedom since 1999.

22 (13) On May 8, 2018, President Donald Trump
23 announced that the United States would withdraw
24 from the JCPOA and resumed the application of

1 sanctions against Iranian actors, thereby depriving
2 the regime of revenue to support terrorism.

3 (14) On May 21, 2018, Secretary of State Mike
4 Pompeo announced that the Trump administration
5 would “apply unprecedented financial pressure on
6 the Iranian regime” and laid out 12 steps that Iran
7 must take to receive sanctions relief and reestablish
8 normal relations with the United States, including—

9 (A) providing the International Atomic En-
10 ergy Agency a full account of the prior military
11 dimensions of its nuclear program and perma-
12 nently and verifiably abandoning such work in
13 perpetuity;

14 (B) stopping enrichment of plutonium re-
15 processing and committing to refrain from re-
16 suming such work;

17 (C) permitting the International Atomic
18 Energy Agency to access all sites throughout
19 the entire country;

20 (D) ending its proliferation of ballistic mis-
21 siles and ceasing further development of such
22 systems;

23 (E) releasing all United States citizens, as
24 well as citizens of United States partners and
25 allies, who are currently detained;

1 (F) discontinuing its support for terrorist
2 groups in the Middle East, including Hezbollah,
3 Hamas, and the Palestinian Islamic Jihad;

4 (G) respecting the sovereignty of Iraq by
5 ending its support for Shia militias;

6 (H) ending its military support for the
7 Ansar Allah in Yemen;

8 (I) withdrawing all forces under Iranian
9 command from the entirety of Syria;

10 (J) ending support for the Taliban in Af-
11 ghanistan and for senior al Qaeda leaders
12 around the region;

13 (K) ending the Iranian Revolutionary
14 Guard Corp's support for terrorist groups and
15 proxies worldwide; and

16 (L) ceasing its threatening behavior
17 against its neighbors, many of which are allies
18 of the United States.

19 (15) The financial sector of Iran, including the
20 Central Bank of Iran, is designated as a primary
21 money laundering concern under section 5318A of
22 title 31, United States Code, because of the threat
23 to government and financial institutions resulting
24 from the illicit activities of the Government of Iran,
25 including its pursuit of nuclear weapons, support for

1 international terrorism, and efforts to deceive re-
2 sponsible financial institutions and evade sanctions.

3 (16) On April 22, 2019, President Trump an-
4 nounced that the United States would no longer
5 issue exemptions under section 1245(d)(4)(D) of the
6 National Defense Authorization Act for Fiscal Year
7 2012 (22 U.S.C. 8513a(d)(4)(D)), inhibiting the
8 ability of countries to purchase Iranian petroleum
9 products or conduct transactions with the Central
10 Bank of Iran as a result of the exposure to sanc-
11 tions.

12 (17) Following the decision to discontinue
13 issuance of those exemptions, Iran's average daily
14 sales of crude oil declined from an estimated
15 2,400,000 barrels per day in May 2018 to an esti-
16 mated 1,300,000 in 2020.

17 (18) The decline in revenue and decrease in ex-
18 ports have reportedly forced the Iranian energy sec-
19 tor to cut the number of newly drilled oil wells from
20 300 in 2018 to 11 in 2020.

21 (19) Iran has reportedly stockpiled 60,000,000
22 barrels of crude oil and is preparing to return to
23 production levels of nearly 4,000,000 barrels a day
24 should sanctions relief be provided.

1 (20) On December 31, 2019, Iranian President
2 Hassan Rouhani admitted that Iran had lost
3 \$200,000,000,000 in revenue because of United
4 States sanctions.

5 (21) Iran's 2019 defense budget cut defense
6 spending by 28 percent, including a 17 percent cut
7 to the Iranian Islamic Revolutionary Guard Corps, a
8 designated foreign terrorist organization.

9 (22) Following United States withdrawal from
10 the JCPOA, the value of Iran's currency reached
11 historical lows, with the rial losing around 70 per-
12 cent of its value.

13 (23) According to the International Monetary
14 Fund, Iran's accessible foreign exchange reserves de-
15 creased by more 96 percent to \$4,000,000,000 in
16 2020 from \$123,000,000,000 in 2018, depleting the
17 revenue stream for the Islamic Revolutionary Guard
18 Corps, Hezbollah, and Iranian-backed militias.

19 (24) During the maximum pressure campaign,
20 the United States was able to secure the release of
21 2 hostages in Iran, Xiyue Wang and Michael White,
22 without lifting sanctions or transferring cash to
23 Iran.

24 (25) President Joe Biden has reportedly offered
25 to lift sanctions, including sanctions on the Central

1 Bank of Iran, if the Government of Iran agrees to
2 return to the JCPOA.

3 **SEC. 3. SENSE OF CONGRESS.**

4 It is the sense of Congress that the United States
5 should not offer preemptive sanctions relief that benefits
6 Iran's oil industry, financial services sector, or supporters
7 of terrorism unless and until the Senate provides advice
8 and consent under section 2 of article II of the Constitu-
9 tion of the United States to a treaty addressing Iran's de-
10 stabilizing activities.

