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IRGC TERRORIST SANCTIONS ACT OF 2015

MARKUP

BEFORE THE

SUBCOMMITTEE ON TERRORISM,
NONPROLIFERATION, AND TRADE

OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTEENTH CONGRESS

SECOND SESSION

ON

H.R. 3693

SEPTEMBER 27, 2016

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CONTENTS

Page

MARKUP ON

H.R. 3693, To require a report on whether Iran's Islamic Revolutionary Guard Corps is a terrorist entity, and for other purpose 2
Amendment in the nature of a substitute to H.R. 3693 offered by the Honorable William Keating, a Representative in Congress from the Commonwealth of Massachusetts 5

APPENDIX

Markup notice 10
Markup minutes 11
Markup summary 12

IRGC TERRORIST SANCTIONS ACT OF 2015

TUESDAY, SEPTEMBER 27, 2016

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON TERRORISM, NONPROLIFERATION, AND TRADE,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:00 p.m., in room 2200 Rayburn House Office Building, Hon. Paul Cook presiding.

Mr. COOK. The subcommittee will come to order.

Pursuant to notice, we will meet today and mark up an important piece of terrorist sanctions legislation.

I now call up the bill H.R. 3693, the Islamic Revolutionary Guard Corps Terrorist Sanctions Act of 2015. Without objection, the bill is considered read and open for amendment at any point and all members may have 5 days to submit statements and materials for the record.

To expedite our consideration, I ask unanimous consent that we consider the amendment in the nature of a substitute offered by Ranking Member Keating, which is the product of an agreement between the Chair and the ranking member and which all members have in front of them as them as the base text.

Hearing no objection, so ordered.

[The information referred to follows:]

I

114TH CONGRESS
1ST SESSION

H. R. 3693

To require a report on whether Iran's Islamic Revolutionary Guard Corps is a terrorist entity, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 6, 2015

Mr. POE of Texas introduced the following bill; which was referred to the Committee on Foreign Affairs

---

A BILL

To require a report on whether Iran's Islamic Revolutionary Guard Corps is a terrorist entity, and for other purposes.

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 "IRGC Terrorist Sanctions Act of 2015".

SEC. 2. REPORT TO CONGRESS ON TREATMENT OF ISLAMIC REVOLUTIONARY GUARD CORPS.

(a) REPORT.—The Secretary of the Treasury shall, not later than 30 days after the date of the enactment

of this Act, submit to the committees referred to in subsection (b) a report on the following:

(1) Whether Iran's Islamic Revolutionary Guard Corps meets the requirements for designation as a terrorist entity under section 1(b) of Executive Order 13224 of September 24, 2001.

(2)(A) Whether an entity the board of directors of which is controlled by members of Iran's Islamic Revolutionary Guard Corps or by representatives of entities controlled by members of the Islamic Revolutionary Guard Corps is considered to be an entity controlled by the Government of Iran for purposes of section 560.313 of title 31, Code of Federal Regulations.

(B) What factors are used to determine control and a controlling interest for purposes of such section 560.313.

(b) COMMITTEES.—The committees to which the report under subsection (a) shall be submitted are the following:

(1) The Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, the Committee on the Judiciary, the Committee on Home-

land Security and Governmental Affairs, and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services, the Committee on Financial Services, the Committee on Foreign Affairs, the Committee on the Judiciary, the Committee on Homeland Security, and the Permanent Select Committee on Intelligence of the House of Representatives.

○

AMENDMENT IN THE NATURE OF A SUBSTITUTE

TO H.R. 3693

OFFERED BY MR. KEATING OF MASSACHUSETTS

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "IRGC Terrorist Sanctions Act of 2016".

SEC. 2. REPORT TO CONGRESS ON TREATMENT OF ISLAMIC REVOLUTIONARY GUARD CORPS.

