

## Calendar No. 374

118TH CONGRESS  
2D SESSION**S. 3235**

To require a strategy to counter the role of the People's Republic of China in evasion of sanctions imposed by the United States with respect to Iran, and for other purposes.

---

IN THE SENATE OF THE UNITED STATES

NOVEMBER 7, 2023

Mr. RISCH (for himself, Mr. RUBIO, Mr. MORAN, Mr. CRAPO, Mr. SCOTT of Florida, Mr. HAGERTY, Mrs. BLACKBURN, Mr. BARRASSO, Mr. BUDD, Mr. CASSIDY, Mrs. BRITT, Mr. GRASSLEY, Mr. BRAUN, Mr. KENNEDY, Mr. HOEVEN, and Mr. RICKETTS) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

MAY 7, 2024

Reported by Mr. CARDIN, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italie*]

---

**A BILL**

To require a strategy to counter the role of the People's Republic of China in evasion of sanctions imposed by the United States with respect to Iran, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “End Iranian Terrorism  
3 Act of 2023”.

4 **SEC. 2. SENSE OF CONGRESS.**

5 It is the sense of Congress that—

6 (1) the Islamic Republic of Iran has long pro-  
7 vided hundreds of millions of dollars in material sup-  
8 port to Hamas and other terrorist groups, such as  
9 Palestinian Islamic Jihad, that directly threaten  
10 Israel;

11 (2) Iran poses a threat to regional and global  
12 security and has earned approximately  
13 \$80,000,000,000 in oil revenues since 2021;

14 (3) the People’s Republic of China, seeking to  
15 secure reliable sources of Middle Eastern energy,  
16 has purchased roughly \$47,000,000,000 in Iranian  
17 petroleum products since 2021 and is undercutting  
18 the enforcement of sanctions imposed by the United  
19 States with respect to Iran;

20 (4) illicit purchases of Iranian petroleum prod-  
21 ucts by the People’s Republic of China and other  
22 countries fund the Iranian regime’s suppression of  
23 human rights in Iran, provide valuable resources for  
24 Iran’s terrorist proxies, and provide additional re-  
25 sources for support by Iran for the Russian Federa-

1       tion in its unprovoked war in Ukraine, contrary to  
2       United States policy;

3           ~~(5) lack of sanctions and sanctions enforcement~~  
4       ~~directly undercuts United States policy objectives in~~  
5       ~~the Indo-Pacific region, Europe, the Middle East,~~  
6       ~~and beyond;~~

7           ~~(6) increasing encroachment by the People's~~  
8       ~~Republic of China in the Middle East and North Af-~~  
9       ~~rica, include involvement of the People's Republic of~~  
10      ~~China in illicit oil trade, runs counter to the national~~  
11      ~~security interests of the United States; and~~

12          ~~(7) the United States should immediately en-~~  
13      ~~force existing sanctions, including sanctions provided~~  
14      ~~for in Executive Order 13846 (50 U.S.C. 1701 note;~~  
15      ~~relating to reimposing certain sanctions with respect~~  
16      ~~to Iran), and expand sanctions designations to in-~~  
17      ~~clude persons that store Iranian oil, ship-to-ship oil~~  
18      ~~transfer operators, ports and port operators, refin-~~  
19      ~~eries and refinery operators, and other individuals~~  
20      ~~and entities, particularly in the People's Republic of~~  
21      ~~China, dealing in Iranian-origin oil and petrochemi-~~  
22      ~~cals.~~

1 **SEC. 3. APPROPRIATE CONGRESSIONAL COMMITTEES DE-**  
2 **FINED.**

3 In this Act, the term “appropriate congressional com-  
4 mittees” means—

5 (1) the Committee on Foreign Relations and  
6 the Committee on Banking, Housing, and Urban Af-  
7 fairs of the Senate; and

8 (2) the Committee on Foreign Affairs and the  
9 Committee on Financial Services of the House of  
10 Representatives.

