

by permitting an invigorated relationship in the field of nuclear cooperation, an area of critical importance given India's increasing energy demands.

I am hopeful that the nonproliferation measures in this legislation anchor India in the international nonproliferation framework by including: safeguards between India and the International Atomic Energy Agency (IAEA); end use monitoring of U.S. exports to India; and strengthening the Nuclear Suppliers Group, which are the group of countries that restrict nuclear proliferation throughout the world.

In addition, this legislation maintains Congressional oversight over the ongoing relationship of nuclear cooperation between the U.S. and India. We must continue to enhance our nonproliferation policy and bolster our argument that the rest of the world should agree to this robust inspection regime.

In conclusion, I support this legislation, and I urge my colleagues to do the same.

Mrs. BIGGERT. Mr. Speaker, I rise today in strong support of H.R. 7081, the United States-India Nuclear Cooperation Approval and Nonproliferation Enhancement Act. This landmark legislation will ensure India's continued access to safe, clean carbon-free nuclear power while guaranteeing, through international inspections, that India's nuclear ambitions remain peaceful.

Mr. Speaker, I have been a strong proponent of nuclear power because it is an efficient and inexpensive way to meet our growing energy needs. In fact, my state of Illinois derives 50% of its power from nuclear energy. In my district, Argonne National Laboratories has been at the cutting edge of the next generation of nuclear power.

Most recently, they have helped to develop an advanced nuclear reprocessing technology called UREX, which literally re-burns spent fuel to extract more energy. At the same time, it improves efficiency and vastly reduces the toxicity, volume, and danger of the final waste product.

As the global appetite for energy continues to a row, nuclear technology will become increasingly important if we are to meet this unprecedented demand. This agreement will allow India, which has one of the fastest growing economies in the world, access to advanced nuclear technology. Cheap and abundant nuclear power will ensure that their economy can continue to flourish, without the pollution that plagues many other rapidly modernizing nations.

This agreement also has built in safeguards to ensure that sensitive nuclear technology is not compromised. India has agreed to prevent any third-parties from accessing their nuclear technology and to allow international inspectors into 14 nuclear sites around the country to enforce this agreement. These provisions will ensure that sensitive nuclear info does not end up in the hands of terrorists or rogue nations that would seek to do us harm.

The United States and India have a long history of cooperation stretching back over half a century, and I am pleased that we can continue this productive partnership. I urge all of my colleagues to support this historic legislation.

Mr. CONYERS. Mr. Speaker, I rise in opposition today to the United States-India Nuclear Cooperation Approval and Nonproliferation Enhancement Act. If this body ratifies this agree-

ment today, it will be the first time that a country that is not a member of the Nonproliferation Treaty will have the benefits of nuclear trade without any of the responsibilities associated with possessing unstable, dangerous material on the planet.

Earlier this month, the Nuclear Suppliers Group made the ill-fated decision to approve an India-specific waiver from its guidelines requiring full-scope International Atomic Energy Agency safeguards as a condition for nuclear supply and trade. The decision ends the 34-year global ban on nuclear trade with India, a nation which has defied international norms regarding responsible and acceptable nuclear energy use.

Now, the Bush Administration is attempting bilateral deal with India that would exacerbate and codify the NSG's mistake. Under the deal, India would only have to separate its unregulated military and regulated civilian nuclear programs, not cease the pursuit of additional nuclear weapons. Additionally, India is allowed to keep 1,000 bombs worth of nuclear material outside of IAEA safeguards. In other words, by agreeing to provide material to satisfy India's civilian nuclear needs, America would be freeing up unregulated material for use in its military bomb production program.

How a deal like this brings India into conformance with international norms of state nonproliferation behavior—something the administration claims—is beyond me. Freeing up more unregulated nuclear material for bomb making doesn't sound like a safety measure. It sounds like a recipe for irresponsible use.

The economic benefits of this deal have also been greatly exaggerated by the Bush Administration. Russia and other regional states are already actively negotiating supply deals with India; leaving little opportunity for US energy companies half a world away.

However, more important than the potential economic aspects of the deal for our domestic energy production industry, or even the increased ability of India to create nuclear weapons, is the drastic effect the deal would have on the Nuclear Nonproliferation Treaty, one of the most sacrosanct and honored multilateral agreements in international law.

The NPT is the single most effective bulwark against the spread of nuclear weapons materials and technology. The treaty currently has 189 signatories and only four non-signatories. Under the treaty, NPT countries which possess nuclear weapons agree not to share weapon making materials or information. Similarly, NPT countries without weapons agree not to pursue these materials or information.

By agreeing to supply a nation that has not agreed to abide by these solemn pledges, this agreement would blow a hole in the NPT. Previously, our government required states to sign the NPT if they wanted to engage in nuclear trade with us. With this deal, the leverage inherent in that tradeoff will be gone. What moral authority will we or the international community have over Iran, or any other NPT signatory for that matter, if it actively seeks nuclear materials in violation of the treaty?

In the waning days of an administration that has shredded international law and our credibility around the world, why is this body prepared today to add to this tarnished legacy? Let there be no doubt, a vote for this bill is a vote for a more dangerous world. For the sake of peace and the sanctity of the rule of law, I encourage my colleagues to oppose the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. BERMAN) that the House suspend the rules and pass the bill, H.R. 7081.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. MARKEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### COMPREHENSIVE IRAN SANCTIONS, ACCOUNTABILITY, AND DIVESTMENT ACT OF 2008

Mr. BERMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7112) to impose sanctions with respect to Iran, to provide for the divestment of assets in Iran by State and local governments and other entities, and to identify locations of concern with respect to transshipment, re-exportation, or diversion of certain sensitive items to Iran.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 7112

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2008".

(a) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.  
Sec. 2. Support for diplomatic efforts relating to preventing Iran from acquiring nuclear weapons.

#### TITLE I—SANCTIONS

Sec. 101. Definitions.  
Sec. 102. Clarification and expansion of definitions.  
Sec. 103. Economic sanctions relating to Iran.  
Sec. 104. Liability of parent companies for violations of sanctions by foreign subsidiaries.  
Sec. 105. Increased capacity for efforts to combat unlawful or terrorist financing.  
Sec. 106. Reporting requirements.  
Sec. 107. Sense of Congress regarding the imposition of sanctions on the Central Bank of Iran.  
Sec. 108. Rule of construction.  
Sec. 109. Temporary increase in fee for certain consular services.

#### TITLE II—DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN

Sec. 201. Definitions.  
Sec. 202. Authority of State and local governments to divest from certain companies that invest in Iran.  
Sec. 203. Safe harbor for changes of investment policies by asset managers.  
Sec. 204. Sense of Congress regarding certain ERISA plan investments.

#### TITLE III—PREVENTION OF TRANSHIPMENT, REEXPORTATION, OR DIVERSION OF SENSITIVE ITEMS TO IRAN

Sec. 301. Definitions.

- Sec. 302. Identification of locations of concern with respect to transshipment, reexportation, or diversion of certain items to Iran.
- Sec. 303. Destinations of Possible Diversion Concern and Destinations of Diversion Concern.
- Sec. 304. Report on expanding diversion concern system to countries other than Iran.

#### TITLE IV—EFFECTIVE DATE; SUNSET

Sec. 401. Effective date; sunset.

#### SEC. 2. SUPPORT FOR DIPLOMATIC EFFORTS RELATING TO PREVENTING IRAN FROM ACQUIRING NUCLEAR WEAPONS.

(a) SUPPORT FOR INTERNATIONAL DIPLOMATIC EFFORTS.—It is the sense of the Congress that—

(1) the United States should use diplomatic and economic means to resolve the Iranian nuclear problem;

(2) the United States should continue to support efforts in the International Atomic Energy Agency and the United Nations Security Council to bring about an end to Iran's uranium enrichment program and its nuclear weapons program; and

(3)(A) United Nations Security Council Resolution 1737 was a useful first step toward pressing Iran to end its nuclear weapons program; and

(B) in light of Iran's continued defiance of the international community, the United Nations Security Council should adopt additional measures against Iran, including measures to prohibit investments in Iran's energy sector.

(b) PEACEFUL EFFORTS BY THE UNITED STATES.—Nothing in this Act shall be construed as authorizing the use of force or the use of the United States Armed Forces against Iran.

#### TITLE I—SANCTIONS

##### SEC. 101. DEFINITIONS.

In this title:

(1) AGRICULTURAL COMMODITY.—The term "agricultural commodity" has the meaning given that term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" has the meaning given that term in section 14(2) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(3) EXECUTIVE AGENCY.—The term "executive agency" has the meaning given that term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

(4) FAMILY MEMBER.—The term "family member" means, with respect to an individual, the spouse, children, grandchildren, or parents of the individual.

(5) INFORMATION AND INFORMATIONAL MATERIALS.—The term "information and informational materials"—

(A) means information and informational materials described in section 203(b)(3) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(3)); and

(B) does not include information or informational materials—

(i) the exportation of which is otherwise controlled—

(I) under section 5 of the Export Administration Act of 1979 (50 U.S.C. App. 2404) (as in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)); or

(II) under section 6 of that Act (50 U.S.C. App. 2405), to the extent that such controls promote the nonproliferation or antiterrorism policies of the United States; or

(ii) with respect to which acts are prohibited by chapter 37 of title 18, United States Code.

(6) INVESTMENT.—The term "investment" has the meaning given that term in section 14(9) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(7) IRANIAN DIPLOMATS AND REPRESENTATIVES OF OTHER GOVERNMENT AND MILITARY OR QUASI-GOVERNMENTAL INSTITUTIONS OF IRAN.—The term "Iranian diplomats and representatives of other government and military or quasi-governmental institutions of Iran" has the meaning given that term in section 14(11) of the Iran Sanctions Act of 1996 (50 U.S.C. 1701 note).

