Mr.

Speaker, I move to suspend the rules

and pass the bill (H.R. 1327) to authorize

State and local governments to direct

divestiture from, and prevent investment

in, companies with investments

of $20,000,000 or more in Iran’s

energy sector, and for other purposes,

as amended.

Mr. Speaker, I yield myself such time as I

may consume.

I am somewhat encouraged by what

appears to be some progress in negotiations

between the United States and

many other nations and Iran. I believe,

as do I think, almost everybody in the

House, perhaps not everybody, but almost

everybody, that nuclear weapons

in the hands of the Iranian regime

would be a terrible thing for the world

to have to deal with, and I am very

supportive of our efforts to mobilize

the necessary multinational coalition

to impose the kind of sanctions that

will stop this.

In that context, I have worked closely

with the Chair of the Foreign Affairs

Committee, the gentleman from California,

Mr. BERMAN, on sanctions legislation,

and I believe that he is correctly

coordinating closely with the

administration on the timing of broader

sanctions legislation.

The bill we are discussing right now

is one that has previously been passed

by this House. It was blocked in the

Senate in the previous administration

because the State Department argued

against it, and I think the time has

come for us to do it.

It does not in itself impose any sanctions.

What it does is to make it very

clear that Americans who are deeply

concerned about the prospect of Iranian

nuclear power and other aspects

of Iranian governance, that they are

able to act on those. In particular, this

bill says that no one in this country

ought involuntarily to have his or her

money put to the support of the Iranian

economy.

It has two provisions. First, it would

protect States which have decided to

divest from companies that are invested

in Iranian energy operations

from being preempted by the Federal

Government.

The State of Massachusetts, my

home State, some years ago passed a

bill saying not that no one in Massachusetts

could do business with

Myanmar, as the dictatorial rulers of

that country now call what was once

Burma; they said that they did not

want State money, money from the

State of Massachusetts, to be involved

in ways that would be supportive of

that regime. The State Department

challenged that on the grounds of Federal

supremacy in foreign policy, and

the Supreme Court upheld it.

What we do today is to say not that

States can make foreign policy, but

that States have the right to control

their own funds. The staff has given me

a list of about 20 States that have enacted

legislation to divest from Iran

and several other States that have

adopted policies of divesting from Iran.

Part of this bill today protects those

States which have made the decisions

by their own democratic processes

from having the Federal Government

come in and say, no, we are the Federal

Government, we are in charge of foreign

policy, and you must continue to

invest in Iran.

Secondly, we have had a movement

of citizens that say to various investment

vehicles, we do not want our

money invested in Iran. What this says

is that if people who are contributors

to an investment fund go to that investment

fund, whatever it is, and say,

we don’t want our money helping to

bolster the economy of that regime in

Iran, withdraw our funds from those

companies, that the company can’t be

sued.

What we have had is the investment

vehicles have often said, I think sometimes

frankly not entirely meaning

that this is the real reason, oh, well,

we can’t do that, because we are mandated

to get you the best possible dollar

return, and if we withdraw here, we

will be accused of having used other

criteria.

Now, in fact it has been, I think, fairly

clear that when you have a very

large entity investing broadly, withdrawal

from no one cause is going to

cause a problem. But that is still the

fear that was cited. So what this bill

does is to give a very narrowly drafted

protection to the investment managers

against being sued because they respond

to a claim from their own contributors

to that fund who don’t want

to be supporting Iran.

As I said, it does not mandate any divestiture.

It does protect State governments

from having their money put

where they don’t want it to be, and it

protects entities that do investments

from being sued if they were to give in

to the moral argument that their funds

should not go for this or that country.

There are a couple of technical

changes to the bill as introduced which

provide that the exceptions are very

narrowly drafted just to this. It is, in

fact, about the Iranian energy section,

and I believe those in America who

want to make these decisions should be

protected in doing so.

I reserve the balance of my time.

Mr. Speaker, I yield myself such time as I

may consume to make one final point.

It is the fantasy of the President of

Iran, among many fantasies, most of

them malign, that somehow it’s the

American Government that’s been opposed

to them and that the broad reach

of the American people would be more

sympathetic. The important point to

stress here is that this bill does not do

anything at the Federal level. This bill

empowers State governments and private

citizens to give vent to their own

understandable extreme dislike and

fear of the Iranian Government.

So let’s be very clear. This is a bill

that will have effect to the extent that

the activities of the Iranian Government

increase the revulsion many

Americans feel at those actions; not at

the people of Iran, but at the Government

of Iran. If, in fact, some of the

hopeful signs were to look better, then

this bill will not have much of an impact.

So, to the great extent, whether or

not this bill has a real impact will depend

very much on what the Iranians

do. And so I appreciate the cooperation

we’ve gotten on both sides. And I stress

again, this is a bill that empowers

American citizens, American local and

State governments, and whether or not

this leads to action will depend very

much on future actions by the Government

of Iran.