

115TH CONGRESS
1ST SESSION

H. R. 3329

To amend the Hizballah International Financing Prevention Act of 2015 to impose additional sanctions with respect to Hizballah, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 2017

Mr. ROYCE of California (for himself and Mr. ENGEL) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Hizballah International Financing Prevention Act of 2015 to impose additional sanctions with respect to Hizballah, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Hizballah International Financing Prevention Amend-
6 ments Act of 2017”.

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

Sec. 1. Short title; table of contents.

TITLE I—PREVENTION OF ACCESS BY HIZBALLAH TO
 INTERNATIONAL FINANCIAL AND OTHER INSTITUTIONS

Sec. 101. Mandatory sanctions with respect to fundraising and recruitment activities for Hizballah.

Sec. 102. Modification of report with respect to financial institutions that engage in certain transactions.

Sec. 103. Sanctions against foreign states that support Hizballah.

Sec. 104. Prohibitions and conditions with respect to certain accounts held by foreign financial institutions.

TITLE II—NARCOTICS TRAFFICKING AND SIGNIFICANT
 TRANSNATIONAL CRIMINAL ACTIVITIES OF HIZBALLAH

Sec. 201. Blocking of property of Hizballah.

Sec. 202. Report on racketeering activities engaged in by Hizballah.

Sec. 203. Modification of report on activities of foreign governments to disrupt global logistics networks and fundraising, financing, and money laundering activities of Hizballah.

Sec. 204. Report on combating the illicit tobacco trafficking networks used by Hizballah and other foreign terrorist organizations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Regulatory authority.

Sec. 302. Implementation; penalties; judicial review; exemptions.

3 **TITLE I—PREVENTION OF AC-**
 4 **CESS BY HIZBALLAH TO**
 5 **INTERNATIONAL FINANCIAL**
 6 **AND OTHER INSTITUTIONS**

7 **SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO**
 8 **FUNDRAISING AND RECRUITMENT ACTIVI-**
 9 **TIES FOR HIZBALLAH.**

10 (a) IN GENERAL.—Section 101 of the Hizballah
 11 International Financing Prevention Act of 2015 (Public
 12 Law 114–102; 50 U.S.C. 1701 note) is amended to read
 13 as follows:

1 **“SEC. 101. MANDATORY SANCTIONS WITH RESPECT TO**
2 **FUNDRAISING AND RECRUITMENT ACTIVI-**
3 **TIES FOR HIZBALLAH.**

4 “(a) IN GENERAL.—The President shall impose the
5 sanctions described in subsection (b) with respect to any
6 foreign person that the President determines knowingly
7 assists, sponsors, or, provides significant financial, mate-
8 rial, or technological support for—

9 “(1) Bayt al-Mal, Jihad al-Bina, the Islamic
10 Resistance Support Association, the Foreign Rela-
11 tions Department of Hizballah, the External Secu-
12 rity Organization of Hizballah, or any successor or
13 affiliate thereof;

14 “(2) al-Manar TV, al Nour Radio, or the Leba-
15 nese Media Group, or any successor or affiliate
16 thereof;

17 “(3) a foreign person determined by the Presi-
18 dent to be engaged in fundraising or recruitment ac-
19 tivities for Hizballah; or

20 “(4) a foreign person owned or controlled by a
21 foreign person described in paragraph (1), (2), or
22 (3).

23 “(b) SANCTIONS DESCRIBED.—

24 “(1) IN GENERAL.—The sanctions described in
25 this subsection are the following:

1 “(A) ASSET BLOCKING.—The exercise of
2 all powers granted to the President by the
3 International Emergency Economic Powers Act
4 (50 U.S.C. 1701 et seq.) (except that the re-
5 quirements of section 202 of such Act (50
6 U.S.C. 1701) shall not apply) to the extent nec-
7 essary to block and prohibit all transactions in
8 all property and interests in property of a for-
9 eign person determined by the President to be
10 subject to subsection (a) if such property and
11 interests in property are in the United States,
12 come within the United States, or are or come
13 within the possession or control of a United
14 States person.

15 “(B) ALIENS INELIGIBLE FOR VISAS, AD-
16 MISSION, OR PAROLE.—

17 “(i) VISAS, ADMISSION, OR PAROLE.—
18 An alien who the President determines is
19 subject to subsection (a) is—

20 “(I) inadmissible to the United
21 States;

22 “(II) ineligible to receive a visa
23 or other documentation to enter the
24 United States; and

1 “(III) otherwise ineligible to be
2 admitted or paroled into the United
3 States or to receive any other benefit
4 under the Immigration and Nation-
5 ality Act (8 U.S.C. 1101 et seq.).

6 “(ii) CURRENT VISAS REVOKED.—

7 “(I) IN GENERAL.—The issuing
8 consular officer, the Secretary of
9 State, or the Secretary of Homeland
10 Security shall revoke any visa or other
11 entry documentation issued to an
12 alien who the President determines is
13 subject to subsection (a), regardless of
14 when issued.