(8) MEDICAL DEVICE.—The term "medical device" has the meaning given the term "device" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(9) MEDICINE.—The term "medicine" has the meaning given the term "drug" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

##### SEC. 102. CLARIFICATION AND EXPANSION OF DEFINITIONS.

(a) PERSON.—Section 14(13)(B) of the Iran Sanctions Act of 1996 (50 U.S.C. 1701 note) is amended—

(1) by inserting "financial institution, insurer, underwriter, guarantor, and any other business organization, including any foreign subsidiary, parent, or affiliate of the foregoing," after "trust,"; and

(2) by inserting " , such as an export credit agency" before the semicolon.

(b) PETROLEUM RESOURCES.—Section 14(14) of the Iran Sanctions Act of 1996 (50 U.S.C. 1701 note) is amended to read as follows:

"(14) PETROLEUM RESOURCES.—

"(A) PETROLEUM RESOURCES.—The term "petroleum resources" includes petroleum, petroleum by-products, oil or liquefied natural gas, oil or liquefied natural gas tankers, and products used to construct or maintain pipelines used to transport oil or compressed or liquefied natural gas.

"(B) PETROLEUM BY-PRODUCTS.—The term "petroleum by-products" means gasoline, kerosene, distillates, propane or butane gas, diesel fuel, residual fuel oil, and other goods classified in headings 2709 and 2710 of the Harmonized Tariff Schedule of the United States."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 120 days after the date of the enactment of this Act.

##### SEC. 103. ECONOMIC SANCTIONS RELATING TO IRAN.

(a) IN GENERAL.—Notwithstanding any other provision of law, and in addition to any other sanction in effect, beginning on the date that is 120 days after the date of the enactment of this Act, the economic sanctions described in subsection (b) shall apply with respect to Iran.

(b) SANCTIONS.—The sanctions described in this subsection are the following:

(1) PROHIBITION ON IMPORTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no article of Iranian origin may be imported directly or indirectly into the United States.

(B) EXCEPTION.—The prohibition in subparagraph (A) does not apply to imports from Iran of information and informational materials.

(2) PROHIBITION ON EXPORTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no article of United States origin may be exported directly or indirectly to Iran.

(B) EXCEPTIONS.—The prohibition in subparagraph (A) does not apply to exports to Iran of—

(i) agricultural commodities, food, medicine, or medical devices;

(ii) articles exported to Iran to provide humanitarian assistance to the people of Iran;

(iii) information or informational materials; or

(iv) goods, services, or technologies necessary to ensure the safe operation of commercial passenger aircraft produced in the United States if the exportation of such goods, services, or technologies is approved by the Secretary of the Treasury, in consultation with the Secretary of Commerce, pursuant to regulations for licensing the exportation of such goods, services, or technologies, if appropriate.

(3) FREEZING ASSETS.—

(A) IN GENERAL.—At such time as the United States has access to the names of persons in Iran, including Iranian diplomats and representatives of other government and military or quasi-governmental institutions of Iran, that are determined to be subject to sanctions imposed under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) or any other provision of law relating to the imposition of sanctions with respect to Iran, the President shall take such action as may be necessary to freeze immediately the funds and other assets belonging to any person so named, and any family members or associates of those persons so named to whom assets or property of those persons so named were transferred on or after January 1, 2008. The action described in the preceding sentence includes requiring any United States financial institution that holds funds and assets of a person so named to report promptly to the Office of Foreign Assets Control information regarding such funds and assets.

(B) ASSET REPORTING REQUIREMENT.—Not later than 14 days after a decision is made to freeze the property or assets of any person under this paragraph, the President shall report the name of such person to the appropriate congressional committees.

(4) UNITED STATES GOVERNMENT CONTRACTS.—The head of an executive agency may not procure, or enter into a contract for the procurement of, any goods or services from a person that meets the criteria for the imposition of sanctions under section 5(a) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(c) WAIVER.—The President may waive the application of the sanctions described in subsection (b) if the President—

(1) determines that such a waiver is in the national interest of the United States; and

(2) submits to the appropriate congressional committees a report describing the reasons for the determination.

##### SEC. 104. LIABILITY OF PARENT COMPANIES FOR VIOLATIONS OF SANCTIONS BY FOREIGN SUBSIDIARIES.

(a) DEFINITIONS.—In this section:

(1) ENTITY.—The term "entity" means a partnership, association, trust, joint venture, corporation, or other organization.

(2) OWN OR CONTROL.—The term "own or control" means, with respect to an entity—

(A) to hold more than 50 percent of the equity interest by vote or value in the entity;

(B) to hold a majority of seats on the board of directors of the entity; or

(C) to otherwise control the actions, policies, or personnel decisions of the entity.

(3) SUBSIDIARY.—The term "subsidiary" means an entity that is owned or controlled, directly or indirectly, by a United States person.

(4) UNITED STATES PERSON.—The term "United States person" means—

(A) a natural person who is a citizen, resident, or national of the United States; and

(B) an entity that is organized under the laws of the United States, any State or territory thereof, or the District of Columbia, if natural persons described in subparagraph (A) own or control the entity.

(b) IN GENERAL.—A United States person shall be subject to a penalty for a violation of the provisions of Executive Order 12959 (50 U.S.C. 1701 note) or Executive Order 13059 (50 U.S.C. 1701 note), or any other prohibition on transactions with respect to Iran imposed under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), if—

(1) the President determines that the United States person establishes or maintains a subsidiary outside of the United States for the purpose of circumventing such provisions; and

(2) that subsidiary engages in an act that, if committed in the United States or by a United States person, would violate such provisions.

(c) WAIVER.—The President may waive the application of subsection (b) if the President—

(1) determines that such a waiver is in the national interest of the United States; and

(2) submits to the appropriate congressional committees a report describing the reasons for the determination.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Subsection (b) shall take effect on the date of the enactment of this Act and apply with respect to acts described in subsection (b)(2) that are—

(A) commenced on or after the date of the enactment of this Act; or

(B) except as provided in paragraph (2), commenced before such date of enactment, if such acts continue on or after such date of enactment.

(2) EXCEPTION.—Subsection (b) shall not apply with respect to an act described in paragraph (1)(B) by a subsidiary owned or controlled by a United States person if the United States person divests or terminates its business with the subsidiary not later than 90 days after such date of enactment.

**SEC. 105. INCREASED CAPACITY FOR EFFORTS TO COMBAT UNLAWFUL OR TERRORIST FINANCING.**

(a) FINDING.—Congress finds that the work of the Office of Terrorism and Financial Intelligence of the Department of the Treasury, which includes the Office of Foreign Assets Control and the Financial Crimes Enforcement Network, is critical to ensuring that the international financial system is not used for purposes of supporting terrorism and developing weapons of mass destruction.

(b) AUTHORIZATION OF APPROPRIATIONS FOR OFFICE OF TERRORISM AND FINANCIAL INTELLIGENCE.—There is authorized to be appropriated to the Secretary of the Treasury for the Office of Terrorism and Financial Intelligence—

(1) \$61,712,000 for fiscal year 2009; and

(2) such sums as may be necessary for each of fiscal years 2010 and 2011.

(c) AUTHORIZATION OF APPROPRIATIONS FOR THE FINANCIAL CRIMES ENFORCEMENT NETWORK.—Section 310(d)(1) of title 31, United States Code, is amended by striking “such sums as may be necessary for fiscal years 2002, 2003, 2004, and 2005” and inserting “\$91,335,000 for fiscal year 2009 and such sums as may be necessary for each of fiscal years 2010 and 2011”.

**SEC. 106. REPORTING REQUIREMENTS.**

(a) FOREIGN INVESTMENT IN IRAN.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report on—

(A) any foreign investments of \$20,000,000 or more made in Iran’s energy sector on or after January 1, 2008, and before the date on which the President submits the report; and

(B) the determination of the President on whether each such investment qualifies as a

sanctionable offense under section 5(a) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(2) SUBSEQUENT REPORTS.—Not later than 1 year after the date of the enactment of this Act, and every 180 days thereafter, the President shall submit to the appropriate congressional committees a report on—

(A) any foreign investments of \$20,000,000 or more made in Iran’s energy sector during the 180-day period preceding the submission of the report; and

(B) the determination of the President on whether each such investment qualifies as a sanctionable offense under section 5(a) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(b) FORM OF REPORTS.—The reports required under subsection (a) shall be submitted in unclassified form, but may contain a classified annex.

**SEC. 107. SENSE OF CONGRESS REGARDING THE IMPOSITION OF SANCTIONS ON THE CENTRAL BANK OF IRAN.**

Congress urges the President, in the strongest terms, to consider immediately using the authority of the President to impose sanctions on the Central Bank of Iran and any other Iranian bank engaged in proliferation activities or support of terrorist groups.

**SEC. 108. RULE OF CONSTRUCTION.**

Nothing in this title shall be construed to affect any provision of title I of the Iran Freedom Support Act (Public Law 109-293; 50 U.S.C. 1701 note).

**SEC. 109. TEMPORARY INCREASE IN FEE FOR CERTAIN CONSULAR SERVICES.**

(a) INCREASE IN FEE.—Notwithstanding any other provision of law, not later than 120 days after the date of the enactment of this Act, the Secretary of State shall increase by \$1.00 the fee or surcharge assessed under section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236; 8 U.S.C. 1351 note) over the amount of such fee or surcharge as of such date for processing machine readable non-immigrant visas and machine readable combined border crossing identification cards and nonimmigrant visas.

(b) DEPOSIT OF AMOUNTS.—Notwithstanding section 140(a)(2) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, fees collected under the authority of subsection (a) shall be deposited in the Treasury of the United States.

(c) DURATION OF INCREASE.—The fee increase authorized under subsection (a) shall terminate on the date that is nine months after the date on which such fee is first collected.

**TITLE II—DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN**

**SEC. 201. DEFINITIONS.**

In this title:

(1) ENERGY SECTOR.—The term “energy sector” refers to activities to develop petroleum or natural gas resources or nuclear power.

