

Hamas, Hezbollah, and Iran, we must exercise all powers that are at our disposal to constrain funding for these terrorist organizations, including combating errant nonprofit organizations based here in the United States who provide material support for these groups overseas.

I, again, thank my colleague, Representative KUSTOFF, for his partnership and work on this legislation. I thank Ranking Member NEAL and Chairman SMITH for their leadership.

Mr. Speaker, I urge all of my colleagues to not only support this legislation but also, as we have said, to support the essential security funding that came from the Senate.

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

Mr. SMITH of Missouri. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, the United States must use every tool in our toolbox to combat organizations that threaten America and our allies like Israel. That includes going after the flow of money and resources from U.S.-based, so-called charitable organizations to the terrorist groups that murder civilians around the world.

We cannot turn a blind eye to entities that support terrorism and known terrorist groups while exploiting our tax code to cover their tracks and pursue their malicious goals.

It is unacceptable for any organization to receive taxpayer support while they are funneling millions of dollars to Hamas, an organization responsible for the horrific attacks against the people of Israel on October 7. We must do more to ensure such groups are not able to operate under the cover of our tax code.

Mr. Speaker, I urge all my colleagues to vote "yes" on this measure, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 6408, as amended.

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. SMITH of Missouri. 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, further proceedings on this motion will be postponed.

IRAN-CHINA ENERGY SANCTIONS ACT OF 2023

Mr. MCHENRY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5923) to impose restrictions on correspondent and payable-through accounts in the United States with respect to Chinese financial institutions that conduct transactions involving the purchase of petroleum or petroleum products from Iran, as amended.

The Clerk read the title of the bill.
The text of the bill is as follows:

H.R. 5923

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 "Iran-China Energy Sanctions Act of 2023".

SEC. 2. SANCTIONS ON FOREIGN FINANCIAL INSTITUTIONS WITH RESPECT TO THE PURCHASE OF PETROLEUM PRODUCTS AND UNMANNED AERIAL VEHICLES FROM IRAN.

Section 1245(d) of the National Defense Authorization Act for Fiscal Year 2012 (22 U.S.C. 8513a(d)) is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) APPLICABILITY OF SANCTIONS WITH RESPECT TO CHINESE FINANCIAL INSTITUTIONS.—

"(A) IN GENERAL.—For the purpose of paragraph (1)(A), a 'significant financial transaction' includes any transaction—

"(i) by a Chinese financial institution (without regard to the size, number, frequency, or nature of the transaction) involving the purchase of petroleum or petroleum products from Iran; and

"(ii) by a foreign financial institution (without regard to the size, number, frequency, or nature of the transaction) involving the purchase of Iranian unmanned aerial vehicles (UAVs), UAV parts, or related systems.

"(B) DETERMINATION REQUIRED.—Not later than 180 days after the date of the enactment of this paragraph and every year thereafter for 5 years, the President shall—

"(i) determine whether any—

"(I) Chinese financial institution has engaged in a significant financial transaction as described in paragraph (1)(A)(i); and

"(II) financial institution has engaged in a significant financial transaction as described in paragraph (1)(A)(ii); and

"(ii) transmit the determination under clause (i) to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. MCHENRY) and the gentleman from New Jersey (Mr. GOTTHEIMER) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. MCHENRY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill.

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

There was no objection.

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

Mr. Speaker, I rise in support of H.R. 5923, the Iran-China Energy Sanctions Act, sponsored by the gentleman from New York (Mr. LAWLER).

Currently, Iran is subject to a comprehensive set of sanctions, but we know there are loopholes. Under current law, the President is required to blacklist foreign financial institutions that undertake significant transactions with sanctioned Iranian banks.

However, we know that these significant transactions are leaving much of the country's energy trade untouched. Last year, Iran's oil exports rose by 50 percent, reaching a 5-year high. Most of these exports went to China.

Mr. LAWLER's bill makes clear that any petroleum-related transaction between Iran and China, no matter how small, will put Chinese banks at risk of being sanctioned. Closing this loophole is essential to ensuring China's financial institutions begin to finally crack down on this illicit oil trade.

Additionally, I am pleased to see this legislation includes a proposal offered by Mr. FOSTER of Illinois. When we reported this legislation in November, Mr. FOSTER and Mr. LAWLER discussed the inclusion of tougher sanctions to target Iran's sales of unmanned aerial vehicles, or UAVs. This is now included in the text we are considering today.

News of this weekend's actions by Iran against our most sacred ally in the world, Israel, is a good example of why we need this law and this bill.

Iran has become a major supplier of UAV technologies to Russia and other rogue regimes—we see this in Ukraine, and we saw that in the targeting of Israel this weekend—by providing the ayatollahs with funds that can be recycled for terrorism purposes. The sooner we put an end to these exports, the better.