11 **SEC. 4. STRATEGY TO COUNTER ROLE OF THE PEOPLE’S**  
12 **REPUBLIC OF CHINA IN EVASION OF SANC-**  
13 **TIONS WITH RESPECT TO IRAN.**

14 (a) IN GENERAL.—Not later than 120 days after the  
15 date of the enactment of this Act, the Secretary of State,  
16 in consultation with the heads of other appropriate Fed-  
17 eral agencies, shall submit to the appropriate congres-  
18 sional committees a written strategy, and provide to those  
19 committees an accompanying briefing, on the role of the  
20 People’s Republic of China in evasion of sanctions imposed  
21 by the United States with respect to Iranian-origin petro-  
22 leum products that includes an assessment of options—

23 (1) to strengthen the enforcement of such sanc-  
24 tions; and

25 (2) to expand sanctions designations targeting  
26 the involvement of the People’s Republic of China in

1 the production, transportation, storage, refining, and  
2 sale of Iranian-origin petroleum products.

3 (b) ~~ELEMENTS.~~—The strategy required by subsection  
4 (a) shall include—

5 (1) a description of the use of sanctions in ef-  
6 fect before the date of the enactment of this Act to  
7 target individuals and entities of the People’s Re-  
8 public of China that are directly or indirectly associ-  
9 ated with smuggling of Iranian-origin petroleum  
10 products;

11 (2) an assessment of—

12 (A) the People’s Republic of China’s petro-  
13 leum refining capabilities;

14 (B) which of the People’s Republic of Chi-  
15 na’s refineries are at high risk of processing  
16 Iranian-origin petroleum products and why;

17 (C) Iranian-owned entities operating in the  
18 People’s Republic of China and involved in pe-  
19 troleum refining supply chains;

20 (D) the People’s Republic of China’s role  
21 in global petroleum refining supply chains;

22 (E) how the People’s Republic of China  
23 leverages its role in global petroleum supply  
24 chains to achieve political objectives;

1           (F) the People’s Republic of China’s petro-  
2           leum importing and exporting partners;

3           (G) what percent of the People’s Republic  
4           of China’s energy consumption is linked to ille-  
5           gally imported Iranian-origin petroleum prod-  
6           ucts;

7           (H) the amount of money the People’s Re-  
8           public of China saves by illegally importing dis-  
9           counted Iranian-origin petroleum products rath-  
10          er than paying market price;

11          (I) what level of influence the Chinese  
12          Communist Party holds over non-state, semi-  
13          independent “teapot” refineries; and

14          (J) the challenges limiting the ability of  
15          the United States to impose or enforce sanc-  
16          tions with respect to such refineries, includ-  
17          ing—

18               (i) Lawen Namu Petroleum Trading  
19               Company;

20               (ii) Qihang Energy; and

21               (iii) Shangang Guomao;

22          (K) a detailed plan for—

23               (A) monitoring the maritime domain for  
24               smuggling of Iranian-origin petroleum products

1 in violation of sanctions imposed by the United  
2 States, including through—

3 (i) automatic identification system  
4 monitoring;

5 (ii) satellite imagery;

6 (iii) vessel comparison and tanker  
7 classification;

8 (iv) receiving tips from operators; and

9 (v) creating a database of reported  
10 potential sanctions violations;

11 (B) identifying the individuals, entities,  
12 and vessels responsible for such smuggling, in-  
13 cluding—

14 (i) vessels—

15 (I) operated by the National Ira-  
16 nian Tanker Company or any other  
17 Chinese or Iranian entity subject to  
18 sanctions imposed by the United  
19 States;

20 (II) transporting petrochemicals  
21 subject to sanctions;

22 (III) conducting ship-to-ship  
23 transfers of such petrochemicals;

24 (IV) with deactivated automatic  
25 identification systems; or

- 1 (V) that engage in “flag hop-  
2 ping” by changing national registries;  
3 (ii) individuals or entities—  
4 (I) storing petrochemicals subject  
5 to sanctions; or  
6 (II) refining or otherwise proc-  
7 essing such petrochemicals; and  
8 (iii) through the use of port entry and  
9 docking permission of vessels subject to  
10 sanctions;  
11 (C) assessing the viability of seizing tar-  
12 gets identified as belonging to entities smug-  
13 gling Iranian-origin petroleum products in vio-  
14 lation of sanctions imposed by the United  
15 States, including—  
16 (i) location;  
17 (ii) origin and destination;  
18 (iii) seaworthiness; and  
19 (iv) asset value;  
20 (D) seizing, prosecuting, and, if appro-  
21 priate, liquidating viable targets identified as  
22 belonging to entities involved in such smug-  
23 gling;



1           (E) deterring individuals and entities from  
2           violating sanctions by educating and engag-  
3           ing—

4                   (i) insurance providers;

5                   (ii) parent companies; and

6                   (iii) vessel operators;