(2) FINANCIAL INSTITUTION.—The term “financial institution” has the meaning given that term in section 14(5) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(3) IRAN.—The term “Iran” includes any agency or instrumentality of Iran.

(4) PERSON.—The term “person” means—

(A) a natural person, corporation, company, business association, partnership, society, trust, or any other nongovernmental entity, organization, or group;

(B) any governmental entity or instrumentality of a government, including a multilateral development institution (as defined in section 1701(c)(3) of the International Financial Institutions Act (22 U.S.C. 262r(c)(3))); and

(C) any successor, subunit, parent company, or subsidiary of any entity described in subparagraph (A) or (B).

(5) STATE.—The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(6) STATE OR LOCAL GOVERNMENT.—The term “State or local government” includes—

(A) any State and any agency or instrumentality thereof;

(B) any local government within a State, and any agency or instrumentality thereof;

(C) any other governmental instrumentality; and

(D) any public institution of higher education within the meaning of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

**SEC. 202. AUTHORITY OF STATE AND LOCAL GOVERNMENTS TO DIVEST FROM CERTAIN COMPANIES THAT INVEST IN IRAN.**

(a) SENSE OF CONGRESS.—It is the sense of Congress that the United States Government should support the decision of any State or local government to divest from, or to prohibit the investment of assets of the State or local government in, a person that the State or local government determines poses a financial or reputational risk.

(b) AUTHORITY TO DIVEST.—Notwithstanding any other provision of law, a State or local government may adopt and enforce measures that meet the requirements of subsection (d) to divest the assets of the State or local government from, or prohibit investment of the assets of the State or local government in, any person that the State or local government determines, using credible information available to the public, engages in investment activities in Iran described in subsection (c).

(c) INVESTMENT ACTIVITIES DESCRIBED.—A person engages in investment activities in Iran described in this subsection if the person—

(1) has an investment of \$20,000,000 or more—

(A) in the energy sector of Iran; or

(B) in a person that provides oil or liquified natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquified natural gas, for the energy sector in Iran; or

(2) is a financial institution that extends \$20,000,000 or more in credit to another person, for 45 days or more, if that person will use the credit to invest in the energy sector in Iran.

(d) REQUIREMENTS.—The requirements referred to in subsection (b) that a measure taken by a State or local government must meet are the following:

(1) NOTICE.—The State or local government shall provide written notice to each person to which a measure is to be applied.

(2) TIMING.—The measure shall apply to a person not earlier than the date that is 90 days after the date on which written notice is provided to the person under paragraph (1).

(3) OPPORTUNITY FOR HEARING.—The State or local government shall provide an opportunity to comment in writing to each person to which a measure is to be applied. If the person demonstrates to the State or local government that the person does not engage in investment activities in Iran described in subsection (c), the measure shall not apply to the person.

(4) SENSE OF CONGRESS ON AVOIDING ERRONEOUS TARGETING.—It is the sense of Congress that a State or local government should not adopt a measure under subsection (b) with respect to a person unless the State or local government has made every effort to

avoid erroneously targeting the person and has verified that the person engages in investment activities in Iran described in subsection (c).

(e) NOTICE TO DEPARTMENT OF JUSTICE.—Not later than 30 days after adopting a measure pursuant to subsection (b), a State or local government shall submit written notice to the Attorney General describing the measure.

(f) NONPREEMPTION.—A measure of a State or local government authorized under subsection (b) is not preempted by any Federal law or regulation.

(g) DEFINITIONS.—In this section:

(1) INVESTMENT.—The “investment” of assets, with respect to a State or local government, includes—

(A) a commitment or contribution of assets;

(B) a loan or other extension of credit; and

(C) the entry into or renewal of a contract for goods or services.

(2) ASSETS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term “assets” refers to public monies and includes any pension, retirement, annuity, or endowment fund, or similar instrument, that is controlled by a State or local government.

(B) EXCEPTION.—The term “assets” does not include employee benefit plans covered by title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.).

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section applies to measures adopted by a State or local government before, on, or after the date of the enactment of this Act.

(2) NOTICE REQUIREMENTS.—Subsections (d) and (e) apply to measures adopted by a State or local government on or after the date of the enactment of this Act.

**SEC. 203. SAFE HARBOR FOR CHANGES OF INVESTMENT POLICIES BY ASSET MANAGERS.**

(a) IN GENERAL.—Section 13(c)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-13(c)(1)) is amended to read as follows:

“(1) IN GENERAL.—Notwithstanding any other provision of Federal or State law, no person may bring any civil, criminal, or administrative action against any registered investment company, or any employee, officer, director, or investment adviser thereof, based solely upon the investment company divesting from, or avoiding investing in, securities issued by persons that the investment company determines, using credible information available to the public—

“(A) conduct or have direct investments in business operations in Sudan described in section 3(d) of the Sudan Accountability and Divestment Act of 2007 (50 U.S.C. 1701 note); or

“(B) engage in investment activities in Iran described in section 202(c) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2008.”

(b) SEC REGULATIONS.—Not later than 120 days after the date of the enactment of this Act, the Securities and Exchange Commission shall issue any revisions the Commission determines to be necessary to the regulations requiring disclosure by each registered investment company that divests itself of securities in accordance with section 13(c) of the Investment Company Act of 1940 to include divestments of securities in accordance with paragraph (1)(B) of such section, as added by subsection (a).

**SEC. 204. SENSE OF CONGRESS REGARDING CERTAIN ERISA PLAN INVESTMENTS.**

It is the sense of Congress that a fiduciary of an employee benefit plan, as defined in section 3(3) of the Employee Retirement In-

come Security Act of 1974 (29 U.S.C. 1002(3)), may divest plan assets from, or avoid investing plan assets in, any person the fiduciary determines engages in investment activities in Iran described in section 202(c) of this title, without breaching the responsibilities, obligations, or duties imposed upon the fiduciary by section 404 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104), if—

(1) the fiduciary makes such determination using credible information that is available to the public; and

(2) such divestment or avoidance of investment is conducted in accordance with section 2509.94-1 of title 29, Code of Federal Regulations (as in effect on the day before the date of the enactment of this Act).

**TITLE III—PREVENTION OF TRANSSHIPMENT, REEXPORTATION, OR DIVERSION OF SENSITIVE ITEMS TO IRAN**

**SEC. 301. DEFINITIONS.**

In this title:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate; and

(B) the Committee on Financial Services, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) END-USER.—The term “end-user” means an end-user as that term is used in the Export Administration Regulations.

(3) ENTITY OWNED OR CONTROLLED BY THE GOVERNMENT OF IRAN.—The term “entity owned or controlled by the Government of Iran” includes—

(A) any corporation, partnership, association, or other entity in which the Government of Iran owns a majority or controlling interest; and

(B) any entity that is otherwise controlled by the Government of Iran.

(4) EXPORT ADMINISTRATION REGULATIONS.—The term “Export Administration Regulations” means subchapter C of chapter VII of title 15, Code of Federal Regulations.

(5) GOVERNMENT.—The term “government” includes any agency or instrumentality of a government.

(6) IRAN.—The term “Iran” includes any agency or instrumentality of Iran.

(7) STATE SPONSOR OF TERRORISM.—The term “state sponsor of terrorism” means any country the government of which the Secretary of State has determined, pursuant to—

(A) section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)) (or any successor thereto),

(B) section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)), or

(C) section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)),

is a government that has repeatedly provided support for acts of international terrorism.

(8) TRANSSHIPMENT, REEXPORTATION, OR DIVERSION.—The term “transshipment, reexportation, or diversion” means the exportation, directly or indirectly, by any means, of items that originated in the United States to an end-user whose identity cannot be verified or to an entity owned or controlled by the Government of Iran in violation of the laws or regulations of the United States, including by—

(A) shipping such items through 1 or more foreign countries; or

(B) by using false information regarding the country of origin of such items.

**SEC. 302. IDENTIFICATION OF LOCATIONS OF CONCERN WITH RESPECT TO TRANSSHIPMENT, REEXPORTATION, OR DIVERSION OF CERTAIN ITEMS TO IRAN.**

Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the Director of National Intelligence shall submit to the Secretary of Commerce, the Secretary of State, the Secretary of the Treasury, and the appropriate congressional committees a report that identifies all countries that the Director determines are of concern with respect to transshipment, reexportation, or diversion of items subject to the provisions of the Export Administration Regulations to an entity owned or controlled by the Government of Iran.

**SEC. 303. DESTINATIONS OF POSSIBLE DIVERSION CONCERN AND DESTINATIONS OF DIVERSION CONCERN.**

(a) DESTINATIONS OF POSSIBLE DIVERSION CONCERN.—

(1) DESIGNATION.—The Secretary of Commerce shall designate a country as a Destination of Possible Diversion Concern if the Secretary, in consultation with the Secretary of State and the Secretary of the Treasury, determines that such designation is appropriate to carry out activities to strengthen the export control systems of that country based on criteria that include—

(A) the volume of items that originated in the United States that are transported through the country to end-users whose identities cannot be verified;

(B) the inadequacy of the export and reexport controls of the country;

(C) the unwillingness or demonstrated inability of the government of the country to control diversion activities; and

(D) the unwillingness or inability of the government of the country to cooperate with the United States in interdiction efforts.

(2) STRENGTHENING EXPORT CONTROL SYSTEMS OF DESTINATIONS OF POSSIBLE DIVERSION CONCERN.—If the Secretary of Commerce designates a country as a Destination of Possible Diversion Concern under paragraph (1), the United States shall initiate government-to-government activities described in paragraph (3) to strengthen the export control systems of the country.