(a) REPORT.—The Secretary of the Treasury shall, not later than 30 days after the date of the enactment of this Act, submit to the committees referred to in subsection (b) a report on the following:

(1) Whether Iran's Islamic Revolutionary Guard Corps meets the requirements for designation as a terrorist entity under section 1(b) of Executive Order 13224 of September 24, 2001.

(2)(A) Whether an entity the board of directors of which is controlled by members of Iran's Islamic Revolutionary Guard Corps or by representatives of entities controlled by members of the Islamic Revolutionary Guard Corps is considered to be an entity

controlled by the Government of Iran for purposes of section 560.313 of title 31, Code of Federal Regulations.

(B) What factors are used to determine control and a controlling interest for purposes of such section 560.313.

(b) COMMITTEES.—The committees to which the report under subsection (a) shall be submitted are the following:

(1) The Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, the Committee on the Judiciary, the Committee on Homeland Security and Governmental Affairs, and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services, the Committee on Financial Services, the Committee on Foreign Affairs, the Committee on the Judiciary, the Committee on Homeland Security, and the Permanent Select Committee on Intelligence of the House of Representatives.

(c) FORM.—The report under subsection (a) shall be submitted in unclassified form, but may contain a classi-

fied annex as necessary to protect the disclosure of sensitive or classified information.

☒

Mr. COOK. I now recognize myself to speak on the bill and in light of the fact that if called, votes—excuse me—I am going to, if there is no objection, just submit that as part of the record and dismiss with my reading.

And I now recognize the ranking member for his comments on today's measures.

Mr. KEATING. Thank you, Mr. Chairman. I'll just try and be very quick in my reading of this, given the rollcall that we have in front of us.

I want to thank the chairman for putting forward this bill and for highlighting our continued efforts to work together to ensure our country is appropriately addressing nefarious actors.

Iran's Revolutionary Guard Corps continues to act as a destabilizing force in the Middle East and beyond. Over the years, branches of our Government have determined that portions of the IRGC support terrorism such as the Quds Force and have since designated sponsors—them as sponsors of terrorism.

H.R. 3693, the IRGC Terrorist Sanctions Act of 2015, requires the Treasury Department to report on whether the Revolutionary Guard meets requirements for designation of a terrorist entity under the Executive order, Executive Order 13224, which targets global terrorist activity and whether the IRGC's control of a company's board of directors should trigger such designation.

Already the Corps has been sanctioned to various degrees. For example, in 2007, the IRGC was designated by Executive order for having engaged in proliferation-related activities.

Again, in June 2011, Treasury designated the IRGC for its role in human rights abuses in Iran following the disputed June 2009 Presidential election.

Most recently in April 2012, Treasury designated the IRGC for its activity in connection with human rights through the use of information and communication technology.

While it remains unclear how additional designation would impact IRGC's activities, there is no mistaking the nefarious role the network has played in promoting instability.

To this end, it is imperative that we continue to hold Iran accountable for its actions and be subject to secondary sanctions.

Further, I believe it is important that we ensure Congress has the complete picture when discussing additional sanctions against another country.

This includes allowing individuals in the intelligence community the opportunity to provide unfiltered analysis. My amendment incorporates this amendment in the nature of a substitute, ensuring

that classified annex of materials may be provided to the appropriate committees.

This will significantly aid our receipt of the full picture as would be incorporated in the report authorizing this legislation.

With that, Mr. Chairman, I yield back the balance of my time.

Mr. COOK. Thank you very much, Congressman Keating.

Do any other members seek recognition to speak on the bill?

Yes, sir. The Congressman from California, Congressman Sherman.

Mr. SHERMAN. Clearly, the IRGC is a terrorist organization. It ought to be designated as such.

Congress has been, I think, too shy in failing to pass legislation to simply designate entities. But in this case, I am sure the review will end up where it should and in the future we may simply designate these rather than go through a—have the State Department go through a process that will lead to that same designation.

I yield back.

Mr. COOK. Thank you.

Congressman Perry.

