

IRAN HUMAN RIGHTS AND HOSTAGE-TAKING  
ACCOUNTABILITY ACT

APRIL 18, 2018.—Committed to the Committee of the Whole House on the State of  
the Union and ordered to be printed

Mr. ROYCE of California, from the Committee on Foreign Affairs,  
submitted the following

R E P O R T

[To accompany H.R. 4744]

[Including cost estimate of the Congressional Budget Office]

The Committee on Foreign Affairs, to whom was referred the bill (H.R. 4744) to impose additional sanctions with respect to serious human rights abuses of the Government of Iran, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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THE AMENDMENT

The amendment is as follows:  
Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Iran Human Rights and Hostage-Taking Accountability Act”.

**SEC. 2. UNITED STATES POLICY ON HUMAN RIGHTS VIOLATIONS BY THE GOVERNMENT OF IRAN.**

(a) FINDINGS.—Congress finds the following:

(1) Iran is a member of the United Nations, voted for the Universal Declaration of Human Rights, and is a signatory to the International Covenant on Civil and Political Rights, among other international human rights treaties.

(2) In violation of these and other international obligations, Iranian regime officials continue to violate the fundamental human rights of the Iranian people.

(3) The Iranian regime persecutes ethnic and religious minority groups, such as the Baha’is, Christians, Sufi, Sunni, and dissenting Shi’a Muslims (such as imprisoned Ayatollah Hossein Kazemeyni Boroujerdi), through harassment, arrests, and imprisonment, during which detainees have routinely been beaten, tortured, and killed.

(4) Following voting irregularities that resulted in the 2009 election of President Mahmoud Ahmadinejad, the Iranian regime brutally suppressed peaceful political dissent from wide segments of civil society during the Green Revolution in a cynical attempt to retain its undemocratic grip on power.

(5) Since February 2011 the leaders of Iran’s Green Movement, former Prime Minister Mir Hossein Mousavi, his wife Dr. Zahra Rahnnavard, and former Speaker of the Majles (parliament) Mehdi Karroubi, have lived under strict house arrest, ordered by Iran’s Supreme National Security Council.

(6) In 1999 the Iranian regime brutally suppressed a student revolt that was one of the largest mass uprisings up until that point in the country since 1979.

(7) Over a 4-month period in 1988, the Iranian regime carried out the barbaric mass executions of thousands of political prisoners by hanging and firing squad for refusing to renounce their political affiliations and in some cases for possessing political reading material, including prisoners of conscience, teenagers, and pregnant women. In a recently disclosed audiotape, the late Hussein Ali Montazeri, a grand ayatollah who served as former Supreme leader Khomeini’s chief deputy, said that the 1988 mass killings were “the greatest crime committed during the Islamic Republic, for which history will condemn us”.

(8) Senior governmental, military, and public security officials in Iran have continued ordering, controlling, and committing egregious human rights violations that, in many cases, represent official policies of the Iranian regime.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the United States should—

(1) deny the Government of Iran the ability to continue to oppress the people of Iran and to use violence and executions to silence pro-democracy protestors;

(2) work with international partners to investigate human rights violations by senior officials of the Government of Iran, regardless of where or when such violations took place;

(3) support efforts made by the people of Iran to promote the establishment of basic freedoms that build the foundation for the emergence of a freely elected, open, non-corrupt and democratic political system;

(4) condemn Iranian human rights abuses against dissidents, including the massacre in 1988 and the suppression of political demonstrations in 1999, 2009, and 2017, and pressure the Government of Iran to provide family members detailed information that they were denied about the final resting places of any missing victims of such abuses; and

(5) help the people of Iran produce, access, and share information freely and safely via the internet and other media.

(c) STATEMENT OF POLICY.—It shall be the policy of the United States to stand with the people of Iran who seek the opportunity to freely elect a government of their choosing, and increase the utilization of all available authorities to impose sanctions on officials of the Government of Iran and other individuals responsible for serious human rights abuses.

**SEC. 3. DETERMINATIONS WITH RESPECT TO IMPOSITION OF SANCTIONS ON CERTAIN PERSONS RESPONSIBLE FOR OR COMPLICIT IN HUMAN RIGHTS ABUSES, ENGAGING IN CENSORSHIP, ENGAGING IN THE DIVERSION OF GOODS INTENDED FOR THE PEOPLE OF IRAN, OR ENGAGING IN CORRUPTION.**

(a) IN GENERAL.—Not later than 270 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report containing a determination of whether any senior officials of the Government of Iran or other Iranian persons meet the criteria described in—

(1) subsection (b) of section 105D of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, as added by section 5 of this Act; or  
 (2) paragraph (3) or (4) of section 1263(a) of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328; 22 U.S.C. 2656 note).