15 “(II) EFFECT OF REVOCATION.—
16 A revocation under subclause (I) shall
17 take effect immediately and shall
18 automatically cancel any other valid
19 visa or entry documentation that is in
20 the possession of the alien.

21 “(2) PENALTIES.—The penalties provided for
22 in subsections (b) and (c) of section 206 of the
23 International Emergency Economic Powers Act (50
24 U.S.C. 1705) shall apply to a person that violates,
25 attempts to violate, conspires to violate, or causes a

1 violation of regulations prescribed under paragraph
2 (1)(A) to the same extent that such penalties apply
3 to a person that commits an unlawful act described
4 in subsection (a) of such section 206.

5 “(c) IMPLEMENTATION.—The President may exercise
6 all authorities provided under sections 203 and 205 of the
7 International Emergency Economic Powers Act (50
8 U.S.C. 1702 and 1704) to carry out this section.

9 “(d) WAIVER.—

10 “(1) IN GENERAL.—The President may, for pe-
11 riods not to exceed 180 days, waive the imposition
12 of sanctions under this section with respect to a for-
13 eign person or foreign persons if the President cer-
14 tifies to the appropriate congressional committees
15 that such waiver is in the national security interests
16 of the United States.

17 “(2) CONSULTATION.—

18 “(A) BEFORE WAIVER EXERCISED.—Be-
19 fore a waiver under paragraph (1) takes effect
20 with respect to a foreign person, the President
21 shall notify and brief the appropriate congres-
22 sional committees on the status of the involve-
23 ment of the foreign person in activities de-
24 scribed in subsection (a).

1 “(B) AFTER WAIVER EXERCISED.—Not
2 later than 90 days after the issuance of a waiv-
3 er under paragraph (1) with respect to a for-
4 eign person, and every 120 days thereafter
5 while the waiver remains in effect, the Presi-
6 dent shall brief the appropriate congressional
7 committees on the status of the involvement of
8 the foreign person in activities described in sub-
9 section (a).

10 “(e) REPORT.—Not later than 90 days after the date
11 of the enactment of the Hizballah International Financing
12 Prevention Amendments Act of 2017, and every 180 days
13 thereafter, the President shall submit to the appropriate
14 congressional committees a report that lists the foreign
15 persons that the President has credible evidence knowingly
16 assists, sponsors, or provides significant financial, mate-
17 rial, or technological support for the foreign persons de-
18 scribed in paragraph (1), (2), (3), or (4) of subsection (a).

19 “(f) DEFINITIONS.—In this section:

20 “(1) ADMITTED; ALIEN.—The terms ‘admitted’
21 and ‘alien’ have meanings given those terms in sec-
22 tion 101 of the Immigration and Nationality Act (8
23 U.S.C. 1101).

1 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term ‘appropriate congressional com-
3 mittees’ means—

4 “(A) the Committee on Foreign Affairs,
5 the Committee on Ways and Means, the Com-
6 mittee on the Judiciary, and the Committee on
7 Financial Services of the House of Representa-
8 tives; and

9 “(B) the Committee on Foreign Relations,
10 the Committee on Banking, Housing, and
11 Urban Affairs, and the Committee on the Judi-
12 ciary of the Senate.

13 “(3) ENTITY.—The term ‘entity’ means a part-
14 nership, association, corporation, or other organiza-
15 tion, group, or subgroup.

16 “(4) FUNDRAISING OR RECRUITMENT ACTIVI-
17 TIES.—The term ‘fundraising or recruitment activi-
18 ties’ includes online fundraising and other online
19 commercial activities, or other means of such fund-
20 raising, recruitment, and retention, as determined by
21 the President.

22 “(5) HIZBALLAH.—The term ‘Hizballah’ has
23 the meaning given such term in section 102(f).

24 “(6) PERSON.—The term ‘person’ means an in-
25 dividual or entity.

1 “(7) UNITED STATES PERSON.—The term
2 ‘United States person’ means a United States cit-
3 izen, permanent resident alien, entity organized
4 under the laws of the United States (including for-
5 eign branches), or a person in the United States.”.

6 (b) CLERICAL AMENDMENT.—The table of contents
7 for the Hizballah International Financing Prevention Act
8 of 2015 is amended by striking the item relating to section
9 101 and inserting the following new item:

 “Sec. 101. Mandatory sanctions with respect to fundraising and recruitment
 activities for Hizballah.”.