7           (F) collaborating with allies and partners  
8           of the United States engaged in the Arabian  
9           Peninsula, including through standing or new  
10          maritime task forces; to build sanctions enforce-  
11          ment capacity through assistance and training  
12          to defense and law enforcement services; and

13          (G) using public communications and glob-  
14          al diplomatic engagements to highlight the role  
15          of petroleum product smuggling in supporting  
16          Iran's human rights abuses and destabilizing  
17          terrorism activities; and

18          (4) an assessment of—

19                  (A) the total number of vessels smuggling  
20                  Iranian-origin petroleum products;

21                  (B) the total number of vessels smuggling  
22                  such petroleum products destined for the Peo-  
23                  ple's Republic of China;

1           (C) the number of vessels smuggling such  
2           petroleum products specifically from the Islamic  
3           Revolutionary Guard Corps;

4           (D) the most strategic locations for inter-  
5           cepting smuggled Iranian-origin petroleum  
6           products destined for the People's Republic of  
7           China;

8           (E) interference from the People's Repub-  
9           lic of China in attempts by the United States  
10          to investigate or enforce sanctions on Iranian  
11          petroleum product exports;

12          (F) the effectiveness of the use of sanc-  
13          tions with respect to insurers of entities that  
14          own or operate vessels involved in smuggling  
15          Iranian-origin petroleum products;

16          (G) the distinction between the total num-  
17          ber of suspected violations of sanctions related  
18          to smuggling of Iranian-origin petroleum prod-  
19          ucts and the number of vessels legally viable to  
20          seize and prosecute in litigation, if any, and an  
21          accompanying explanation for each;

22          (H) the personnel and resources needed to  
23          enforce sanctions with respect to Iranian-origin  
24          petroleum products; and

1                   (~~I~~) the impact of smuggled Iranian-origin  
2                   petroleum products on global energy markets.

3           (~~e~~) ~~FORM.~~—The strategy required by subsection (~~a~~)  
4 shall be submitted in unclassified form, but may include  
5 a classified index.

6 **SEC. 5. IMPOSITION OF SANCTIONS.**

7           (~~a~~) ~~IN GENERAL.~~—Not later than 180 days after the  
8 date of the enactment of this Act, the President shall—

9                   (~~1~~) identify each foreign entity, including any  
10                  member of the Chinese Communist Party or an enti-  
11                  ty organized under the laws of the People’s Republic  
12                  of China or otherwise subject to the jurisdiction of  
13                  the People’s Republic of China, that the President  
14                  determines meets the criteria for the imposition of  
15                  sanctions under—

16                         (~~A~~) the Iran Sanctions Act of 1996 (~~Public~~  
17                         Law 104–172; 50 U.S.C. 1701 note);

18                         (~~B~~) the Comprehensive Iran Sanctions, Ac-  
19                         countability, and Divestment Act of 2010 (~~22~~  
20                         U.S.C. 8501 et seq.);

21                         (~~C~~) section 1245 of the National Defense  
22                         Authorization Act for Fiscal Year 2012 (~~22~~  
23                         U.S.C. 8513a);

1           ~~(D)~~ the Iran Threat Reduction and Syria  
 2           Human Rights Act of 2012 (22 U.S.C. 8701 et  
 3           seq.);

4           ~~(E)~~ the Iran Freedom and Counter-Pro-  
 5           liferation Act of 2012 (22 U.S.C. 8801 et seq.);

6           ~~(F)~~ title I of the Countering America’s Ad-  
 7           versaries Through Sanctions Act (22 U.S.C.  
 8           9401 et seq.);

9           ~~(G)~~ any Executive order imposing sanc-  
 10          tions with respect to Iran issued under the au-  
 11          thority provided by the International Emer-  
 12          gency Economic Powers Act (50 U.S.C. 1701 et  
 13          seq.); or

14          ~~(H)~~ any other provision of law imposing  
 15          sanctions with respect to Iran; and

16          ~~(2)~~ impose sanctions applicable under existing  
 17          law with respect to each such entity.

18          ~~(b) REPORT REQUIRED.—~~Not later than 30 days  
 19          after the imposition of sanctions under subsection (a) with  
 20          respect to a foreign entity, the President shall submit to  
 21          the appropriate congressional committees a report on the  
 22          sanctions imposed.