(b) REVIEW OF CERTAIN ENTITIES.—The report required under subsection (a) shall contain a review of any activities of cooperative foundations or bonyads in Iran with a capitalization that exceeds \$200,000,000 and that meet the criteria in paragraph (3) or (4) of section 1263(a) of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328; 22 U.S.C. 2656 note) for purposes of corruption.

(c) FORM OF REPORT; PUBLIC AVAILABILITY.—

(1) FORM.—The report required under subsection (a) shall be submitted in unclassified form, but may contain a classified annex.

(2) PUBLIC AVAILABILITY.—The unclassified portion of such report shall be made available to the public and posted on the internet website of the Department of the Treasury—

(A) in English, Farsi, Arabic, and Azeri; and

(B) in precompressed, easily downloadable versions that are made available in all appropriate formats.

(d) DEFINITION.—In this section, the term “appropriate congressional committees” means—

(1) the Committee on Financial Services and the Committee on Foreign Affairs of the House of Representatives; and

(2) the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate.

#### SEC. 4. UNITED STATES POLICY ON HOSTAGE-TAKING BY THE GOVERNMENT OF IRAN.

(a) FINDINGS.—Congress finds the following:

(1) Since 1979 the Iranian regime has engaged in various destabilizing activities that undermine the national security of the United States and its allies and partners.

(2) These activities include the hostage-taking or prolonged arbitrary detentions of United States citizens and other persons with connections to Canada, the United Kingdom, France, and other nations allied with the United States.

(3) The Iranian regime has detained on fabricated claims a significant number of United States citizens, including Siamak and Baquer Namazi and Xiyue Wang, as well as United States legal permanent resident, Nizar Zakka, in violation of international legal norms.

(4) The Iranian regime has not provided information on the whereabouts of or assistance in ensuring the prompt and safe return of Robert Levinson, despite repeated promises to do so, after he was kidnapped while visiting Iran’s Kish Island on March 9, 2007—making him the longest held hostage in United States history.

(5) The Iranian regime reportedly uses hostages as leverage against foreign investors to exact business concessions in foreign investment deals.

(6) The type of hostage-taking enterprise put in place by the Iranian regime is a crime against humanity and a violation of customary international law.

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

(1) the Administration should fully utilize all necessary and appropriate measures to prevent the Iranian regime from engaging in hostage-taking or the prolonged arbitrary detention of United States citizens or legal permanent resident aliens, to include—

(A) the use of extradition to try and convict those individuals responsible for ordering or controlling the hostage-taking or arbitrary detention of United States citizens; and

(B) the use of the Department of Homeland Security’s Human Rights Violators and War Crimes Center to target such individuals; and

(2) the United States should encourage its allies and other affected countries to pursue the criminal prosecution and extradition of state and non-state actors in Iran that assist in or benefit from such hostage-taking to prevent such state and non-state actors from engaging in this practice in the future.

(c) STATEMENT OF POLICY.—It is the policy of the United States Government not to pay ransom for the purpose of securing the release of United States citizens or legal permanent resident aliens taken hostage abroad.

(d) STRATEGY.—Not later than 120 days after the date of the enactment of this Act, the Secretary of State shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report that contains a strategy to prevent elements of the Iranian regime from engaging in hostage-taking or the prolonged arbitrary detention of United States citizens or legal permanent resident aliens.

**SEC. 5. IMPOSITION OF SANCTIONS WITH RESPECT TO IRANIAN PERSONS WHO ENGAGE IN CERTAIN ACTIONS AGAINST UNITED STATES CITIZENS OR IRANIAN PERSONS.**

(a) **SENSE OF CONGRESS.**—It is the sense of Congress that the United States should coordinate with United States allies and other allies and partners whose citizens may be subject to politically-motivated detention or trial in Iran, to apply sanctions against Iranian persons that are responsible for or complicit in, or responsible for ordering, controlling, or otherwise directing, such detention or trial.

(b) **IN GENERAL.**—Title I of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 is amended by inserting after section 105C (22 U.S.C. 8514c) the following:

**“SEC. 105D. IMPOSITION OF SANCTIONS WITH RESPECT TO IRANIAN PERSONS WHO ENGAGE IN CERTAIN ACTIONS AGAINST UNITED STATES CITIZENS OR IRANIAN PERSONS.**

“(a) **IN GENERAL.**—The President shall impose sanctions described in section 105(c) with respect to each person on the list required by subsection (b).