(3) GOVERNMENT-TO-GOVERNMENT ACTIVITIES DESCRIBED.—The government-to-government activities described in this paragraph include—

(A) cooperation by agencies and departments of the United States with counterpart agencies and departments in a country designated as a Destination of Possible Diversion Concern under paragraph (1) to—

(i) develop or strengthen export control systems in the country;

(ii) strengthen cooperation and facilitate enforcement of export control systems in the country; and

(iii) promote information and data exchanges among agencies of the country and with the United States; and

(B) efforts by the Office of International Programs of the Department of Commerce to strengthen the export control systems of the country to—

(i) facilitate legitimate trade in high-technology goods; and

(ii) prevent terrorists and state sponsors of terrorism, including Iran, from obtaining nuclear, biological, and chemical weapons, defense technologies, components for improvised explosive devices, and other defense items.

(b) DESTINATIONS OF DIVERSION CONCERN.—

(1) DESIGNATION.—The Secretary of Commerce shall designate a country as a Destination of Diversion Concern if the Secretary, in consultation with the Secretary of

State and the Secretary of the Treasury, determines—

(A) that the government of the country is directly involved in transshipment, reexportation, or diversion of items that originated in the United States to end-users whose identities cannot be verified or to entities owned or controlled by the Government of Iran; or

(B) 12 months after the Secretary of Commerce designates the country as a Destination of Possible Diversion Concern under subsection (a)(1), that the country has failed—

(i) to cooperate with the government-to-government activities initiated by the United States under subsection (a)(2); or

(ii) based on the criteria described in subsection (a)(1), to adequately strengthen the export control systems of the country.

(2) LICENSING CONTROLS WITH RESPECT TO DESTINATIONS OF DIVERSION CONCERN.—

(A) REPORT ON SUSPECT ITEMS.—

(i) IN GENERAL.—Not later than 45 days after the date of the enactment of this Act, the Secretary of Commerce, in consultation with the Director of National Intelligence, the Secretary of State, and the Secretary of the Treasury, shall submit to the appropriate congressional committees a report containing a list of items that, if the items were transshipped, reexported, or diverted to Iran, could contribute to—

(I) Iran obtaining nuclear, biological, or chemical weapons, defense technologies, components for improvised explosive devices, or other defense items; or

(II) support by Iran for acts of international terrorism.

(ii) CONSIDERATIONS FOR LIST.—In developing the list required under clause (i), the Secretary of Commerce shall consider—

(I) the items subject to licensing requirements under section 742.8 of title 15, Code of Federal Regulations (or any corresponding similar regulation or ruling) and other existing licensing requirements; and

(II) the items added to the list of items for which a license is required for exportation to North Korea by the final rule of the Bureau of Export Administration of the Department of Commerce issued on June 19, 2000 (65 Fed. Reg. 38148; relating to export restrictions on North Korea).

(B) LICENSING REQUIREMENT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Commerce shall require a license to export an item on the list required under subparagraph (A)(i) to a country designated as a Destination of Diversion Concern.

(3) WAIVER.—The President may waive the imposition of the licensing requirement under paragraph (2)(B) with respect to a country designated as a Destination of Diversion Concern if the President—

(A) determines that such a waiver is in the national interest of the United States; and

(B) submits to the appropriate congressional committees a report describing the reasons for the determination.

(C) TERMINATION OF DESIGNATION.—The designation of a country as a Destination of Possible Diversion Concern or a Destination of Diversion Concern shall terminate on the date on which the Secretary of Commerce determines, based on the criteria described in subparagraphs (A) through (D) of subsection (a)(1), and certifies to Congress and the President that the country has adequately strengthened the export control systems of the country to prevent transshipment, reexportation, and diversion of items through the country to end-users whose identities cannot be verified or to entities owned or controlled by the Government of Iran.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such

sums as may be necessary to carry out this section.

**SEC. 304. REPORT ON EXPANDING DIVERSION CONCERN SYSTEM TO COUNTRIES OTHER THAN IRAN.**

Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence, in consultation with the Secretary of Commerce, the Secretary of State, and the Secretary of the Treasury, shall submit to the appropriate congressional committees a report that—

(1) identifies any country that the Director determines may be transshipping, reexporting, or diverting items subject to the provisions of the Export Administration Regulations to another country if such other country—

(A) is seeking to obtain nuclear, biological, or chemical weapons, defense technologies, components for improvised explosive devices, or other defense items; or

(B) provides support for acts of international terrorism; and

(2) assesses the feasibility and advisability of expanding the system established under section 303 for designating countries as Destinations of Possible Diversion Concern and Destinations of Diversion Concern to include countries identified under paragraph (1).

**TITLE IV—EFFECTIVE DATE; SUNSET**

**SEC. 401. EFFECTIVE DATE; SUNSET.**

(a) EFFECTIVE DATE.—Except as provided in sections 102, 103, 104 and 202, this Act and the amendments made by this Act take effect on the date of the enactment of this Act.

(b) SUNSET.—The provisions of this Act shall terminate on the date that is 30 days after the date on which the President certifies to Congress that—

(1) the Government of Iran has ceased providing support for acts of international terrorism and no longer satisfies the requirements for designation as a state sponsor of terrorism under—

(A) section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)) (or any successor thereto);

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

(C) section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)); and

(2) Iran has ceased the pursuit, acquisition, and development of nuclear, biological, and chemical weapons and ballistic missiles and ballistic missile launch technology.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. BERMAN) and the gentlewoman from Florida (Ms. ROSLEHTINEN) each will control 20 minutes.

The Chair recognizes the gentleman from California.

**GENERAL LEAVE**

Mr. BERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BERMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, preventing Iran from becoming a nuclear power, to me, is one of the great national security challenges of our age. A nuclear-armed, fundamentalist Iran would become the dominant power in its region. The global nonproliferation regime would crum-

ble. Already today we know that many of Iran's neighbors are contemplating their own nuclear programs. And can anyone be sure that Iran, with a leader who speaks like he speaks now, would not resort to either the use of nuclear weapons or to the handoff of those weapons to terrorist organizations?

The sanctions that the United States and the international community have thus far placed on Iran have squeezed Iran's economy somewhat, but clearly not enough to slow down its nuclear program. The present strategy is not working. I'm disappointed—and I believe the Iranian regime is surely heartened—by the failure of the administration's program to produce the kinds of results we need regarding Iran's nuclear program.

We need to make our foreign policy priorities clear. And Iran must be at the very top of the agenda in all our dealings with other countries. Sanctions will never work unless we have buy-in and support from other key countries. And if the process of achieving that buy-in requires us to engage directly with Iran, that is certainly something we should do.

Two months ago, the Permanent Members of the U.N. Security Council and Germany offered Iran all kinds of generous incentives to persuade it to suspend its uranium enrichment program. Just for the sake of initiating further talks on this package, they offered what they called a "freeze-for-freeze," meaning we will agree not to pursue further sanctions for 6 weeks and Iran agrees not to increase the number of its centrifuges. But these offers weren't good enough for Iran, which responded only with a noncommittal letter.

If Iran won't change its behavior as a result of the sanctions the international community has already imposed, and if it won't change its behavior as a result of the generous incentives package offered in Geneva, then we should be pursuing tougher and more meaningful sanctions.

The legislation before us won't put an end to Iran's nuclear program, but it may help to slow it down. It will send a strong signal to Tehran that the U.S. Congress views this matter with urgency. And it will send a message to companies and countries that invest or consider investing in Iran's energy sector.

□ 1945

This bill before us contains a somewhat diluted version of two measures put together in the other body that had previously been passed by the House by votes of 397-16 and 408-6.

This legislation would codify and expand export and import bans on goods to and from Iran. It would freeze assets in the U.S. held by Iranians closely tied to the regime. It would render sanctionable a U.S. parent company if that parent company uses a foreign subsidiary to circumvent sanctions. It expands the Iran Sanctions Act to

cover not only oil and all natural gas but related industries. It authorizes State and local governments in the United States to divest from any company that invests \$20 million or more in Iran's energy sector. It increases U.S. export controls on countries that are directly involved in trans-shipment or illegal diversion of sensitive technologies to Iran. And it requires the administration to report all foreign investments of \$20 million or more made in Iran's energy sector, an action which they have not done notwithstanding the existing law, and determining whether each such investment qualifies as sanctionable.

Since 1996, the executive branch has never implemented the sanctions in the Iran Sanctions Act, even though well over a dozen sanctionable investment deals have been concluded with Iran by international companies. The administration hasn't even made a determination as to whether any of those investors are sanctionable. This bill will close that loophole.

This legislation before us also reaffirms our Nation's commitment to multilateral diplomacy to increase pressure on Iran to give up its nuclear weapons program, and it exclusively states that nothing in this act authorizes the use of force.

Based on previous votes, this body is committed to ending Iran's illicit nuclear program by taking measures that are peaceful but meaningful. I believe this legislation is a useful step forward toward that end.

I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to yield myself such time as I might consume.

Mr. Speaker, I rise in support of this measure, but with great reservations that this weak legislation will send a message to our enemies of a weakened U.S. position on the issue of Iran.

The Iranian threat to the United States, to our allies and to our interests could not be more apparent. Only last week the head of the International Atomic Energy Agency warned that Iran is probably carrying out secret nuclear activities. Then last Saturday the lead inspector for the Middle East shared with member nations of the IAEA extensive documentation of an Iranian effort to reconfigure the Shahab-3 long-range missile to carry a nuclear warhead. The range of these missiles reach Israel and most of the Middle East.

And this is a regime whose current leader, Ahmadinejad, has consistently called for the destruction of the Jewish State of Israel.

On October 26, 2005, at the World Without Zionism Conference in Tehran, the Iranian leader called for Israel to be "wiped off the map," described Israel as "a disgraceful blot on the face of the Islamic world" and declared that "anybody who recognizes Israel will burn in the fire of the Islamic nation's fury." Then on December 12, 2006, he addressed a conference in Tehran ques-

tioning the historical veracity of the Holocaust and said that Israel, again, would "soon be wiped out."

On Israel's 60th birthday, Ahmadinejad gave a speech in which, according to the official Iranian news agency, he stated that Israel was "on its way to total destruction."