Again, I thank Mr. LAWLER for his leadership in authoring this bill, and I urge my colleagues on both sides of the aisle to support it.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. LAWLER).

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Mr. LAWLER. Mr. Speaker, I thank the gentleman for his leadership in getting this bill to the floor, and I thank my colleague from New Jersey (Mr. GOTTHEIMER), my co-lead on this bill, for his support.

Mr. Speaker, I rise in support of this legislation, H.R. 5923, the Iran-China Energy Sanctions Act.

Iran is exporting around 1.5 million barrels of petroleum per day, its highest level in 4 years. Around 80 percent of these exports go to China, providing Tehran with revenues that keep their coffers filled and enable Iran's sponsorship of terrorism abroad, including backing Hamas, Hezbollah, and the Houthis.

Make no mistake, the October 7 attack on Israel would not have been possible without Iranian support, and this weekend's brazen assault on Israel demonstrates Iran's intentions have not wavered. They want to eradicate the State of Israel from the face of the Earth.

My bill targets independent Chinese oil refiners, so-called teapots, which have been driving China's purchases of Iranian crude. Unlike state-owned refiners that have retreated from the market, teapots are less exposed to blocking sanctions and deal in more

limited quantities. However, teapots aren't completely beyond our reach.

The United States also wields secondary sanctions that punish foreign financial institutions that work with Iran's banks in order to deal in Iranian crude. This is where the bill comes in. While these teapots may not have economic ties to the U.S. that would make them weary of sanctions, Chinese and other foreign financial institutions that work with teapots do deal with the U.S. financial system.

Therefore, my bill expands the law's definition to ensure that any dealings they have with Iran's sanctioned financial institutions, including the Iranian Central Bank, will lead to the closure of their corresponding accounts in our country. These secondary sanctions complement the SHIP Act, a bill I sponsored that would impose sanctions on ports and refineries that take in petroleum from Iran.

The House passed the SHIP Act in October and has been waiting for Senate Democrats to take up the bill ever since. It is critical that the Senate bring this bill and the SHIP Act up for votes. Enough is enough. We cannot let Iran continue in its efforts to destroy Israel, establish regional dominance, and destabilize the entire free world. Addressing their oil-trade revenues is perhaps the best way to accomplish this.

This commonsense, bipartisan piece of legislation would do just that and would significantly reduce Iran's ability to project power in the region, fund terrorist groups, and attack our closest ally, Israel, both on its own or through its proxies.

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

Mr. Speaker, I rise today in support of my bipartisan bill, the Iran-China Energy Sanctions Act, to hold two members of the axis of evil, some of our greatest, most dangerous adversaries, the governments of Iran and China, accountable for their nefarious activities.

I am very proud to lead this legislation with my fellow Problem Solvers Caucus member, the gentleman from New York (Mr. LAWLER).

Mr. Speaker, I thank the chairman as well, who always does a phenomenal job on the committee.

China is Iran's biggest customer of oil and a major supplier of Iran's missile and drone program. Despite strict U.S. sanctions designed to curb the Iranian regime's oil trade, China has tripled its imports of Iranian oil over the past 2 years.

As we speak, Iran is using its oil trade with China to bring in a staggering \$150 million per day in revenue. By importing millions of barrels of oil a day, China keeps the Iranian regime in business and provides crucial funds for Tehran's chaos agenda, including missile and nuclear weapons development.

However, China isn't just providing indirect funding. Reporting last year

indicated that China is considering supplying Iran with ammonium, a key chemical compound used to propel ballistic missiles. Just 3 days after an unprecedented attack when Iran launched more than 300 drones and ballistic and cruise missiles at our key democratic ally, Israel, this partnership should sound major alarms.

If all this wasn't concerning enough, China also disregards Iran's backing of terror groups and their proxies, including the Houthis, Hezbollah, Palestinian Islamic Jihad, and, of course, Hamas.

Last month, Chinese diplomats met with Hamas after they brutally killed more than 1,200 innocent babies, children, men, women, and the elderly, including Americans, and said absolutely nothing about its barbaric attack on October 7.

Unlike China, we cannot and should not stand by in the face of terrorism. We must vehemently oppose terror sympathizers, sponsors, and supporters in all forms. That is why I am also supporting H.R. 6408, which would amend the tax code to terminate the tax-exempt status of terrorist-supporting nations, including those who cheer on and provide material support to Iran and its proxies.

Mr. Speaker, I thank my colleagues, Mr. SCHNEIDER and Mr. KUSTOFF for their phenomenal leadership.

Hamas relies on support from the Iranian regime, the leading state sponsor of terror. As Iran deepens its ties to China, we are reminded that they cannot be trusted. Iran has, directly or through their terrorist proxies, killed hundreds of Americans and attacked our bases and our allies in the region.