“(b) **LIST OF IRANIAN PERSONS WHO ENGAGE IN CERTAIN ACTIONS AGAINST UNITED STATES CITIZENS OR IRANIAN PERSONS.**—

“(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this section, the President shall submit to the appropriate congressional committees a list of Iranian persons that the President determines, are knowingly—

“(A) responsible for or complicit in, or responsible for ordering or otherwise directing, the politically-motivated harassment, abuse, extortion, or extended detention or trial of citizens of the United States or United States legal permanent resident aliens, regardless of whether such actions occurred in Iran; or

“(B) responsible for or complicit in, or responsible for ordering or otherwise directing, the politically-motivated harassment, abuse, extortion, or extended detention or trial of Iranians, Iranian residents, or persons of Iranian origin outside of Iran.

“(2) **UPDATES OF LIST.**—The President shall submit to the appropriate congressional committees an updated list under paragraph (1)—

“(A) each time the President is required to submit an updated list to those committees under section 105(b)(2)(A); and

“(B) as new information becomes available.

“(3) **FORM OF REPORT; PUBLIC AVAILABILITY.**—

“(A) **FORM.**—The list required by paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

“(B) **PUBLIC AVAILABILITY.**—The unclassified portion of the list required by paragraph (1) shall be made available to the public and posted on the websites of the Department of the Treasury and the Department of State.

“(c) **APPLICATION OF SANCTIONS TO IMMEDIATE FAMILY MEMBERS.**—

“(1) **IN GENERAL.**—The President is authorized to impose sanctions described in paragraph (2) with respect to each person that is a family member of any person on the list required by subsection (b).

“(2) **ALIENS INELIGIBLE FOR VISAS, ADMISSION, OR PAROLE.**—

“(A) **VISAS, ADMISSION, OR PAROLE.**—An alien who the Secretary of State or the Secretary of Homeland Security (or a designee of one of such Secretaries) knows, or has reason to believe, is a family member of any person on the list required by subsection (b) is—

“(i) inadmissible to the United States;

“(ii) ineligible to receive a visa or other documentation to enter the United States; and

“(iii) otherwise ineligible to be admitted or paroled into the United States or to receive any other benefit under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

“(B) **CURRENT VISAS REVOKED.**—

“(i) **IN GENERAL.**—The issuing consular officer, the Secretary of State, or the Secretary of Homeland Security (or a designee of one of such Secretaries) shall revoke any visa or other entry documentation issued to an alien who is a family member of any person on the list required by subsection (b) regardless of when issued.

“(ii) **EFFECT OF REVOCATION.**—A revocation under clause (i)—

“(I) shall take effect immediately; and

“(II) shall automatically cancel any other valid visa or entry documentation that is in the alien’s possession.

“(3) **EXCEPTION TO COMPLY WITH UNITED NATIONS HEADQUARTERS AGREEMENT.**—Sanctions under paragraph (2) shall not apply to an alien if admitting the alien into the United States is necessary to permit the United States to comply with the Agreement regarding the Headquarters of the United Nations, signed at Lake Success June 26, 1947, and entered into force November 21,

1947, between the United Nations and the United States, or other applicable international obligations.

“(4) DEFINITION OF FAMILY MEMBER.—In this section, the term ‘family member’ means, with respect to an individual—

“(A) a spouse, child, parent, sibling, grandchild, or grandparent of the individual; and

“(B) a spouse’s child, parent, or sibling.

“(d) TERMINATION OF SANCTIONS.—The provisions of this section shall terminate on the date that is 30 days after the date on which the President—

“(1) determines and certifies to the appropriate congressional committees that the Government of Iran is no longer complicit in or responsible for the wrongful and unlawful detention of United States citizens or legal permanent resident aliens; and

“(2) transmits to the appropriate congressional committees the certification described in section 105(d) of this Act.”.

(c) CLERICAL AMENDMENT.—The table of contents for the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 is amended by inserting after the item relating to section 105C the following new item:

“Sec. 105D. Imposition of sanctions with respect to Iranian persons who engage in certain actions against United States citizens or Iranian persons.”.

(d) AMENDMENTS TO GENERAL PROVISIONS.—Section 401 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8551) is amended—

(1) in subsection (a), by striking “and 305” and inserting “, 105D, and 305”; and

(2) in subsection (b)(1)—

(A) by striking “or 105C(a)” and inserting “105C(a), or 105D(a)”; and

(B) by striking “or 105C(b)” and inserting “105C(b), or 105D(b)”.

#### SEC. 6. CONSOLIDATION OF CERTAIN REPORTS.

(a) IN GENERAL.—Any and all reports required to be submitted to Congress under this Act, any amendment made by this Act, or a covered provision of law that are subject to a deadline for submission consisting of the same unit of time may be consolidated into a single report that is submitted to Congress pursuant to such deadline.