In a public address which aired on the Iranian news channel on June 2 of this year, Ahmadinejad again called this "worm of corruption" in reference to Israel, to be wiped off. He further stated that while "some say the ideal of Greater Israel has expired, I say the idea of lesser Israel has expired too." And earlier this week at the United Nations, he continued to invoke anti-Israel and anti-Semitic canards when he stated "the dignity, integrity and rights of the European and American people are being played with by a small but deceitful number of people call Zionists. These nations are spending their dignity and resources on the crimes and the occupations and the threats of the Zionist network against their will."

But the threat is not just to our friend Israel. Iran is currently working on even longer-range missiles directly threatening critical U.S. interests. The importance and the urgency of strengthened sanctions was underlined just a few days ago, Mr. Speaker, when the European Union warned that Iran was approaching a nuclear weapons capability. The significance stems from the fact that the European Union has long insisted that the West and other countries focus their efforts on diplomacy to persuade Iran to suspend its nuclear program.

This is an acknowledgment that a strategy based on holding out an olive branch and engaging directly with the Iranian regime, while promising trade agreements and other benefits, has not worked and that more concrete economic pressure is needed to compel a change in regimes' behavior. Thus the evidence before us makes it clear that we must act quickly to impose the greatest pressure possible on the regime and its enablers.

Unfortunately, this bill does not do quite that, Mr. Speaker. My colleagues, you all know where I stand on Iran. Last Congress I authored the Iran Freedom Support Act which contained very tough and quite focused sanctions on the regime in Tehran. Our beloved late former chairman of the Foreign Affairs Committee, Tom Lantos, was the lead Democrat cosponsor, and the bill enjoyed the support of our current chairman, HOWARD BERMAN, my good friend, and 360 Members of the House.

The Iran Freedom Support Act was enacted into law 2 years ago almost to the day on September 30. Then when Chairman Lantos approached me last year and asked that I serve as the lead Republican cosponsor of H.R. 1400, the Iran Counter-Proliferation Act of 2007, I immediately agreed because H.R. 1400 truly does strengthen U.S. law and does tighten the economic noose around the regime's elites in Iran.

H.R. 1400 passed the House a year ago yesterday, September 25, 2007, by a vote of 397 in favor and only 16 against. Yet it has been stalled in the Senate all this time. Then we have Senate bill 970 which currently has the support of 73 Senators. However, action on these stronger bills was not to be. Instead, we have a bill which refers to certain sanctions already in place, and they call them "new" sanctions, and then refers to a handful of other important ones while providing a meager "national interest waiver."

What does this mean in practice, Mr. Speaker? The next President doesn't have to worry about actually implementing or applying these sanctions, as a "national interest waiver" has been easily justified by consecutive administrations to avoid implementing U.S. laws concerning state sponsors of terrorism, like Iran.

So rather than strengthening the sanctions structure, rather than limiting the President's flexibility, as we did 2 years ago in the Iran Freedom Support Act on proliferation-related sanctions by removing the waiver and on the Iran Sanctions Act by raising the threshold to "vital to the national security interests of the United States," the bill before us provides the weakest possible threshold.

I do not fault my good friend, Chairman BERMAN. I commend the chairman for his efforts. He is in a difficult situation, and this is as strong a bill as some of his colleagues will allow the House or the Senate to act on.

This bill is like one of the weak Iran resolutions that the United Nations Security Council keeps passing that allows Russia and China and others to go along with because they do nothing. In fact, just today, the U.N. Security Council moved a measure that contained no new sanctions but said that other Security Council resolutions on Iran are legally binding and must be carried out. That is almost exactly what the bill before us is going to do on the issue of sanctions.

Again, I do not understand why, at a time when the Iranian regime is crystal clear in accelerating its efforts to acquire a nuclear weapon, that we are not considering the Lantos Iran Counter-Proliferation Act or Senate bill 970.

Notably, this body has not even considered the Ackerman-Pence resolution, which has 275 cosponsors and is a strong, unequivocal message to the regime.

Yet, Mr. Speaker, despite the many deficiencies of this bill, I want to thank my friend, Chairman BERMAN, for adding a Rule of Construction to his version of the Dodd bill which states, "nothing in this Act shall be construed as affecting in any way any provision of the Iran Freedom Support Act of 2006, Public Law 109-293."

Since the legislation retains a "notwithstanding" clause for section 103, I hope that the Rule of Construction will be sufficient to prevent the unraveling

of sanctions codified 2 years ago. Additionally, Mr. Speaker, portions of section 104 are essentially a repetition of current law as section 2(f) of the Executive Order 13059 codified.

In this respect, Chairman BERMAN, I would appreciate or his substitute, Mr. ACKERMAN, clarification that the waiver in section 104 would not apply to sanctions already in place, even if these have been restated in the legislation.

Finally, Mr. Speaker, I appreciate that the reporting requirements have been strengthened with respect to investments in Iran's energy sector since January 1 of this year. However, I ask to add language to the bill before us that would amend current law and force a determination on whether foreign investments in Iran's energy sector violate the Iran Sanctions Act and whether sanctions should be implemented. My proposal was not limited to the last 9 months of activity or to simply reporting requirements. But this modification was not incorporated in the text that we are considering today.

Looking to other sections of this House version of the Dodd bill, there are provisions seeking to prevent the export or trans-shipment of U.S.-origin goods to Iran. Except for the language calling for the designation of a country as a Destination of Possible Diversion Concern, this bill duplicates most existing laws and regulations on these issues, as well as current U.S. Government programs. It does provide for the application of licensing controls to the countries designated, but immediately affords yet another mere "national interest waiver."

There are also stronger bills pending on the issue of trans-shipment, such as H.R. 6178, the Security Through Termination of Proliferation Act, or the STOP Act. And I hope that we can work together to move that legislation in the next Congress.

My good friend, HOWARD BERMAN, shares with me concerns about trans-shipment and diversion of sensitive materials and technology to Iran. We articulated them in our letter of February 5, 2008, a letter to Admiral McConnell, the Director of National Intelligence, raising these and many other vital issues.

Mr. Speaker, also on this issue I recently wrote to my chairman, HOWARD BERMAN, asking for greater scrutiny of foreign military financing, foreign military sales and direct commercial sales to countries that are a trans-shipment concern for U.S.-origin goods to Iran.

In closing, Mr. Speaker, despite my grave, serious and repeated reservations about this weak bill, I will vote for it, and I hope that the Iranian regime and its enablers do not see this as a sign of weakness on our part.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FOREIGN AFFAIRS,  
Washington, DC, February 5, 2008.  
Hon. J. MICHAEL MCCONNELL,  
Director of National Intelligence, Office of the  
Director of National Intelligence, Wash-  
ington, DC.

DEAR ADMIRAL MCCONNELL: We are writing to request an assessment of the export control regime in the United Arab Emirates (UAE), especially its effectiveness in preventing the export or transshipment of U.S.-origin goods to Iran. We are also interested in receiving information regarding broader efforts to implement U.S. sanctions against Iran.

As you are aware, Iran is the one of the UAE's largest trade partners. The UAE is also a world leader in the transshipments of goods from other countries, including the United States. We are concerned by reports that the international sanctions against Iran are being undermined by inadequate end-use controls in the UAE. Obviously, an effective export, re-export, and transshipment control regime in the UAE is a prerequisite to that country's ability to control transshipment of sensitive goods through its ports.

To enable the House Foreign Affairs Committee to better understand this issue, we request that you provide an assessment of the effectiveness of the UAE's existing export control regime and a translated copy of the UAE's new export control legislation. Among other subjects, the assessment should address overall effectiveness, obstacles to implementation, the extent to which the UAE has complied with U.S. requests to interdict and prevent shipments of concern, and the attitudes and records of specific UAE officials toward preventing exports or transshipments of items of proliferation concern to Iran or Iranian-controlled entities.

Additionally, we request that you provide the following information pertaining to broader U.S. efforts: the amount of goods seized, penalties imposed, and convictions obtained by U.S. authorities under the trade ban; the type and amount of U.S. sensitive items diverted to Iran through all transshipment points; the extent to which all repeat violators of U.S. Iran-specific sanctions laws have ended their sales of sensitive items to Iran; the total amount of assets frozen due to financial sanctions implemented by both the United States and other nations; and the total impact of U.S. bilateral sanctions on foreign investment in Iran's energy sector.

This assessment may be in classified form.

Thank you for your attention to our request.

Sincerely,

ILEANA ROS-LEHTINEN,  
Ranking Member,  
House Foreign Affairs Committee.

EDWARD R. ROYCE,  
Ranking Member, Sub-  
committee on Terror-  
ism, Nonprolifera-  
tion and Trade.

MIKE PENCE,  
Ranking Member, Sub-  
committee on the  
Middle East and  
South Asia.

TOM LANTOS,  
Chairman, House For-  
eign Affairs Com-  
mittee.

HOWARD L. BERMAN,  
Senior Member, House  
Foreign Affairs Com-  
mittee.

HOUSE OF REPRESENTATIVES  
COMMITTEE ON FOREIGN AFFAIRS,  
Washington, DC, September 11, 2008.  
Hon. HOWARD L. BERMAN,  
Chairman, House Committee on Foreign Affairs,  
2170 Rayburn House Office Building, Wash-  
ington, DC.

DEAR CHAIRMAN BERMAN: I am writing regarding the current status of our Foreign Military Financing, Foreign Military Sales, and Direct Commercial Sales approval process and criteria toward our Middle East allies. Specifically, I ask you to consider holding on approving the recently notified sale of Terminal High Altitude Air Defense units, missiles, radars, launchers, and related equipment to the United Arab Emirates; the proposed transfer of the AIM-9X Sidewinder air-to-air missile to the Kingdom of Saudi Arabia; and future sales to UAE, and Saudi Arabia until the Department of State and Department of Defense provide the Committee with a detailed written accounting of: (1) procedures for vetting recipient entities and individuals with access to the U.S. equipment proposed to be transferred; (2) procedures for U.S. Government post shipment verification; and (3) safeguards in place to prevent diversion to or sharing of technology with unintended recipients. Further, before clearance is granted for these and future sales, it is imperative that the pertinent USG agencies provide detailed written justification of: (1) how these transfers are necessary to protect U.S. assets and personnel in the region; (2) how they promote specific national security interests and priorities beyond a broad justification relating to the Iran threat; (3) steps undertaken by the recipient government to address such U.S. national security priorities as preventing the transshipment of U.S.-origin goods to Iran through UAE and the closing of madrassas and so-called Islamic charities in Saudi Arabia. Finally, we should require written assurances from the pertinent USG agencies that the provision of defensive weapons and technology cannot be used by our enemies to enhance their offensive capabilities.