11 **SEC. 4. PROHIBITION ON SANCTIONS RELIEF FOR PETRO-**
12 **LEUM PURCHASES FROM IRAN.**

13 Section 1245(d) of the National Defense Authoriza-
14 tion Act for Fiscal Year 2012 (22 U.S.C. 8513a(d)) is
15 amended by striking paragraphs (4) and (5) and inserting
16 the following:

17 “(4) NO AUTHORITY TO WAIVE.—On and after
18 the date of the enactment of the Iran Sanctions
19 Preservation Act, the President may not issue any
20 waiver of sanctions with respect to or license to au-
21 thorize the purchase of petroleum or petroleum
22 products from Iran.”.

1 **SEC. 5. CONDITIONS ON SANCTIONS RELIEF FOR SUP-**
2 **PORTERS OF IRAN'S MALIGN ACTIVITIES.**

3 (a) IN GENERAL.—An Iranian person may not be re-
4 moved from the SDN list unless the President submits
5 to the appropriate congressional committees a certification
6 that the individual has not provided financial, material,
7 or technical support or contributions to—

8 (1) a terrorist organization or in support of ter-
9 rorism; or

10 (2) the development of nuclear weapons or their
11 means of delivery (including missiles capable of de-
12 livering such weapons) by the Government of Iran.

13 (b) FORM OF CERTIFICATION.—A certification under
14 subsection (a) shall be submitted in unclassified form but
15 may include a classified annex.

16 **SEC. 6. CONDITIONS ON SANCTIONS RELIEF FOR IRANIAN**
17 **FINANCIAL INSTITUTIONS.**

18 (a) CENTRAL BANK OF IRAN.—The Central Bank of
19 Iran may not be removed from the SDN list until the ter-
20 mination date described in section 8.

21 (b) IRANIAN FINANCIAL INSTITUTIONS.—An Iranian
22 financial institution may not be removed from the SDN
23 list unless the President submits to the appropriate con-
24 gressional committees a certification that the Iranian fi-
25 nancial institution has not facilitated a transaction or pro-
26 vided material support to—

- 1 (1) the Islamic Revolutionary Guard Corps;
- 2 (2) any foreign terrorist organization; or
- 3 (3) any Iranian person the property or interests
- 4 in property of which are blocked pursuant to the
- 5 International Emergency Economic Powers Act (50
- 6 U.S.C. 1701 et seq.).

7 (c) JURISDICTIONS OF PRIMARY MONEY LAUN-
 8 DERING CONCERN.—The designation of Iran as a jurisdic-
 9 tion of primary money laundering concern pursuant to sec-
 10 tion 5318A of title 31, United States Code, may not be
 11 revoked unless the President submits to the appropriate
 12 congressional committees a certification that Iran is no
 13 longer engaged in—

- 14 (1) any illicit financial activities, including sup-
 15 port for terrorism;
- 16 (2) nuclear proliferation activities; or
- 17 (3) ballistic missile acquisition or development.

18 (d) FORM OF CERTIFICATION.—A certification under
 19 subsection (b) or (c) shall be submitted in unclassified
 20 form but may include a classified annex.

21 **SEC. 7. SUPPORT FOR THE IRANIAN PEOPLE.**

22 It shall be the policy of the United States—

- 23 (1) to support the rights of the people of Iran
- 24 to exercise the freedom of speech, assembly, religion,
- 25 and the press;

1 (2) to condemn Iran’s destabilizing activities,
2 including the suppression of protests and demonstra-
3 tions in Iran;

4 (3) to promote a free and open internet in Iran
5 by supporting internet freedom programs and invest-
6 ing in firewall circumvention technologies;

7 (4) to defend the rights of women in Iran; and

8 (5) to hold leaders in Iran accountable for their
9 contributions to human rights crises throughout the
10 world, including in Iraq, Syria, Lebanon, Yemen,
11 Gaza, and Venezuela.

12 **SEC. 8. TERMINATION.**

13 The provisions of and amendments made by this Act
14 shall terminate on the date on which the Senate provides
15 advice and consent under section 2 of article II of the Con-
16 stitution of the United States to a treaty with Iran that
17 addresses Iran’s nuclear proliferation, development of bal-
18 listic missiles, and support for terrorism.

19 **SEC. 9. DEFINITIONS.**

20 In this Act:

21 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**
22 **TEES.**—The term “appropriate congressional com-
23 mittees” means—

1 (A) the Committee on Foreign Relations
2 and the Committee on Banking, Housing, and
3 Urban Affairs of the Senate; and

4 (B) the Committee on Foreign Affairs and
5 the Committee on Financial Services of the
6 House of Representatives.

7 (2) FOREIGN TERRORIST ORGANIZATION.—The
8 term “foreign terrorist organization” means an or-
9 ganization designated by the Secretary of State as a
10 foreign terrorist organization under section 219 of
11 the Immigration and Nationality Act (8 U.S.C.
12 1189).

13 (3) IRANIAN FINANCIAL INSTITUTION.—The
14 term “Iranian financial institution” has the meaning
15 given that term in section 104A(d) of the Com-
16 prehensive Iran Sanctions, Accountability, and Di-
17 vestment Act of 2010 (22 U.S.C. 8513b(d)).

18 (4) IRANIAN PERSON.—The term “Iranian per-
19 son” has the meaning given that term in section
20 1242 of the Iran Freedom and Counter-Proliferation
21 Act of 2012 (22 U.S.C. 8801).

22 (5) SDN LIST.—The term “SDN list” means
23 the list of specially designated nationals and blocked

- 1 persons maintained by the Office of Foreign Assets
- 2 Control of the Department of the Treasury.