(b) MATTERS TO BE INCLUDED.—The consolidated reports shall contain all information required under this Act, any amendment made by this Act, or a covered provision of law, in addition to all other elements required by previous law.

(c) COVERED PROVISIONS OF LAW.—In this section, the term “covered provision of law” means the following:

(1) The Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note).

(2) The Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8501 et seq.).

(3) The Iran Threat Reduction and Syria Human Rights Act of 2012 (Public Law 112–158; 22 U.S.C. 8701 et seq.).

(4) The Iran Freedom and Counter-Proliferation Act of 2012 (subtitle D of title XII of the National Defense Authorization Act for Fiscal Year 2013; 22 U.S.C. 8801 et seq.).

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

#### SUMMARY AND PURPOSE

Since coming to power in 1979, Iran’s revolutionary government has used hostages and the detention of foreign citizens as a policy to influence foreign governments and show resistance to Iran’s international isolation. After Iranians seized the American Embassy in November 1979, 52 American diplomats and citizens were held hostage for 444 days, from November 4, 1979, to January 20, 1981. This policy continued over the next decade as Iranian-backed organizations in Lebanon systematically kidnapped Americans and other Westerners, a number of whom were murdered. As sanctions on Iran have increased, the Iranian Government has responded by detaining U.S. citizens. These cases included Washington Post reported Jason Reziaian, former Marine Amir Hekmati, pastor Saeed

Abedini, Woodrow Wilson Center scholar Haleh Esfandiari, Iranian-American journalist Roxanna Saberi, and American hikers—Sara Shourd, Shane Bauer, and Josh Fattal—who have all since been released. However, American citizens are not the only victims of the Iranian regime, as foreign citizens have been subjected to similar treatment. Iranian laws are vaguely written and inconsistently applied in support of these politically-motivated detentions. Those held are often denied access to legal counsel.

The purpose of this legislation is to impose additional sanctions on Iranian human rights abusers, and on Iranian businesses that benefit from the proceeds of corruption. The United States and other responsible nations must more aggressively target Iranians who are imprisoning and engaging in politically-motivated, prolonged detention of United States citizens and those of our allies, and also target those Iranians exploiting any special privileges, monopolies, or political contacts for economic gain at the expense of average Iranians.

#### BACKGROUND AND NEED FOR THE LEGISLATION

##### *Iran's Recent Human Rights Record.*

U.S. and international criticism of Iran's human rights practices has been long-standing. State Department reports and reports from the U.N. Special Rapporteur have long cited Iran for a wide range of abuses including the denial of fair public trial, harsh and life-threatening conditions in prison, and unlawful detention and torture. A U.N. Special Rapporteur on Iran human rights was reestablished in March 2011 by the U.N. Human Rights Council (22 to 7 vote). A previous Special Rapporteur on Iran human rights existed during 1988–2002. Former Maldives Foreign Minister Ahmad Shaheed was appointed to this role in June 2011, and he was replaced by Pakistani human rights lawyer Asma Jahangir in September 2016. She issued two Iran human rights reports, the latest of which was dated August 14, 2017 (A/72/322), before she passed away in February 2018. Her report findings were largely consistent with those of the State Department and those of her predecessor. The Special Rapporteur mandate was extended on March 24, 2018, but a successor to Jahangir has not been announced.

On December 28, 2017, the latent fissures erupted in significant unrest throughout Iran. Demonstrations were smaller than the 2009–2010 protests, but were more widespread, occurring in more than 80 cities. Protests initially cited economic concerns—the high prices of staple foods—but the demonstrations quickly evolved to expressions of opposition to Iran's power structure and leadership as well as to the government's expenditure of resources on its interventions throughout the Middle East. Some protesters might have been motivated by Rouhani's 2018–2019 budget proposals that increased funds for clerical business enterprises and the IRGC, while at the same time continuing to cut subsidies that Iranian economic experts argued were inflationary.

The Trump Administration voiced its strong support to the protestors, in part by warning the regime against using force and vowing to hold officials responsible for harming protestors. The State Department and Treasury Department urged Iran not to restrict access to social media platforms, such as Instagram and Tele-

gram, which protesters were using to organize protest activities. The Administration also requested a U.N. Security Council meeting to consider Iran's crackdown on the unrest. The Administration imposed U.S. sanctions on identified regime officials and institutions responsible for abuses against protesters, including judiciary chief Sadeq Larijani. The designation of Larijani for human rights sanctions represented the highest level Iranian official sanctioned by the United States to date. The House of Representatives passed H. Res. 676, supporting the rights of protesters and condemning the use of force against them by the Iranian Government.