Mr. Chairman, as you know, the United States is facing many challenges in the Middle East—a region described by security officials as the center of an "arc of instability." It is therefore incumbent upon us to work together to identify and address those variables that pose the preeminent threats to our nation's security, our interests, and our allies. Chief among these is Iran's development of conventional and unconventional capabilities—to include both symmetric and asymmetric threats to its neighbors, and, above all nuclear aspirations—aimed at establishing its hegemony in its immediate neighborhood and enhancing its role in the Middle East and beyond.

As a means to confront the Iranian threat, and other threats facing the region, we have provided congressional approval for significant new and increasingly sophisticated military sales to U.S. allies in the Persian Gulf region, as part of a broader American strategy aimed at containing Iranian influence by strengthening Iran's neighbors.

On balance, we recognize that the Foreign Military Financing, Foreign Military Sales, and Direct Commercial Sales programs represent a constructive element in a larger strategy to reassure our regional friends and deter Tehran. However, these arms sales and associated efforts cannot continue to be provided in a vacuum, nor should they be viewed by recipient nations as an entitlement. In this context, any long-term U.S. strategy to bolster Gulf security through such programs must include the following principles.

The first is that our Gulf allies cannot undermine the American position in the region—and with it vital U.S. national security objectives—while simultaneously relying on it. They cannot expect to receive such security guarantees to guard against a nuclear Iran if they: (1) fail to publicly support the U.S. and UN Security Council position that Iran must unconditionally cease its uranium enrichment and reprocessing activities and address all pending questions concerning its nuclear program; (2) fail to take steps to fully implement UNSC sanctions targeting the Iranian regime; and (3) are in violation of U.S. sanctions laws regarding Iran.

Second, out military assistance and sales to Saudi Arabia, Kuwait and the United Arab Emirates, in particular, and our regional allies in general, must be contingent upon their cooperation to combat extremists—both those that pose a threat to their governments and those who intend to harm the U.S. and its allies.

For example, combating terrorist financing is one of the most critical components of our anti-terror efforts in the region. Yet, significant concerns remain regarding fundraising activities, and the transfer of funds to terrorist organizations in countries such as Saudi Arabia, Kuwait, Qatar and the UAE, among others. In particular, the failure to address the financing of terrorist organizations such as Hamas directly impacts and undermines efforts to disrupt the same and similar networks that provide financing to al-Qaeda. Persons, governments and governing entities that actively or passively allow fundraising activities or the transfer of funds to terrorist organizations bear responsibility for the actions taken by terrorists themselves. As a result, Congress must expect these and other FMF, FMS and DCS recipients to show tangible progress towards addressing the concerns listed above, and ceasing other counterproductive actions.

The third principle is that the military sales component of this strategy must be accompanied by cooperation of the Gulf States with the U.S. and others in addressing critical challenges in the region. In this respect, we will expect GSD participant countries, support for and participation in U.S. and international non-proliferation and counter-terror policies and programs, such as the Proliferation Security Initiative.

The failure of GCC states to develop a proper degree of integration, interoperability and effectiveness in performing key military missions, in particular, remains a primary concern. Since the founding of the GCC, Gulf leaders have done little to reach beyond national boundaries and create effective deterrence and defense throughout the Gulf. They continue to buy more sophisticated weapons systems; but have failed to come to grips with the details of creating effective joint forces. This has been coupled with a de facto acceptance of dependence on the US, rather than efforts to create an effective partnership based on creating effective local deterrent and defense capabilities mixed with reinforcement and support by US forces. We must see demonstrative progress toward addressing these concerns if we are to approve the sale of future sophisticated weapons systems under these programs.

Third, we not-only remain concerned that prospective U.S. transfers of advanced military technologies could erode Israel's "qualitative edge" over its Arab neighbors, but that this hardware could be utilized against Israel or other U.S. allies in the event that a conflagration were to erupt within the region. We should not approve new sales of sophisticated defense technologies to the region without iron-clad guarantees on these two concerns.

Finally, current U.S. law bars American arms sales to any country that enforces the

primary and secondary Arab League boycott of Israel. While the provision has been waived for the Gulf states every year since enactment, we should insist on its full implementation.

Our allies in the region must show demonstrable progress on the above issues as a prerequisite to Committee approval of FMF, FMS and DCS programs and sales in the region. Thank you for your time and consideration, and I look forward to receiving your response.

Sincerely,

ILEANA ROS-LEHTINEN,

Ranking Member, House Committee on Foreign Affairs.

With that, Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. Without objection, the gentleman from New York will control the remaining time of the gentleman from California.

There was no objection.

Mr. ACKERMAN. Mr. Speaker, at this time I yield 4 minutes to the distinguished gentleman from Ohio, DENNIS KUCINICH.

Mr. KUCINICH. I thank the gentleman.

I rise in opposition. What we see here at work is the Bush administration's flawed national security doctrine. They are staging an attack on Iran. Their Navy is in the gulf. There have been overflights. There are covert operations and assassinations. The administration recently sent weapons to Israel which can be used for an attack on Iran: 1,000 so-called smart bombs, the GBU 39s, which could be used to attack the nuclear power sites that would produce a catastrophe, according to the Physicians for Social Responsibility report.

I believe it is adverse to the security of Israel to continue to follow the United States' current national security doctrine. And it's also adverse to continue to insist that nuclear power is to be equated with nuclear weapons.

Now, if we want diplomacy, and we should, we should be listening to five former Secretaries of State who have said that diplomacy is what we should pursue.

I would like to enter their names into the RECORD.

□ 2000

Sanctions are not to be confused with diplomacy, any more than war is to be confused with diplomacy. Nuclear power, I want to repeat, does not equate with a nuclear weapons program.

I want to cite our own CRS report which was given to the Congress on August 11, 2008, just a little more than a month ago, which cites the 2007 National Intelligence Estimate, that says according to the 2007 National Intelligence Estimate, and that is from December of 2007, "Iranian military entities were working under government direction to develop nuclear weapons" until fall 2003, but then halted its nuclear weapons program "primarily in response to international pressure."

I would like to enter the CRS report into the RECORD.

Furthermore, the International Atomic Energy Agency has recently released a report which states very clearly, and this report is 4 days ago, September 22, 2008, by the Director General, Mohamed ElBaradei, with respect to the implementation of safeguards in the Islamic Republic of Iran, "The Agency has been able to continue to verify the non-diversion of nuclear material in Iran." It goes on to say, "I note that the agency has not detected the usual use of nuclear material in connection with the alleged studies, nor does it have information apart from uranium metal document on the actual design or manufacture by Iran of nuclear material components of a nuclear weapon."

I would like to include this in the RECORD.

I would also like to include in the RECORD a quote from a piece by historian William Polk, who has said, "Ironically the U.S. has three times actually helped Iran move towards nuclear weapons. Under the Shah, the Nixon administration gave Iran a big push in that direction. Then 6 years ago in Operation Merlin, the CIA provided Iran with plans for the central explosive charge for a nuclear weapon. The idea was to mislead the Persians into working on an unworkable model for the bomb, but the ploy was so crude that Iran probably profited from it. Finally, it turns out the U.S. Department of Energy has been subsidizing Russian organizations that have been helping Iran's nuclear program."

Now, one of my many concerns with this legislation is it sanctions the Central Bank of Iran. In doing that, I raise a question with regard to our current liquidity problems on Wall Street, whether or not the sanctioning of Iran's Central Bank will be a problem for our own economy, as well as the sanctions here on oil transactions, which could affect the price of energy.

I want to submit this for the RECORD as well.

PRÉCIS OF UNDERSTANDING IRAN

(By William Polk, Historian)

Ironically, the U.S. has three times actually helped Iran move toward nuclear weapons: Under the Shah the Nixon administration gave Iran a big push in that direction; then six years ago in "Operation Merlin," the CIA provided Iran with plans for the central explosive charge for a nuclear weapon. The idea was to mislead the Persians into working on an unworkable approach to the bomb but the ploy was so crude that Iran probably profited from it. Finally, it turns out that the U.S. Department of Energy has been subsidizing Russian organizations that have been helping Iran's nuclear program.

CRS REPORT FOR CONGRESS: IRAN'S NUCLEAR PROGRAM: STATUS, UPDATED AUGUST 11, 2008

THE 2007 NATIONAL INTELLIGENCE ESTIMATE

According to the 2007 NIE, "Iranian military entities were working under government direction to develop nuclear weapons" until fall 2003, but then halted its nuclear weapons program "primarily in response to international pressure." The NIE defines "nuclear weapons program" as "Iran's nuclear weapon design and weaponization work



and covert uranium conversion-related and uranium enrichment-related work.”

5 FORMER SECRETARIES OF STATE URGE  
TALKS WITH IRAN

WASHINGTON (AP)—Five former secretaries of state, gathering to give their best advice to the next president, agreed Monday that the United States should talk to Iran.

The wide-ranging, 90-minute session in a packed auditorium at The George Washington University, produced exceptional unity among Madeleine Albright, Colin Powell, Warren Christopher, Henry A. Kissinger and James A. Baker.