Seeing no other—I just want to make one final comment. I didn't want to talk much on this but this is something very, very significant because the organization we are talking about had an incident a long time ago in 1983.

It was the Marine barracks in Beirut that was blown up. That was my old battalion—1st Battalion 8th Marines—where we lost over 260 Marines, sailors and soldiers.

So, obviously, I support this bill and hearing no further amendments——

Mr. KEATING. Mr. Chairman, I have one other thing.

Mr. COOK. Yes, sir.

Mr. KEATING. Just—I did want to comment and thank you, Mr. Chairman, and members of the committee, and in his absence I wanted to thank Chairman Poe for his work and the work we put together dealing with it.

We did it in a very cooperative and bipartisan manner and although it is great to see you, Mr. Chairman, I know I speak for the rest of the committee. We can't wait to see him back here.

I yield back.

Mr. COOK. Well, thank you for your comments. Our thoughts and prayers go with Chairman Poe and I know I am not chopped liver and can never be.

But hearing no further amendments, I move that the bill as amended be favorably reported to the full committee.

I have to have a teleprompter and what have you. Okay.

The vote itself—all those in favor say aye.

Those opposed say no.

In the opinion of the chair, the ayes have it. The motion is approved. The bill is reported favorably as amended.

So now we are going to go and—we are going to adjourn and then come back for our hearing at 2:45. So everybody get on their starting blocks and make votes.

[Whereupon, at 2:08 p.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Record

SUBCOMMITTEE MARKUP NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

Subcommittee on Terrorism, Nonproliferation, and Trade
Ted Poe (R-TX), Chairman

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN markup of the Committee on Foreign Affairs, to be held by the Subcommittee on Terrorism, Nonproliferation, in Room 2200 of the Rayburn House Office Building (and available live on the Committee website at http://www.ForeignAffairs.house.gov):

DATE: Tuesday, September 27, 2016

TIME: 2:00 p.m.

MARKUP OF: H.R. 3693, IRGC Terrorist Sanctions Act of 2015.

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS
MINUTES OF SUBCOMMITTEE MARKUP

MINUTES OF SUBCOMMITTEE ON *Terrorism, Nonproliferation, and Trade* MARKUP

Day *Tuesday* **Date** *September 27, 2016* **Room** *2200*

Starting Time *2:01 p.m.* **Ending Time** *2:08 p.m.*

Recesses [ ] (____to____) (____to____) (____to____) (____to____) (____to____) (____to____)

Presiding Member(s)

Rep. Paul Cook

Check all of the following that apply:

Open Session [✓]
Executive (closed) Session [ ]
Televised [✓]

Electronically Recorded (taped) [✓]
Stenographic Record [✓]

BILLS FOR MARKUP: *(Include bill number(s) and title(s) of legislation.)*

H.R. 3693, IRGC Sanctions Act of 2015

COMMITTEE MEMBERS PRESENT:

Reps. Cook, Keating, Perry, Sherman

NON-COMMITTEE MEMBERS PRESENT:

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

ACTIONS TAKEN DURING THE MARKUP: *(Attach copies of legislation and amendments.)*

H.R. 3693 was passed out of the Subcommittee as amended.

RECORDED VOTES TAKEN (FOR MARKUP): *(Attach final vote tally sheet listing each member.)*

Subject	Yeas	Nays	Present	Not Voting

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *2:08 p.m.*

Subcommittee Staff Associate

9/27/16 Terrorism, Nonproliferation, and Trade Subcommittee Markup Summary

The Chair obtained unanimous consent to consider one measure and one amendment (previously provided to Members of the Committee) *en bloc*:

1) H.R. 3693 (Poe), the IRGC Terrorist Sanctions Act of 2015.

    a. Keating 83, an amendment in the nature of a substitute.

The items considered *en bloc* were agreed to by voice vote.

H.R. 3693, as amended, was ordered favorably reported to the Full Committee as a single amendment in the nature of a substitute by unanimous consent.

The Committee adjourned.

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