*Recent Developments in the Detention of U.S. Citizens, U.S. Legal Permanent Resident Aliens, and Other Foreign Nationals.*

Iran continues to detain U.S. and U.S.-Iran dual nationals. Iranian foreign ministry officials acknowledged unspecified discussions about the dual nationals with the Trump Administration on the sidelines of a late April 2017 multilateral meeting on the nuclear deal, but Iran has not outlined publicly any specific demands for their release.

- Nizar Zakka (U.S. permanent resident, Lebanon national): Iran detained information technology professional Nizar Zakka in September 2015. He was sentenced to 10 years in prison in October 2016.
- Siamak and Baquer Namazi: In November 2015, Iran arrested a U.S.-Iran dual national, business consultant Siamak Namazi, on unspecified charges. Iran detained his father, Baquer Namazi, in February 2016. In October 2016, the Namazis were sentenced to 10 years in prison. The regime allowed Baquer Namazi to receive hospital treatment outside the prison during January 28-February 4, 2018, but insisted he return to prison afterwards.
- Reza "Robin" Shahini: In July 2016, Iran detained U.S.-Iran dual national Reza "Robin" Shahini, for crimes against the Islamic Republic and on October 25 he was sentenced to 18 years in prison. He was released on bail in late March 2017, pending appeal, but he is still apparently not permitted to leave Iran.
- Karan Vafadari: Vafadari, an Iranian American, was arrested in July 2016, along with his wife, U.S. permanent resident Afarin Niasari. The art gallery owners, who are Zoroastrians, were sentenced in January 2018 to 27 years in jail for "engaging in corruption and depravity" referring to allegedly serving alcohol at their home.
- On July 16, 2017, Iranian judiciary officials announced that Xiyue Wang, a U.S. citizen and a graduate student at Princeton University, had been sentenced to 10 years in prison for allegedly spying for the United States. Mr. Wang reportedly was arrested in the summer of 2016 while conducting research in Iran on that country's Qajar dynasty. Princeton and the U.S. Government reportedly sought to work quietly to achieve his release.
- Robert Levinson: Former FBI agent Robert Levinson remains missing after a visit to Kish Island in March 2007 to meet an Iranian contact. In March 2018, Iran again denied

knowing his status or location. In January 2013, his family released recent photos of him provided by captors through uncertain channels.

*Non-U.S. Dual Nationals.*

British-Iranian dual national Kamal Foroughi, arrested in May 2011, was sentenced to 8 years in prison in 2013 for unspecified charges. In 2016, Iran detained British-Iranian dual national Nazanin Zaghari-Ratcliffe and Canadian-Iranian dual national Homa Hoodfar, but Hoodfar was released in September 2016. In April 2016, French-Iranian Nazak Afshar was arrested upon return to Iran, sentenced to 6 years in prison, and released on bail. She had been arrested in 2009 but was freed following French Government intervention. A well-known Iranian-Canadian sculptor, Parviz Tanavoli, was barred from traveling to Britain in July 2016 and his passport was confiscated. British-Iranian dual national Abdolrasoul Dorri-Esfahani, a former member of Iran's nuclear negotiating team focused on financial issues, has been jailed since 2016 for alleged spying for British intelligence. In March 2018, dual British-Iran national Shahabeddin Mansouri-Kermani, a banker, was sentenced on spying charges.

#### HEARINGS

During the present Congress, the committee has continued its active oversight regarding Iran, including multiple hearings related to the content of H.R. 4744. The Subcommittee on Middle East and North Africa held a hearing on July 25, 2017, titled, "Held for Ransom: The Families of Iran's Hostages Speak Out," which directly addressed the issue of detention of U.S. citizens and permanent residents. Issues related to human rights and detention of U.S. persons were also discussed in a full committee hearing held on February 16, 2017 titled, "Iran on Notice," and in a full committee hearing held on October 11, 2017, titled "Confronting the Full Range of Iranian Threats."

#### COMMITTEE CONSIDERATION

On March 15, 2018, the Committee on Foreign Affairs marked up H.R. 4744 in open session, pursuant to notice. An amendment in the nature of a substitute (offered by Mr. McCaul) and two amendments to that amendment in the nature of a substitute (offered, respectively, by Mr. Poe and Mr. Cicilline) were considered en bloc with the underlying bill, and were agreed to by voice vote. The bill was ordered favorably reported, as amended, to the House.

#### COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII of rules of the House of Representatives, the committee reports that findings and recommendations of the committee, based on oversight activities under clause 2(b)(1) of House Rule X, are incorporated in the descriptive portions of this report, particularly in the "Background and Purpose of Legislation" and "Section-by-Section Analysis" sections.