INTRODUCTORY STATEMENT TO THE BOARD OF  
GOVERNORS

(By IAEA Director General Dr. Mohamed  
ElBaradei)

IMPLEMENTATION OF SAFEGUARDS IN THE  
ISLAMIC REPUBLIC OF IRAN

The Agency has been able to continue to verify the non-diversion of declared nuclear material in Iran. Regrettably, the Agency has not been able to make substantive progress on the alleged studies and associated questions relevant to possible military dimensions to Iran's nuclear programme. These remain of serious concern.

I note that the Agency has not detected the actual use of nuclear material in connection with the alleged studies, nor does it have information—apart from the uranium metal document—on the actual design or manufacture by Iran of nuclear material components of a nuclear weapon.

Ms. ROS-LEHTINEN. I continue to reserve, Mr. Speaker.

Mr. ACKERMAN. Mr. Speaker, I yield myself 3½ minutes.

Mr. Speaker, in considering this bill, this package of sanctions and divestment authorities for states and localities, we should keep foremost in our minds we are in a race. I am not referring to our upcoming elections, but rather the race between the civilized world and the nuclear ambitions of Iran.

One of us will win, and one will lose. If the world wins, Iran will not become a nuclear weapons state, there will not be a nuclear arms race in the Middle East and the nuclear Nonproliferation Treaty will not collapse. If Iran wins, the chief sponsor of terrorism in the Middle East, the patron of Hamas and Hezbollah, a hegemonic nation led by fanatical religious zealots will be able to threaten the global economy and the security of the United States and the civilized world from behind a nuclear shield.

And we are just about to lose this race. Iran is not only ahead, it is sprinting to the finish. Its proliferation potential is now a simple math problem. Iran is now producing 2.5 kilograms of low-enriched uranium per day, and has produced an estimated 200 to 250 kilograms of LEU just since this past May.

For a crash bomb program, Iran could use the LEU as feedstock, dramatically shortening the time to produce nuclear weapons grade uranium. With 700 to 800 kilograms of LEU set into centrifuges, Iran could produce the 20 to 25 kilograms of weapons-grade uranium required for a crude atomic

bomb. Other estimates suggest that 1,000 to 1,700 kilograms of LEU would be necessary. Regardless of whether it is 700 or 1,700 kilograms, Iranian proliferation is no longer a question of if, but when.

The President has known about this threat since day one. He has known, and done next to nothing. The Bush administration has adamantly refused to use existing U.S. sanction laws against foreign companies investing in Iran's oil sector. But far worse, the Bush administration has actively worked to stop Congress from adopting the tough and necessary legislation that we have before us today.

Why? Do they believe that the past 5 years of slow motion, U.S.-in-the-back-seat diplomacy is about to make a huge breakthrough? In the light of Russia's recent announcement that they have no intention of supporting additional UN Security Council sanctions in Iran, I would like someone to explain how this huge breakthrough is supposed to happen.

With our administration tied up in an ideological knot, opposed to U.S. sanctions and unwilling to engage effectively itself, the question for Congress is what can we do to stop Iran. With so little time, our thinking on this problem needs to change. Options that years ago may have seemed reckless, like sanctioning firms in allied countries and applying unilateral economic levers, now have become essential if we are going to be successful in peacefully getting Iran to back down.

Likewise, continuing doggedly with the current take-no-chances, small-carrots-and-no-sticks diplomacy which the Bush administration has insisted on, today looks like a roadmap to disaster.

Iranian proliferation is mere months away. That fact makes what is feckless, by definition, reckless. I am not calling for another war. I do not want air strikes or a blockade. I want to avoid all that. But if we don't want war, and we really don't want a nuclear Iran, then we have an obligation to use every peaceful, diplomatic, political and economic weapon at our disposal. If you don't want bombs, then you have to have an alternative, and that is sanctions. Abjuring sanctions is a de facto call to those who want arms.

I am very grateful to Chairman BERMAN and Ranking Member ROS-LEHTINEN for their efforts in bringing this critical package of sanctions of legislation to the floor today. It deserves the enthusiastic support of every Member of the House, and there isn't a moment to lose.

Ms. ROS-LEHTINEN. I reserve my time.

Mr. ACKERMAN. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. SHERMAN) from the Subcommittee on Terrorism, Nonproliferation, and Trade.

Mr. SHERMAN. Let me quickly respond to the comments of the gen-

tleman from Ohio. He can attack this bill as he will, except he cannot say that it is related to George Bush. Bush stalled and weakened this legislation throughout the 110th Congress. It would be law today without the opposition of the Bush administration.

He also tells us, he quotes from the NIE, that Iran seems to have suspended its weaponization program. Weaponization is the small, easy and delayable part of developing a nuclear weapon. The tough part is getting enough highly enriched uranium, and Iran is working full bore and proudly unveiled 3,000 and more centrifuges to do that. They can wait a couple of years, and then work on the engineering of how to take that enriched uranium and turn it into an atomic weapon, without delaying for a day the day they have become a nuclear power state.

I also want to agree with the ranking member when she states that this bill does not waive or make waivable any sanction in existing law. The sole purpose of this law is to increase and apply new sanctions to Iran, not to waive or make waivable any sanction under existing law.

The goal of this bill is to drive home to the people and elites of Iran that they face economic isolation if they do not abandon their nuclear program. But let's not exaggerate its impact. It is long overdue, modest steps in that direction.

The bill includes concepts from two important Iran sanctions bills that passed the House overwhelmingly in 2007. Within 6 months of our taking office, with the strong support of Speaker PELOSI and Majority Leader HOYER, under the leadership of Chairman LANTOS and Chairman FRANK, the House passed the two Iran sanctions bills that have become the centerpiece legislation of efforts on Iran in the 110th Congress: H.R. 1400, the Iran Counter-Proliferation Act, authored by the late Tom Lantos; and H.R. 2347, the Iran Sanctions Enabling Act, authored by Chairman FRANK and introduced in the Senate by Senator OBAMA.

We have worked over the opposition of the Bush administration to pass these bills through the House. Then they got bogged down in the Senate. Now the Senate, with Senators DODD and SHELBY, have reached consensus on an Iran package that encompasses the concepts in the House bills, though weakens them. This bill would already be in the Senate DOD authorization bill had a bipartisan consensus not broken down.

So now we have this imperfect bill which we need to enact, and hopefully the Senate will act on it in the next few days.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ACKERMAN. I yield the gentleman 1 additional minute.

Mr. SHERMAN. The bill takes important steps like reinforcing the embargo on Iranian goods. We don't import oil

from Iran. We only import the stuff that we don't need and they couldn't sell elsewhere. Unfortunately, this provision is waivable.

If it clarifies that a U.S. company, and I take some pride in authoring this provision, may not use its overseas subsidiaries to do business with Iran that it could not do on its own. Unfortunately, this provision is also waivable.

I would hope that people would understand, you get overwhelming rhetoric from the administration about how much they hate Ahmadinejad. The little secret is they have a love for the total independence of multinational oil corporations that exceeds their hatred of Ahmadinejad, and that is something the country does not understand. That is why the Bush administration has bottled up this legislation. We need to pass it now.

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to yield myself such time as I may consume.

I would like to point out that the reports that we are getting about the threat of a nuclear-powered Iran are coming from all corners of the world, and I would like to read just segments of the online edition of The Jerusalem Post posted by Herb Keinon. It says, "Military Intelligence: Iran Halfway to First Nuclear Bomb." It reads, "Iran is halfway to a nuclear bomb, and Hezbollah, Hamas and Syria are using this period of relative calm to significantly rearm."

This is according to the Head of Research from the Israeli Military Intelligence, and that is the information that he gave and he shared with members of the Israeli Cabinet and the Israeli Parliament on September 21st, in the Knesset. He said there was a growing gap between Iran's progress on the nuclear front and the determination of the West to stop it. A growing gap. Iran gets closer, our determination is stopped. Iran is concentrating on uranium enrichment and is making progress.

□ 2015

He noted that they have improved the function of their 4,000 centrifuges. According to this military intelligence head of research, Iranian centrifuges have so far produced between one-third to one-half of the enriched material that is needed to build a nuclear bomb. The time that they will have crossed the nuclear point of no return is fast approaching.

Although he stopped short of giving a firm deadline, last week in the Knesset's Foreign Affairs and Defense Committee, he put the date at 2011. Tick tock, the clock is ticking. He said that their confidence is growing with the thought that the international community is not strong enough to stop them. He said that the Iranians were playing for time and that time was working in their favor because the longer the process dragged on, the wider the rifts appearing among the

countries in the west, then Iran is in control of the technology and continues to move forward with determination toward a nuclear bomb.

In addition to their nuclear efforts, Iranians were also deepening their influence throughout the region, because they are cooperating with Syria. They are cooperating with the Palestinian terrorist organization, as well as being the main arms supplier to another terrorist group, Hezbollah.

While I appreciate the intentions of my good friend, Chairman BERMAN, this bill does fall far short of the type of comprehensive sanctions that would truly cripple the Iranian economy, which is dependent on investments in its energy sector. Setting aside the weakness of the bill regarding the U.S. direct sanctions on the regime, it does nothing tangible to force the executive branch's hand to fully implement the Iran Sanctions Act.

It could have, but language to include an automatic trigger for a determination of sanctions was not in place in this bill, and it was not to be. This bill had great promise. It does deliver on some of those promises. I wish that it could have gone further, but I hope that my colleagues will adopt this important bill tonight.

Mr. Speaker, I yield back the balance of our time.

Mr. ACKERMAN. Mr. Speaker, it is my pleasure to yield now to the gentleman from New York, the distinguished gentleman from the Subcommittee on the Western Hemisphere, Mr. ENGEL, 1 minute.

Mr. ENGEL. I thank my colleague and good friend from New York.

I rise to support this very important bill. Iran continues to defy Security Council resolutions by continuing to develop its nuclear program. The U.S. and our allies in the U.N. Security Council have recognized the danger that would be posed by a nuclear Iran and have repeatedly demanded that Iran suspend uranium enrichment.