23       **SECTION 1. SHORT TITLE.**

24           *This Act may be cited as the “End Iranian Terrorism*  
 25       *Act of 2024”.*

1 **SEC. 2. SENSE OF CONGRESS.**

2 *It is the sense of Congress that—*

3 *(1) the Islamic Republic of Iran has long pro-*  
4 *vided hundreds of millions of dollars in material sup-*  
5 *port to Hamas and other terrorist groups, such as*  
6 *Palestinian Islamic Jihad, that directly threaten*  
7 *Israel;*

8 *(2) Iran poses a threat to regional and global se-*  
9 *curity and has earned approximately \$80,000,000,000*  
10 *in oil revenues since 2021;*

11 *(3) the People's Republic of China, seeking to se-*  
12 *cure reliable sources of Middle Eastern energy, has*  
13 *purchased roughly \$47,000,000,000 in Iranian petro-*  
14 *leum products since 2021 and is undercutting the en-*  
15 *forcement of sanctions imposed by the United States*  
16 *with respect to Iran;*

17 *(4) illicit purchases of Iranian petroleum prod-*  
18 *ucts by the People's Republic of China and other*  
19 *countries fund the Iranian regime's suppression of*  
20 *human rights in Iran, provide valuable resources for*  
21 *Iran's terrorist proxies, and provide additional re-*  
22 *sources for support by Iran for the Russian Federa-*  
23 *tion in its unprovoked war in Ukraine, contrary to*  
24 *United States policy;*

25 *(5) lack of sanctions and sanctions enforcement*  
26 *directly undercuts United States policy objectives in*

1       *the Indo-Pacific region, Europe, the Middle East, and*  
 2       *beyond;*

3               *(6) increasing encroachment by the People’s Re-*  
 4       *public of China in the Middle East and North Africa,*  
 5       *including involvement of the People’s Republic of*  
 6       *China in illicit oil trade, runs counter to the national*  
 7       *security interests of the United States; and*

8               *(7) the United States should immediately enforce*  
 9       *existing sanctions, including sanctions provided for*  
 10       *in Executive Order 13846 (50 U.S.C. 1701 note; re-*  
 11       *lating to reimposing certain sanctions with respect to*  
 12       *Iran), and expand sanctions designations to include*  
 13       *persons that store Iranian oil, ship-to-ship oil trans-*  
 14       *fer operators, ports and port operators, refineries and*  
 15       *refinery operators, and other individuals and entities,*  
 16       *particularly in the People’s Republic of China, deal-*  
 17       *ing in Iranian-origin oil and petrochemicals.*

18   **SEC. 3. APPROPRIATE CONGRESSIONAL COMMITTEES DE-**  
 19       **FINED.**

20       *In this Act, the term “appropriate congressional com-*  
 21       *mittees” means—*

22               *(1) the Committee on Foreign Relations and the*  
 23       *Committee on Banking, Housing, and Urban Affairs*  
 24       *of the Senate; and*

1           (2) *the Committee on Foreign Affairs and the*  
 2           *Committee on Financial Services of the House of Rep-*  
 3           *resentatives.*

4   **SEC. 4. STRATEGY TO COUNTER ROLE OF THE PEOPLE’S RE-**  
 5                           **PUBLIC OF CHINA IN EVASION OF SANCTIONS**  
 6                           **WITH RESPECT TO IRAN.**

7           (a) *IN GENERAL.*—Not later than 120 days after the  
 8           *date of the enactment of this Act, the Secretary of State,*  
 9           *in consultation with the heads of other appropriate Federal*  
 10           *agencies, shall submit to the appropriate congressional com-*  
 11           *mittees a written strategy, and provide to those committees*  
 12           *an accompanying briefing, on the role of the People’s Re-*  
 13           *public of China in evasion of sanctions imposed by the*  
 14           *United States with respect to Iranian-origin petroleum*  
 15           *products that includes an assessment of options—*

16                   (1) *to strengthen the enforcement of such sanc-*  
 17                   *tions; and*

18                   (2) *to expand sanctions designations targeting*  
 19                   *the involvement of the People’s Republic of China in*  
 20                   *the production, transportation, storage, refining, and*  
 21                   *sale of Iranian-origin petroleum products.*

22           (b) *ELEMENTS.*—The strategy required by subsection  
 23           (a) shall include—

24                   (1) *a description and assessment of the use of*  
 25                   *sanctions in effect before the date of the enactment of*