All of this is why we must pass the bipartisan Iran-China Energy Sanctions Act to cut off sources of funding to Iran. This bipartisan legislation, which unanimously passed the House Financial Services Committee, expands sanctions to cover Chinese financial institutions that purchase petroleum products from Iran.

The bill also requires an annual determination as to whether Chinese financial institutions have engaged in sanctionable conduct. We must continue to sanction those who are involved in the import of Iranian oil, including financial institutions. This bill will do just that.

The Iran-China Energy Sanctions Act is urgently needed to cut off and deny resources to the world's leading state sponsor of terrorism. China can no longer remain Iran's top customer.

I will continue to fight against Iran's growing influence and make sure we do everything in our power to protect the U.S. and its allies, including Israel, from Iran. I hope my colleagues on both sides of the aisle will join us to support this commonsense, bipartisan legislation.

Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. FOSTER), my friend and a great leader.

Mr. FOSTER. Mr. Speaker, I thank Representative GOTTHEIMER, as well as

Chair MCHENRY, Representative LAWLER, and my Republican and Democratic colleagues who have made this bill come to the floor.

Mr. Speaker, I rise in support of H.R. 5923, the Iran-China Energy Sanctions Act. Thanks to Representative LAWLER's bipartisan efforts, this legislation now includes an amendment that I proposed during the Financial Services Committee's consideration of this bill, which would empower the administration to go after Iran's production of unmanned aerial vehicles, or drones, that are now being used against our allies abroad.

It is essential for us to work aggressively to cut off the flow of money that Iran, a known sponsor of terrorist groups like Hamas, Hezbollah, and the Houthis, is using to fund violence and disrupt commerce around the world.

Just last weekend, Iran sent more than 300 drones to attack Israel. According to the Atlantic Council, it is a steady supply of Iranian drones that allows Russia to continue its intensive bombing campaign against Ukraine. We also know that Iran is building drones and sharing its technology and expertise with its proxies in the Middle East.

Drones and related technologies are changing the tactics used on the modern battlefield. They can be deployed in large numbers, as they were in Israel last weekend, in an attempt to overwhelm air defenses and strike critical infrastructure far from the front lines. Small and commercially available drones are also being used and converted to carry munitions capable of inflicting significant damage at relatively low cost.

This legislation will crack down on the financing that makes Iran's support of our adversaries possible. Specifically, the language that I drafted will empower the Treasury to sanction any financial institution involved in the purchase of Iranian drones, parts, or related systems.

We have seen the damage that drones are doing in Israel and Ukraine, and expanding this legislation to go after Iran's drone production is an important step to support our allies abroad.

Mr. Speaker, I support this legislation and encourage my colleagues to vote "yes."

Mr. MCHENRY. Mr. Speaker, I reserve the balance of my time.

Mr. GOTTHEIMER. Mr. Speaker, I yield myself the balance of my time to close.

Mr. Speaker, I close by saying we must all continue to fight against Iran's growing influence and ensure we do everything in our power to protect the United States and its allies, including Israel, from Iran, especially after what we saw this weekend. It only reinforces what Iran is capable of, either directly or through its proxies, Hamas, Hezbollah, Palestinian Islamic Jihad, the Houthis.

There are so many areas where Iran continues to not just attack our key

allies, including Israel, but also the United States of America. I hope my colleagues on both sides of the aisle will join us to support this common-sense, bipartisan legislation.

Again, I thank the gentleman from New York (Mr. LAWLER), for his leadership, and Chairman MCHENRY for his leadership, and I yield back the balance of my time.

Mr. MCHENRY. Mr. Speaker, I yield myself the balance of my time to close.

Mr. Speaker, this is an important bill that is quite timely. We reported this bill out in November when we could have had more restrictive action against the Iranian regime than is currently in place by this administration and a more aggressive stance against regimes that want to do harm globally.

This is an important bill that is bipartisan out of the House Financial Services Committee. I commend Mr. GOTTHEIMER and Mr. LAWLER for their work here, as well as Mr. FOSTER's important addition to the bill since the bipartisan product that is quite timely for us to put further restrictions on the Iranian regime.

Mr. Speaker, I ask support from my colleagues and ask for a "yes" vote and yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. MCHENRY) that the House suspend the rules and pass the bill, H.R. 5923, as amended.

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. MCHENRY. 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, further proceedings on this motion will be postponed.

NO U.S. FINANCING FOR IRAN ACT OF 2023

Mr. MCHENRY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5921) to prohibit the Secretary of the Treasury from authorizing certain transactions by a United States financial institution in connection with Iran, to prevent the International Monetary Fund from providing financial assistance to Iran, to codify prohibitions on Export-Import Bank financing for the Government of Iran, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5921

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 "No U.S. Financing for Iran Act of 2023".

