



(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To freeze certain Iranian funds involved in the 2023 hostage deal between the United States and Iran, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. MCCAUL introduced the following bill; which was referred to the Committee on _____

A BILL

To freeze certain Iranian funds involved in the 2023 hostage deal between the United States and 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “No Funds for Iranian
5 Terrorism Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1 (1) On October 7, 2023, Iran-backed Hamas
2 terrorists launched a massive, unprovoked war on
3 Israel by air, land, and sea, in which they engaged
4 in the brutal murder of over 1,300 people and kid-
5 napped 130 people who are now being held hostage.

6 (2) Hamas, Palestinian Islamic Jihad, and
7 Hezbollah have all been designated by the United
8 States as Foreign Terrorist Organizations pursuant
9 to section 219 of the Immigration and Nationality
10 Act (8 U.S.C. 1189).

11 (3) According to an unclassified United States
12 government assessment, “Iran has historically pro-
13 vided up to \$100 million annually in combined sup-
14 port to Palestinian terrorist groups, including
15 Hamas, Palestinian Islamic Jihad (PIJ), and the
16 Popular Front for the Liberation of Palestine-Gen-
17 eral Command.”.

18 (4) As National Security Advisor Jake Sullivan
19 stated on October 10, 2023, “Iran is complicit in
20 this attack in a broad sense because they have pro-
21 vided the lion’s share of the funding for the military
22 wing of Hamas, they have provided training, they
23 have provided capabilities, they have provided sup-
24 port, and they have provided engagement and con-
25 tact with Hamas over years and years.”.

1 **SEC. 3. IMPOSITION OF SANCTIONS WITH RESPECT TO COV-**
2 **ERED IRANIAN ASSETS.**

3 (a) **IN GENERAL.**—On and after the date of the en-
4 actment of this Act, the President shall impose the sanc-
5 tion described in subsection (c) with respect to each for-
6 eign financial institution and each international financial
7 institution that the President determines engages in an
8 activity described in subsection (b).

9 (b) **ACTIVITIES DESCRIBED.**—A foreign financial in-
10 stitution or international financial institution engages in
11 an activity described in this subsection if the institution
12 processes, participates in, or facilitates a transaction using
13 or involving covered Iranian funds.

14 (c) **BLOCKING OF PROPERTY.**—The sanction de-
15 scribed in this subsection is the exercise all of the powers
16 granted to the President under the International Emer-
17 gency Economic Powers Act (50 U.S.C. 1701 et seq.) to
18 the extent necessary to block and prohibit all transactions
19 in property and interests in property of a foreign financial
20 institution or international financial institution described
21 in subsection (a) if such property and interests in property
22 are in the United States, come within the United States,
23 or are or come within the possession or control of a United
24 States person.

25 (d) **PENALTIES.**—The penalties provided for in sub-
26 sections (b) and (c) of section 206 of the International

1 Emergency Economic Powers Act (50 U.S.C. 1705) shall
2 apply to a person that violates, attempts to violate, con-
3 spires to violate, or causes a violation of this section or
4 any regulations promulgated to carry out this section to
5 the same extent that such penalties apply to a person that
6 commits an unlawful act described in section 206(a) of
7 that Act.

8 (e) TERMINATION OF SANCTIONS.—The President
9 shall not be required to impose sanctions under this sec-
10 tion with respect to a foreign financial institution or inter-
11 national financial institution described in subsection (a)
12 if the President certifies in writing to the appropriate con-
13 gressional committees that the Government of Iran—

14 (1) no longer repeatedly provides support for
15 international terrorism as determined by the Sec-
16 retary of State pursuant to—

17 (A) section 1754(c)(1)(A) of the Export
18 Control Reform Act of 2018 (50 U.S.C.
19 4318(c)(1)(A));

20 (B) section 620A of the Foreign Assistance
21 Act of 1961 (22 U.S.C. 2371);

22 (C) section 40 of the Arms Export Control
23 Act (22 U.S.C. 2780); or

24 (D) any other provision of law; and

1 (2) has ceased the pursuit, acquisition, and de-
2 velopment of, and verifiably dismantled its, nuclear,
3 biological, and chemical weapons and ballistic mis-
4 siles and ballistic missile launch technology.

5 **SEC. 4. DEFINITIONS.**

6 In this Act:

7 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**
8 **TEES.**—The term “appropriate congressional com-
9 mittees” means—

10 (A) the Committee on Foreign Affairs and
11 the Committee on Financial Services of the
12 House of Representatives; and

13 (B) the Committee on Foreign Relations
14 and the Committee on Banking, Housing, and
15 Urban Affairs of the Senate.

16 (2) **COVERED IRANIAN FUNDS.**—The term “cov-
17 ered Iranian funds” means any funds transferred
18 from accounts in the Republic of Korea to Qatar
19 pursuant to or under the authority or guaranty of
20 a waiver, license, assurance letter, or other guidance
21 issued pursuant to or in furtherance of the waiver
22 determination made pursuant to sections 1244(i)
23 (22 U.S.C. 8803(i) and 1247(f) of the Iran Freedom
24 and Counter-Proliferation Act of 2012 (22 U.S.C.
25 8806(f)) and section 1245(d)(5) of the National De-

1 fense Authorization Act for Fiscal Year 2012 (22
2 U.S.C. 8513a(d)(5)) that is the subject of the docu-
3 ment entitled “Waiver of Sanctions with Respect to
4 the Transfer of Funds from the Republic of Korea
5 to Qatar” and was transmitted to Congress in Sep-
6 tember 2023.

7 (3) FOREIGN FINANCIAL INSTITUTION.—The
8 term “foreign financial institution” has the meaning
9 given such term under section 561.308 of title 31,
10 Code of Federal Regulations.

11 (4) INTERNATIONAL FINANCIAL INSTITU-
12 TION.—The term “international financial institu-
13 tion” has the meaning given such term in section
14 1701(e) of the International Financial Institutions
15 Act (22 U.S.C. 262r(e)).