1        *this Act to target individuals and entities of the Peo-*  
 2        *ple’s Republic of China that are directly or indirectly*  
 3        *associated with smuggling of Iranian-origin petro-*  
 4        *leum products;*

5            *(2) an assessment of—*

6                    *(A) Iranian-owned entities operating in the*  
 7                    *People’s Republic of China and involved in pe-*  
 8                    *troleum refining supply chains;*

9                    *(B) the People’s Republic of China’s role in*  
 10                   *global petroleum refining supply chains;*

11                   *(C) how the People’s Republic of China*  
 12                   *leverages its role in global petroleum supply*  
 13                   *chains to achieve political objectives;*

14                   *(D) the People’s Republic of China’s petro-*  
 15                   *leum importing and exporting partners;*

16                   *(E) what percent of the People’s Republic of*  
 17                   *China’s energy consumption is linked to illegally*  
 18                   *imported Iranian-origin petroleum products;*

19                   *and*

20                   *(F) what level of influence the Chinese Com-*  
 21                   *munist Party holds over non-state, semi-inde-*  
 22                   *pendent “teapot” refineries;*

23                   *(3) a detailed plan for—*



1           (A) monitoring the maritime domain for  
2           sanctionable activity related to smuggling of Ira-  
3           nian-origin petroleum products;

4           (B) identifying the individuals, entities,  
5           and vessels engaging in sanctionable activity re-  
6           lated to Iranian-origin petroleum products, in-  
7           cluding—

8           (i) vessels—

9                 (I) transporting petrochemicals  
10           subject to sanctions;

11                (II) conducting ship-to-ship trans-  
12           fers of such petrochemicals;

13                (III) with deactivated automatic  
14           identification systems; or

15                (IV) that engage in “flag hop-  
16           ping” by changing national registries;

17           (ii) individuals or entities—

18                 (I) storing petrochemicals subject  
19           to sanctions; or

20                 (II) refining or otherwise proc-  
21           essing such petrochemicals; and

22                 (iii) through the use of port entry and  
23           docking permission of vessels subject to  
24           sanctions;

1           (C) deterring individuals and entities from  
2           violating sanctions by educating and engaging—

3                   (i) insurance providers;

4                   (ii) parent companies; and

5                   (iii) vessel operators;

6           (D) collaborating with allies and partners  
7           of the United States engaged in the Arabian Pe-  
8           ninsula, including through standing or new  
9           maritime task forces, to build sanctions enforce-  
10          ment capacity through assistance and training  
11          to defense and law enforcement services; and

12          (E) using public communications and glob-  
13          al diplomatic engagements to highlight the role  
14          of illicit petroleum product smuggling in bol-  
15          stering Iran's support for terrorism and its nu-  
16          clear program; and

17          (4) an assessment of—

18                  (A) the total number of vessels smuggling  
19                  Iranian-origin petroleum products;

20                  (B) the total number of vessels smuggling  
21                  such petroleum products destined for the People's  
22                  Republic of China;

23                  (C) the number of vessels smuggling such  
24                  petroleum products specifically from the Islamic  
25                  Revolutionary Guard Corps;

1           (D) interference by the People’s Republic of  
 2           China with attempts by the United States to in-  
 3           vestigate or enforce sanctions on illicit Iranian  
 4           petroleum product exports;

5           (E) the effectiveness of the use of sanctions  
 6           with respect to insurers of entities that own or  
 7           operate vessels involved in smuggling Iranian-or-  
 8           igin petroleum products;

9           (F) the personnel and resources needed to  
 10          enforce sanctions with respect to Iranian-origin  
 11          petroleum products; and

12          (G) the impact of smuggled illicit Iranian-  
 13          origin petroleum products on global energy mar-  
 14          kets.

15          (c) *FORM.*—The strategy required by subsection (a)  
 16          shall be submitted in unclassified form, but may include  
 17          a classified index.