SEC. 2. PROHIBITION ON AUTHORIZATIONS FOR UNITED STATES FINANCIAL INSTITUTIONS.

The Secretary of the Treasury may not authorize a transaction by a U.S. financial institu-

tion (as defined in section 561.309 of title 31, Code of Federal Regulations) in connection with the importation from or exportation to the Islamic Republic of Iran of any goods, services, or technology, other than the sale of agricultural commodities, food, medicine, medical devices, or humanitarian assistance benefitting the civilian population of Iran.

SEC. 3. OPPOSITION TO IMF ASSISTANCE.

The Secretary of the Treasury shall instruct the United States Executive Director at the International Monetary Fund to—

(1) oppose the provision of financial assistance by the Fund to the Islamic Republic of Iran, and the allocation to the Government of Iran of Special Drawing Rights; and

(2) seek to ensure that member countries of the Fund prohibit the exchange of Special Drawing Rights held by the Government of Iran.

SEC. 4. CODIFICATION OF EXPORT-IMPORT BANK PROHIBITION WITH RESPECT TO IRAN.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by adding at the end the following:

"(14) PROHIBITION ON FINANCING FOR IRAN.—The Bank may not guarantee, insure, or extend (or participate in an extension of) credit in connection with any transaction, with respect to which credit assistance from the Bank is first sought after the effective date of this paragraph, for which a lender or obligor is the Government of Iran or an entity owned or controlled by the Government of Iran."

SEC. 5. SUNSET.

This Act and the amendment made by this Act are hereby repealed effective on the earliest of—

(1) the date that is 30 days after the date the President of the United States certifies to the Congress that the Government of Iran—

(A) has ceased providing support for acts of international terrorism; and

(B) is not a jurisdiction of primary money laundering concern, as described under section 5318A of title 31, United States Code; or

(2) 10 years after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. MCHENRY) and the gentleman from Missouri (Mr. CLEAVER) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. MCHENRY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on this bill.

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

There was no objection.

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

Mr. Speaker, I rise in support of this bill, the No U.S. Financing for Iran Act, sponsored by the gentleman from Michigan (Mr. HUIZENGA). Mr. HUIZENGA is the subcommittee chair on the Oversight Subcommittee of the House Financial Services Committee, an important leader on the committee and an important voice in this Congress.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. HUIZENGA), to explain the bill.

Mr. HUIZENGA. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, our friend and ally was just attacked by Iran, the world's leading state sponsor of terror.

When the Committee on Financial Services held a hearing on my bill last November following the atrocities of October 7, I remarked at that time that it was timely.

Well, today, it is timely as well. We are at yet another inflection point. Iran's direct attack on Israel this weekend demonstrates that the U.S. must hold Iran accountable. One significant way to do this is by cutting off Iran's access to the funding it uses to finance terrorism.

H.R. 5921 does exactly what it says. It stops Iran from being able to use the U.S. financial system, while ensuring that institutions under our committee's jurisdiction keep their distance from the government in Tehran.

As we all know, Iran remains one of the most heavily sanctioned countries in the world. However, many of those sanctions that are put in place are imposed through executive order. It is time that we codify them in law.

H.R. 5921 does three main things:

First, it prohibits Treasury from issuing licenses that allow U.S. financial institutions to enable trade with Iran. That is what is happening right now, Mr. Speaker. Treasury is issuing licenses for that business activity.

It is clear that we must take all necessary steps to protect the integrity of the U.S. financial institutions by prohibiting these licenses that allow Tehran to trade oil and gas and other goods and facilitate, therefore, its support of terrorism.

Second, this bill further cuts off financing for Iran from the world's lender of last resort, the International Monetary Fund, the IMF. While Iran is not currently seeking assistance from the Fund, it certainly could as an IMF member country. My bill makes clear that the United States, as the IMF's largest shareholder, would oppose any such request.

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This prohibition would actually further extend to the IMF Special Drawing Rights program, which in 2021 Iran utilized—just 3 years ago—to access approximately \$5 billion, so we have seen the IMF already be used by the ayatollahs in Iran to finance terrorists.

Lastly, my bill extends an existing prohibition against the Export-Import Bank financing projects in Iran and that benefit Iran's leaders.

Mr. Speaker, I will note one exception that we have included in this bill before us today, and it is a very important one. I know it is an important one to some of my colleagues, and I think my friend from Missouri is one of those folks.

U.S. law has long exempted humanitarian assistance from sanctions so as not to punish innocent civilians but to go after the leaders of the country. My bill is targeted. It tightens our grip on the ayatollahs and the Iranian leaders