NEW BUDGET AUTHORITY, TAX EXPENDITURES, AND FEDERAL  
MANDATES

In compliance with clause 3(c)(2) of House Rule XIII and the Unfunded Mandates Reform Act (P.L. 104–4), the committee adopts as its own the estimate of new budget authority, entitlement authority, tax expenditure or revenues, and Federal mandates contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, March 28, 2018.*

Hon. EDWARD R. ROYCE, *Chairman,*  
*Committee on Foreign Affairs,*  
*House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4744, the Iran Human Rights and Hostage-Taking Accountability Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Sunita D'Monte, who can be reached at 226–2840.

Sincerely,

KEITH HALL.

Enclosure

cc: Honorable Eliot L. Engel  
Ranking Member

*H.R. 4744—Iran Human Rights and Hostage-Taking Accountability Act.*

As ordered reported by the House Committee on Foreign Affairs on March 15, 2018

H.R. 4744 would amend the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195), primarily to impose sanctions on people and entities responsible for certain cases of politically-motivated harassment, abuse, extortion, or extended detention or trial. In addition, H.R. 4744 would require the Administration to provide to the Congress reports on the implementation of the bill and a strategy to prevent Iran from detaining U.S. citizens and residents or taking them hostage.

Implementing H.R. 4744 would increase administrative costs at the Department of State and the Department of the Treasury. Based on the costs of implementing similar legislation, CBO estimates that administering the specified sanctions and implementing the reporting requirements would cost less than \$500,000 each year and would total \$1 million over the 2018–2023 period. That spending would be subject to the availability of appropriated funds.

Enacting H.R. 4744 would increase the number of people who would be denied visas by the Department of State and the number who would be subject to civil or criminal penalties. Most visa fees are retained by the department and spent without further appro-

priation, but some fees are deposited in the Treasury as revenues. Penalties also are recorded as revenues, and a portion of those penalties can be spent without further appropriation. Pay-as-you-go procedures apply to this bill because enacting it would affect direct spending and revenues. However, significant sanctions on Iran already exist. CBO estimates that implementing H.R. 4744 would affect very few additional people and thus would have insignificant effects on both revenues and direct spending.

CBO estimates that enacting H.R. 4744 would not significantly increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 4744 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA).

The sanctions imposed by the bill would be private-sector mandates as defined in UMRA because they could restrict actions of U.S. entities that otherwise might be involved in transactions with the sanctioned persons or with shared financial institutions. Because the sanctions focus only on people and entities in Iran that have committed such violations, CBO expects that the number of entities and individuals in the United States that could be affected by the legislation would be small. Furthermore, CBO expects that the loss of income from any incremental restrictions in the bill would be minimal. Therefore, CBO estimates that the aggregate cost of the mandates would fall well below the annual threshold established in UMRA for private-sector mandates (\$156 million in 2017, adjusted annually for inflation).

The CBO staff contacts for this estimate are Sunita D'Monte (for federal costs) and Jon Sperl (for mandates). The estimate was approved by Leo Lex, Deputy Assistant Director for Budget Analysis.

#### DIRECTED RULE MAKING

Pursuant to clause 3(c) of House Rule XIII, as modified by section 3(i) of H. Res. 5 during the 115th Congress, the committee notes that H.R. 4744 contains no directed rule-making provisions.

#### NON-DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of House Rule XIII, the committee states that no provision of this bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

#### PERFORMANCE GOALS AND OBJECTIVES

The objective of this legislation is to hold Iran accountable for its gross human rights violations and politically-motivated detention of U.S. citizens. H.R. 4744 establishes U.S. policy regarding imposing sanctions on Iranian officials responsible for human rights abuses and states that it is the sense of Congress that the Administration should take actions to end the practice of hostage taking and prolonged arbitrary detention of U.S. citizens and foreign persons. Pursuant to these policies, the legislation requires determinations

regarding whether Iranian Government officials are responsible for or complicit in committing gross human rights violations and whether businesses run by the Iranian Government should be sanctioned for public corruption, and imposes sanctions on Iranian officials responsible for the politically-motivated detentions of U.S. citizens and legal permanent residents or engaged in abuse against Iranian expatriates.

#### CONGRESSIONAL ACCOUNTABILITY ACT

H.R. 4744 does not apply to terms and conditions of employment or to access to public services or accommodations within the legislative branch.

#### NEW ADVISORY COMMITTEES

H.R. 4744 does not establish or authorize any new advisory committees.

#### EARMARK IDENTIFICATION

H.R. 4744 contains no congressional earmarks, limited tax benefits, or limited tariff benefits as described in clauses 9(e), 9(f), and 9(g) of House Rule XXI.