18   **SEC. 5. IMPOSITION OF SANCTIONS.**

19          (a) *IN GENERAL.*—Not later than 180 days after the  
 20          date of the enactment of this Act, the President shall—

21               (1) identify each foreign entity, including any  
 22               member of the Chinese Communist Party or any enti-  
 23               ty organized under the laws of the People’s Republic  
 24               of China or otherwise subject to the jurisdiction of the  
 25               People’s Republic of China, that the President deter-

1        *mines meets the criteria for the imposition of sanc-*  
2        *tions under—*

3                *(A) the Iran Sanctions Act of 1996 (Public*  
4        *Law 104–172; 50 U.S.C. 1701 note);*

5                *(B) the Comprehensive Iran Sanctions, Ac-*  
6        *countability, and Divestment Act of 2010 (22*  
7        *U.S.C. 8501 et seq.);*

8                *(C) section 1245 of the National Defense*  
9        *Authorization Act for Fiscal Year 2012 (22*  
10        *U.S.C. 8513a);*

11                *(D) the Iran Threat Reduction and Syria*  
12        *Human Rights Act of 2012 (22 U.S.C. 8701 et*  
13        *seq.);*

14                *(E) the Iran Freedom and Counter-Pro-*  
15        *liferation Act of 2012 (22 U.S.C. 8801 et seq.);*

16                *(F) title I of the Countering America’s Ad-*  
17        *versaries Through Sanctions Act (22 U.S.C. 9401*  
18        *et seq.);*

19                *(G) any Executive order imposing sanctions*  
20        *with respect to Iran issued under the authority*  
21        *provided by the International Emergency Eco-*  
22        *nomics Powers Act (50 U.S.C. 1701 et seq.); or*

23                *(H) any other provision of law imposing*  
24        *sanctions with respect to Iran; and*

1           (2) *impose sanctions applicable under existing*  
 2       *law with respect to each such entity.*

3           (b) *REPORT REQUIRED.*—*Not later than 30 days after*  
 4       *the imposition of sanctions under subsection (a) with re-*  
 5       *spect to a foreign entity, the President shall submit to the*  
 6       *appropriate congressional committees a report on the sanc-*  
 7       *tions imposed.*

8           (c) *WAIVER.*—

9           (1) *IN GENERAL.*—*The President may waive the*  
 10       *application of sanctions under this section for renew-*  
 11       *able periods not to exceed 180 days if the President—*

12                (A) *determines that such a waiver is in the*  
 13                *national security interests of the United States;*  
 14                *and*

15                (B) *not less than 15 days before the grant-*  
 16                *ing of the waiver, submits to the appropriate*  
 17                *congressional committees a notice of and jus-*  
 18                *tification for the waiver.*

19           (2) *FORM.*—*A notice described in paragraph*  
 20       (1)(B) *may be submitted in classified form.*

21       **SEC. 6. REPORT ON IMPACTS ON THE ISLAMIC REPUBLIC**  
 22                **OF IRAN OF SANCTIONS IMPOSED BY THE**  
 23                **UNITED STATES.**

24           (a) *IN GENERAL.*—*Not later than 90 days after the*  
 25       *date of the enactment this Act, the Secretary of State, in*

1 *consultation with the Secretary of the Treasury and draw-*  
2 *ing on subject-matter experts including economists and stat-*  
3 *isticians from the Department of State and the Department*  
4 *of the Treasury, shall submit to the appropriate congres-*  
5 *sional committees a report on the impacts on the Islamic*  
6 *Republic of Iran of sanctions imposed by the United States.*

7 *(b) ELEMENTS.—The report required by subsection (a)*  
8 *shall include an assessment of the following:*

9 *(1) The impact of sanctions imposed by the*  
10 *United States on the following:*

11 *(A) Problematic activities and policies of*  
12 *the Islamic Republic of Iran, including ballistic*  
13 *missile development, proliferation of Iranian*  
14 *drones and missiles to state and non-state actors,*  
15 *uranium enrichment, and funding of terrorist*  
16 *groups in the “Axis of Resistance”, and how*  
17 *sanctions have meaningfully impacted the ability*  
18 *of such groups to operate.*

19 *(B) Key officials of the Iranian regime, in-*  
20 *cluding their access to alternative financial mar-*  
21 *kets, their standard of living, and impacts to*  
22 *their personal wealth.*

23 *(C) The operations of independent civil so-*  
24 *cietiy organizations in Iran, including the ability*  
25 *of such organizations to access products that*

1           *would allow them to document and share human*  
 2           *rights abuses, promote democratic norms, and*  
 3           *engage in political dissent.*

4           *(D) The efficacy of licensing actions aimed*  
 5           *at ensuring the people of Iran have access to cir-*  
 6           *cumvention technologies around Iranian regime*  
 7           *firewalls and censors to promote internet free-*  
 8           *dom, including General License D-2 of the De-*  
 9           *partment of the Treasury.*

10           *(E) The standard of living of the people of*  
 11           *Iran, including—*