To change Iran's course, the U.S. must increase pressure with every appropriate diplomatic and political tool. U.S. sanctions have already helped to discourage investment in Iran, and further pressure may yet convince the regime in Iran to comply with international obligations and drop its nuclear program.

This bill will counter Iran's illicit nuclear weapons program by sending a clear message that if Iran does not end its quest to obtain nuclear weapons, and its support for terrorism, it will face strong economic sanctions. The legislation imposes sanctions that will undercut Iran's nuclear program and support for terrorism.

Moreover, the legislation reaffirms our commitment to multilateral diplomacy to increase pressure on Iran to beef up its program. Finally, it explicitly states that nothing in the act authorizes the use of force against Iran.

I urge my colleagues to support this very important measure.

Mr. ACKERMAN. Mr. Speaker, it is now my pleasure to yield to the gentleman from California, the distinguished chairman of the full committee, Mr. HOWARD BERMAN.

The SPEAKER pro tempore. The gentleman from California is recognized for 1½ minutes.

Mr. BERMAN. Mr. Speaker, two issues: first, the gentelady has mentioned several times that this bill is not as strong as we wanted, and she is right. But it does many good things, many important things.

If we went on and fully extrapolated her comments, we would know the reason it isn't quite as strong as we wanted. It is because the White House, working with the other body, has worked very hard to not make it as strong as we would like.

Even this good, but not good as we wanted bill, would have been much stronger. I would love to see a letter of support from the administration for this measure.

On the issue she asked me to clarify, she got a very important piece of legislation through a couple of years ago that codified our sanctions and did not contain waiver authority. We don't believe this bill did, but we have made clear, by the language in section 108, that this waiver does not affect the provisions of the executive order codified by the Iran Freedom Support Act, that the waiver in this legislation has no impact whatsoever on her legislation, which passed in 2006, I am glad of that, and the specific provisions of section 108.

Mr. Speaker, I would like to place two exchanges of letters with the Committee on Financial Services and the Committee on Ways and Means in the RECORD.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON WAYS AND MEANS,  
Washington, DC, September 26, 2008.

Hon. HOWARD L. BERMAN,  
Chairman, Committee on Foreign Affairs, Washington, DC.

DEAR MR. CHAIRMAN: I am writing regarding H.R. 7112—to amend the Iran Sanctions Act of 1996, to expand and clarify the entities against which sanctions may be imposed—is expected to be on the suspension calendar today.

As you know, the Committee on Ways and Means has jurisdiction over import matters, such as the import ban and restrictions on imports imposed by the Iran Sanctions Act and the International Emergency Powers Act. Accordingly, the certain provisions of H.R. 7112 fall under the Committee's jurisdiction.

There have been some very productive conversations between the staffs of our committees, during which we have proposed some changes to H.R. 7112 that I believe help clarify the intent and scope of the measure. My understanding is that there is an agreement with regard to these changes.

In order to expedite this legislation for floor consideration, the Committee will forgo action on this bill and will not oppose its consideration on the suspension calendar. This is done with the understanding that it does not in any way prejudice the Committee or its jurisdictional prerogatives on this, or similar legislation in the future.

I would appreciate your response to this letter, confirming our understanding with

respect to H.R. 7112, and would ask that a copy of our exchange of letters on this matter be included in the Record.

I look forward to the bill's consideration on the floor and hope that it will command the broadest possible support.

Sincerely,

CHARLES B. RANGEL,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FOREIGN AFFAIRS,  
Washington, DC, September 26, 2008.

Hon. CHARLES B. RANGEL,  
*Chairman, Committee on Ways and Means,*  
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter regarding H.R. 7112, the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2008.

I appreciate your willingness to work cooperatively on this legislation and the mutually agreed upon text that is being presented to the House. I recognize that the bill contains provisions that fall within the jurisdiction of the Committee on Ways and Means. I agree that the inaction of your Committee with respect to the bill does not in any way prejudice the Committee on Ways and Means or its jurisdictional prerogatives on this or similar legislation in the future.

I will ensure that our exchange of letters be included in the Congressional Record.

Cordially,

HOWARD L. BERMAN,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FINANCIAL SERVICES,  
Washington, DC, September 26, 2008.

Hon. HOWARD BERMAN,  
*Chairman, Committee on Foreign Affairs,*  
Washington, DC.

DEAR MR. CHAIRMAN: I am writing concerning H.R. 7112, the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2008. This bill was referred to the Committee on Foreign Affairs, and in addition, to this Committee, among others.

There is an agreement with regard to this bill, and so in order to expedite floor consideration, I agree to forego further consideration by the Committee on Financial Services. I do so with the understanding that this decision will not prejudice this Committee with respect to its jurisdictional prerogatives on this or similar legislation. I request your support for the appointment of conferees from this Committee should this bill be the subject of a House-Senate conference.

Please place this letter in the Congressional Record when this bill is considered by the House. I look forward to the bill's consideration and hope that it will command the broadest possible support.

BARNEY FRANK,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FOREIGN AFFAIRS,  
Washington, DC, September 26, 2008.

Hon. BARNEY FRANK,  
*Chairman, Committee on Financial Services,*  
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter regarding H.R. 7112, the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2008.

I appreciate your willingness to work cooperatively on this legislation and the mutually agreed upon text that is being presented to the House. I recognize that the bill contains provisions that fall within the jurisdiction of the Committee on Financial Services. I agree that the inaction of your Committee with respect to the bill does not in any way prejudice the Committee on Financial Services or its jurisdictional prerogatives on this or similar legislation in the future.

I will ensure that our exchange of letters be included in the Congressional Record.

Cordially,

HOWARD L. BERMAN,  
*Chairman.*

Mr. MARKEY. Mr. Speaker, I rise in support of this legislation to increase some sanctions against Iran in response to its ongoing nuclear program. One important provision, which I have fought for in my state of Massachusetts, is to grant State governments the authority to divest their funds from companies investing in Iran's petroleum sector.

But ladies and gentlemen, who are we kidding here? We just passed a bill which will break all the nonproliferation rules for India. And somehow we think doing that won't have any impact on our ability to prevent an Iranian bomb?

These policies are interconnected.

By breaking the rules for India, we're making it less likely that the rules will hold against Iran, or anyone else.

Iran is looking at the U.S.-India Nuclear Deal and they are saying, "Where can I sign up? I want that deal!"

In our efforts to prevent Iran from building nuclear weapons, this bill moves us one step forward, but the India Nuclear Deal takes us 20 steps back.

If you want to prevent an Iranian nuclear bomb, you should vote for this bill, and you must vote against the U.S.-India Nuclear Deal.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. BERMAN) that the House suspend the rules and pass the bill, H.R. 7112.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### RECONNECTING HOMELESS YOUTH ACT OF 2008

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2982) to amend the Runaway and Homeless Youth Act to authorize appropriations, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The text of the Senate bill is as follows:

S. 2982

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Reconnecting Homeless Youth Act of 2008".

#### SEC. 2. FINDINGS.

Section 302 of the Runaway and Homeless Youth Act (42 U.S.C. 5701) is amended—

(1) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following:

"(3) services to such young people should be developed and provided using a positive

youth development approach that ensures a young person a sense of—

"(A) safety and structure;

"(B) belonging and membership;

"(C) self-worth and social contribution;

"(D) independence and control over one's life; and

"(E) closeness in interpersonal relationships."

#### SEC. 3. BASIC CENTER PROGRAM.

(a) SERVICES PROVIDED.—Section 311 of the Runaway and Homeless Youth Act (42 U.S.C. 5711) is amended—

(1) in subsection (a)(2)(B), by striking clause (i) and inserting the following:

"(i) safe and appropriate shelter provided for not to exceed 21 days; and"; and

(2) in subsection (b)(2)—

(A) by striking "(2) The" and inserting "(2)(A) Except as provided in subparagraph (B), the";

(B) by striking "\$100,000" and inserting "\$200,000";

(C) by striking "\$45,000" and inserting "\$70,000"; and

(D) by adding at the end the following:

"(B) For fiscal years 2009 and 2010, the amount allotted under paragraph (1) with respect to a State for a fiscal year shall be not less than the amount allotted under paragraph (1) with respect to such State for fiscal year 2008.

"(C) Whenever the Secretary determines that any part of the amount allotted under paragraph (1) to a State for a fiscal year will not be obligated before the end of the fiscal year, the Secretary shall reallocate such part to the remaining States for obligation for the fiscal year."

(b) ELIGIBILITY.—Section 312(b) of the Runaway and Homeless Youth Act (42 U.S.C. 5712(b)) is amended—

(1) in paragraph (11), by striking "and" at the end;

(2) in paragraph (12), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(13) shall develop an adequate emergency preparedness and management plan."

#### SEC. 4. TRANSITIONAL LIVING GRANT PROGRAM.

(a) ELIGIBILITY.—Section 322(a) of the Runaway and Homeless Youth Act (42 U.S.C. 5714-2(a)) is amended—

(1) in paragraph (1)—

(A) by striking "directly or indirectly" and inserting "by grant, agreement, or contract"; and

(B) by striking "services" the first place it appears and inserting "provide, by grant, agreement, or contract, services";

(2) in paragraph (2), by striking "a continuous period not to exceed 540 days, except that" and all that follows and inserting the following: "a continuous period not to exceed 540 days, or in exceptional circumstances 635 days, except that a youth in a program under this part who has not reached 18 years of age on the last day of the 635-day period may, in exceptional circumstances and if otherwise qualified for the program, remain in the program until the youth's 18th birthday";

(3) in paragraph (14), by striking "and" at the end;

(4) in paragraph (15), by striking the period and inserting "; and"; and

(5) by adding at the end the following:

"(16) to develop an adequate emergency preparedness and management plan."

(b) DEFINITIONS.—Section 322(c) of the Runaway and Homeless Youth Act (42 U.S.C. 5714-2(c)) is amended by—

(1) striking "part, the term" and inserting the following: "part—

"(1) the term";

(2) striking the period and inserting "; and"; and