#### SECTION-BY-SECTION ANALYSIS

*Section 1. Short Title.* This Act may be cited as the “Iran Human Rights and Hostage-Taking Accountability Act.”

*Section 2. United States Policy on Human Rights Violations by the Government of Iran.* This provision catalogues the Iranian regime’s human rights abuses against ethnic, religious, and political minorities in Iran. This provision states that it is U.S. policy to stand with the people of Iran who seek the opportunity to freely elect a government of their choosing. Also states that it is U.S. policy to increase the utilization of all available authorities to impose sanctions on Iranian officials responsible for human rights abuses.

*Section 3. Determinations with Respect to Imposition of Sanctions on Certain Persons Responsible for or Complicit in Human Rights Abuses, or Engaging in Corruption.* This provision requires the President to determine whether senior members of the Government of Iran are responsible for or complicit in committing those gross human rights violations specified in PL 114–328 (the FY 2017 NDAA) or in section 5 of this Act. It also requires a determination as to whether certain Iranian business cooperatives run by the Iranian Government should be sanctioned for public corruption under the requirements of PL 114–328.

*Section 4. United States Policy on Hostage-Taking by the Government of Iran.* This provision catalogues the Iranian regime’s violations of international law in terms of their hostage-taking or prolonged arbitrary detentions of U.S. citizens and other foreign persons. Also includes a sense of Congress on actions that the Administration should take in conjunction with our allies to put an end to this practice, including the use of extradition to try and convict Iranian individuals responsible for this practice, and requires a strategy from the Secretary of State on how to end this practice moving forward.

*Section 5. Imposition of Sanctions with Respect to Persons Who Engage in Certain Actions Against United States Citizens or Iranian Persons.* States that the U.S. should coordinate with our allies and partners whose citizens have been subject to politically-motivated detention or trial in Iran to apply sanctions against Iranian persons that are responsible for or complicit in such detention. Imposes property blocking sanctions and visa prohibitions on Iranian officials responsible for the politically-motivated detentions of U.S. citizens and legal permanent residents, as well as those engaged in abuses against Iranian expatriates. The provision also authorizes visa denial sanctions to members of a sanctioned person's family.

*Section 6. Consolidation of Certain Reports.* This provision authorizes the President to consolidate reporting on Iran that is subject to similar reporting deadlines as a resource-saving measure.

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

### COMPREHENSIVE IRAN SANCTIONS, ACCOUNTABILITY, AND DIVESTMENT ACT OF 2010

#### 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 2010”.

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

Sec. 1. Short title; table of contents.

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#### TITLE I—SANCTIONS

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*Sec. 105D. Imposition of sanctions with respect to Iranian persons who engage in certain actions against United States citizens or Iranian persons.*

\* \* \* \* \*

### TITLE I—SANCTIONS

\* \* \* \* \*

#### **SEC. 105D. IMPOSITION OF SANCTIONS WITH RESPECT TO IRANIAN PERSONS WHO ENGAGE IN CERTAIN ACTIONS AGAINST UNITED STATES CITIZENS OR IRANIAN PERSONS.**

(a) **IN GENERAL.**—*The President shall impose sanctions described in section 105(c) with respect to each person on the list required by subsection (b).*

(b) **LIST OF IRANIAN PERSONS WHO ENGAGE IN CERTAIN ACTIONS AGAINST UNITED STATES CITIZENS OR IRANIAN PERSONS.**—

(1) **IN GENERAL.**—*Not later than 180 days after the date of the enactment of this section, the President shall submit to the*

appropriate congressional committees a list of Iranian persons that the President determines, are knowingly—

(A) responsible for or complicit in, or responsible for ordering or otherwise directing, the politically-motivated harassment, abuse, extortion, or extended detention or trial of citizens of the United States or United States legal permanent resident aliens, regardless of whether such actions occurred in Iran; or

(B) responsible for or complicit in, or responsible for ordering or otherwise directing, the politically-motivated harassment, abuse, extortion, or extended detention or trial of Iranians, Iranian residents, or persons of Iranian origin outside of Iran.

(2) **UPDATES OF LIST.**—The President shall submit to the appropriate congressional committees an updated list under paragraph (1)—

(A) each time the President is required to submit an updated list to those committees under section 105(b)(2)(A); and

(B) as new information becomes available.

(3) **FORM OF REPORT; PUBLIC AVAILABILITY.**—

(A) **FORM.**—The list required by paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

(B) **PUBLIC AVAILABILITY.**—The unclassified portion of the list required by paragraph (1) shall be made available to the public and posted on the websites of the Department of the Treasury and the Department of State.