12                   *(i) the impact on the purchasing power*  
 13                   *of the people of Iran and their ability to af-*  
 14                   *ford and acquire food and medicine; and*

15                   *(ii) changes in the size of the working*  
 16                   *and middle classes in Iran, including im-*  
 17                   *pacts to the poverty rate in Iran.*

18           *(F) The growth of unofficial economies con-*  
 19           *trolled by officials of the Iranian regime and*  
 20           *members of the Islamic Revolutionary Guard*  
 21           *Corps.*

22           *(2) What industries in Iran remain unaffected*  
 23           *by such sanctions.*

1 **SEC. 7. EXCEPTIONS.**

2 (a) *EXCEPTION RELATING TO IMPORTATION OF*  
3 *GOODS.—*

4 (1) *IN GENERAL.—A requirement to block and*  
5 *prohibit all transactions in all property and interests*  
6 *in property under this Act shall not include the au-*  
7 *thority or a requirement to impose sanctions on the*  
8 *importation of goods.*

9 (2) *GOOD.—In this subsection, the term “good”*  
10 *means any article, natural or manmade substance,*  
11 *material, supply, or manufactured product, including*  
12 *inspection and test equipment, and excluding tech-*  
13 *nical data.*

14 (b) *EXCEPTION TO COMPLY WITH UNITED NATIONS*  
15 *HEADQUARTERS AGREEMENT AND LAW ENFORCEMENT AC-*  
16 *TIVITIES.—Sanctions under this Act shall not apply with*  
17 *respect to the admission of an alien to the United States*  
18 *if admitting or paroling the alien into the United States*  
19 *is necessary—*

20 (1) *to permit the United States to comply with*  
21 *the Agreement regarding the Headquarters of the*  
22 *United Nations, signed at Lake Success June 26,*  
23 *1947, and entered into force November 21, 1947, be-*  
24 *tween the United Nations and the United States, or*  
25 *other applicable international obligations of the*  
26 *United States; or*



1           (2) *to carry out or assist authorized law enforce-*  
 2           *ment activity in the United States.*

3           (c) *EXCEPTION TO COMPLY WITH INTELLIGENCE AC-*  
 4           *TIVITIES.—Sanctions under this Act shall not apply to any*  
 5           *activity subject to the reporting requirements under title V*  
 6           *of the National Security Act of 1947 (50 U.S.C. 3091 et*  
 7           *seq.) or any authorized intelligence activities of the United*  
 8           *States.*

9           (d) *HUMANITARIAN ASSISTANCE.—*

10           (1) *IN GENERAL.—Sanctions under this Act shall*  
 11           *not apply to—*

12                   (A) *the conduct or facilitation of a trans-*  
 13                   *action for the provision of agricultural commod-*  
 14                   *ities, food, medicine, medical devices, humani-*  
 15                   *tarian assistance, or for humanitarian purposes;*  
 16                   *or*

17                   (B) *transactions that are necessary for or*  
 18                   *related to the activities described in subpara-*  
 19                   *graph (A).*

20           (2) *DEFINITIONS.—In this subsection:*

21                   (A) *AGRICULTURAL COMMODITY.—The term*  
 22                   *“agricultural commodity” has the meaning given*  
 23                   *that term in section 102 of the Agricultural*  
 24                   *Trade Act of 1978 (7 U.S.C. 5602).*

1                   (B) *MEDICAL DEVICE*.—The term “medical  
2                   device” has the meaning given the term “device”  
3                   in section 201 of the Federal Food, Drug, and  
4                   Cosmetic Act (21 U.S.C. 321).

5                   (C) *MEDICINE*.—The term “medicine” has  
6                   the meaning given the term “drug” in section  
7                   201 of the Federal Food, Drug, and Cosmetic Act  
8                   (21 U.S.C. 321).

9                   (e) *REPORT ON EXCEPTIONS*.—Not later than one year  
10                  after the date of the enactment of this Act, and annually  
11                  thereafter, the President shall submit to the appropriate  
12                  congressional committees a report that describes each activ-  
13                  ity that would be subject to sanctions under this Act if not  
14                  excepted pursuant to subsection (b) or (c).



Calendar No. 374

118TH CONGRESS  
2D Session  
**S. 3235**

**A BILL**

To require a strategy to counter the role of the People's Republic of China in evasion of sanctions imposed by the United States with respect to Iran, and for other purposes.

May 7, 2024

Reported with an amendment