(c) **APPLICATION OF SANCTIONS TO IMMEDIATE FAMILY MEMBERS.**—

(1) **IN GENERAL.**—The President is authorized to impose sanctions described in paragraph (2) with respect to each person that is a family member of any person on the list required by subsection (b).

(2) **ALIENS INELIGIBLE FOR VISAS, ADMISSION, OR PAROLE.**—

(A) **VISAS, ADMISSION, OR PAROLE.**—An alien who the Secretary of State or the Secretary of Homeland Security (or a designee of one of such Secretaries) knows, or has reason to believe, is a family member of any person on the list required by subsection (b) is—

(i) inadmissible to the United States;

(ii) ineligible to receive a visa or other documentation to enter the United States; and

(iii) otherwise ineligible to be admitted or paroled into the United States or to receive any other benefit under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

(B) **CURRENT VISAS REVOKED.**—

(i) **IN GENERAL.**—The issuing consular officer, the Secretary of State, or the Secretary of Homeland Security (or a designee of one of such Secretaries) shall revoke any visa or other entry documentation issued to an alien who is a family member of any person on the list required by subsection (b) regardless of when issued.

(ii) *EFFECT OF REVOCATION.*—A revocation under clause (i)—

(I) shall take effect immediately; and

(II) shall automatically cancel any other valid visa or entry documentation that is in the alien's possession.

(3) *EXCEPTION TO COMPLY WITH UNITED NATIONS HEADQUARTERS AGREEMENT.*—Sanctions under paragraph (2) shall not apply to an alien if admitting the alien into the United States is necessary to permit the United States to comply with the Agreement regarding the Headquarters of the United Nations, signed at Lake Success June 26, 1947, and entered into force November 21, 1947, between the United Nations and the United States, or other applicable international obligations.

(4) *DEFINITION OF FAMILY MEMBER.*—In this section, the term “family member” means, with respect to an individual—

(A) a spouse, child, parent, sibling, grandchild, or grandparent of the individual; and

(B) a spouse's child, parent, or sibling.

(d) *TERMINATION OF SANCTIONS.*—The provisions of this section shall terminate on the date that is 30 days after the date on which the President—

(1) determines and certifies to the appropriate congressional committees that the Government of Iran is no longer complicit in or responsible for the wrongful and unlawful detention of United States citizens or legal permanent resident aliens; and

(2) transmits to the appropriate congressional committees the certification described in section 105(d) of this Act.

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## TITLE IV—GENERAL PROVISIONS

### SEC. 401. GENERAL PROVISIONS.

(a) *SUNSET.*—The provisions of this Act (other than sections 105 [and 305], 105D, and 305 and the amendments made by sections 102, 107, 109, and 205) shall terminate, and section 13(c)(1)(B) of the Investment Company Act of 1940, as added by section 203(a), shall cease to be effective, 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 (as defined in section 301) 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, and verifiably dismantled its, nuclear, biological, and chemical weapons and ballistic missiles and ballistic missile launch technology.

## (b) PRESIDENTIAL WAIVERS.—

(1) IN GENERAL.—The President may waive the application of sanctions under section 103(b), the requirement to impose or maintain sanctions with respect to a person under section 105(a), 105A(a), 105B(a), ~~or 105C(a)~~ *105C(a), or 105D(a)*, the requirement to include a person on the list required by section 105(b), 105A(b), 105B(b), ~~or 105C(b)~~ *105C(b), or 105D(b)*, the application of the prohibition under section 106(a), or the imposition of the licensing requirement under section 303(c) with respect to a country designated as a Destination of Diversion Concern under section 303(a), if the President determines that such a waiver is in the national interest of the United States.

## (2) REPORTS.—

(A) IN GENERAL.—If the President waives the application of a provision pursuant to paragraph (1), the President shall submit to the appropriate congressional committees a report describing the reasons for the waiver.

(B) SPECIAL RULE FOR REPORT ON WAIVING IMPOSITION OF LICENSING REQUIREMENT UNDER SECTION 303(c).—In any case in which the President waives, pursuant to paragraph (1), the imposition of the licensing requirement under section 303(c) with respect to a country designated as a Destination of Diversion Concern under section 303(a), the President shall include in the report required by subparagraph (A) of this paragraph an assessment of whether the government of the country is taking the steps described in subparagraph (A) of section 303(d)(1).

## (c) AUTHORIZATIONS OF APPROPRIATIONS.—

(1) AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF STATE AND THE DEPARTMENT OF THE TREASURY.—There are authorized to be appropriated to the Secretary of State and to the Secretary of the Treasury such sums as may be necessary to implement the provisions of, and amendments made by, titles I and III of this Act.

(2) AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF COMMERCE.—There are authorized to be appropriated to the Secretary of Commerce such sums as may be necessary to carry out title III.

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