10 **SEC. 102. MODIFICATION OF REPORT WITH RESPECT TO FI-**
11 **NANCIAL INSTITUTIONS THAT ENGAGE IN**
12 **CERTAIN TRANSACTIONS.**

13 (a) IN GENERAL.—Subsection (d) of section 102 of
14 the Hizballah International Financing Prevention Act of
15 2015 (Public Law 114–102; 50 U.S.C. 1701 note) is
16 amended to read as follows:

17 “(d) REPORT ON FINANCIAL INSTITUTIONS ORGA-
18 NIZED UNDER THE LAWS OF STATE SPONSORS OF TER-
19 RORISM.—

20 “(1) IN GENERAL.—Not later than 90 days
21 after the date of the enactment of the Hizballah
22 International Financing Prevention Amendments
23 Act of 2017, and annually thereafter for a period
24 not to exceed three years, the President shall submit

1 to the appropriate congressional committees a report
2 that—

3 “(A) identifies each foreign financial insti-
4 tution described in paragraph (2) that the
5 President determines engages in one or more
6 activities described in subsection (a)(2);

7 “(B) provides a detailed description of
8 each such activity; and

9 “(C) contains a determination with respect
10 to each such foreign financial institution that is
11 identified under subparagraph (A) as engaging
12 in one or more activities described in subsection
13 (a)(2) as to whether or not such foreign finan-
14 cial institution is in violation of Executive
15 Order 13224 (50 U.S.C. 1701 note; relating to
16 blocking property and prohibiting transactions
17 with persons who commit, threaten to commit,
18 or support terrorism) by reason of engaging in
19 one or more such activities.

20 “(2) FOREIGN FINANCIAL INSTITUTION DE-
21 SCRIBED.—

22 “(A) IN GENERAL.—A foreign financial in-
23 stitution described in this paragraph is a for-
24 eign financial institution—

25 “(i) that, wherever located, is—

1 “(I) organized under the laws of
2 a state sponsor of terrorism or any ju-
3 risdiction within a state sponsor of
4 terrorism;

5 “(II) owned or controlled by the
6 government of a state sponsor of ter-
7 rorism;

8 “(III) located in the territory of
9 a state sponsor of terrorism; or

10 “(IV) owned or controlled by a
11 foreign financial institution described
12 in subclause (I), (II), or (III); and

13 “(ii) the capitalization of which ex-
14 ceeds \$10,000,000.

15 “(B) STATE SPONSOR OF TERRORISM.—In
16 this paragraph, the term ‘state sponsor of ter-
17 rorism’ means a country the government of
18 which the Secretary of State has determined is
19 a government that has repeatedly provided sup-
20 port for acts of international terrorism for pur-
21 poses of—

22 “(i) section 6(j) of the Export Admin-
23 istration Act of 1979 (50 U.S.C. 4605(j))
24 (as continued in effect pursuant to the

1 International Emergency Economic Powers
2 Act (50 U.S.C. 1701 et seq.);

3 “(ii) section 620A of the Foreign As-
4 sistance Act of 1961 (22 U.S.C. 2371);

5 “(iii) section 40 of the Arms Export
6 Control Act (22 U.S.C. 2780); or

7 “(iv) any other provision of law.”.

8 (b) SENSE OF CONGRESS.—It is the sense of the
9 Congress that the President should apply the sanctions
10 contained in section 102 of the Hizballah International Fi-
11 nancing Prevention Act with respect to foreign financial
12 institutions that engage in prohibited activities described
13 in such section with respect to any member of parliament
14 or any cabinet official of the Lebanese Republic who is
15 a member of Hizballah, or any affiliate of Hizballah.

16 **SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT SUP-**
17 **PORT HIZBALLAH.**

18 (a) IN GENERAL.—Title I of the Hizballah Inter-
19 national Financing Prevention Act of 2015 (Public Law
20 114–102; 50 U.S.C. 1701 note) is amended by adding at
21 the end the following:

22 **“SEC. 103. SANCTIONS AGAINST FOREIGN STATES THAT**
23 **SUPPORT HIZBALLAH.**

24 “(a) SANCTIONS AGAINST CERTAIN AGENCIES AND
25 INSTRUMENTALITIES OF FOREIGN STATES.—

1 “(1) IN GENERAL.—Not later than 120 days
2 after the date of the enactment of this section, and
3 as appropriate thereafter, the President shall impose
4 the sanctions described in paragraph (3) with re-
5 spect to any agency or instrumentality of a foreign
6 state described in paragraph (2).

7 “(2) AGENCY OR INSTRUMENTALITY DE-
8 SCRIBED.—An agency or instrumentality of a for-
9 eign state described in this paragraph is an agency
10 or instrumentality of a foreign state that the Presi-
11 dent determines has, on or after the date of the en-
12 actment of this section, knowingly provided signifi-
13 cant financial or material support for, or arms or re-
14 lated material to—

15 “(A) Hizballah; or

16 “(B) an entity owned or controlled by
17 Hizballah.

18 “(3) SANCTIONS DESCRIBED.—The sanctions
19 described in this paragraph are the exercise of all
20 powers granted to the President by the International
21 Emergency Economic Powers Act (50 U.S.C. 1701
22 et seq.) (except that the requirements of section 202
23 of such Act (50 U.S.C. 1701) shall not apply) to the
24 extent necessary to block and prohibit all trans-
25 actions in all property and interests in property of

1 an agency or instrumentality of a foreign state if
2 such property and interests in property are in the
3 United States, come within the United States, or are
4 or come within the possession or control of a United
5 States person.

6 “(b) SANCTIONS AGAINST STATE SPONSORS OF TER-
7 RORISM.—

8 “(1) IN GENERAL.—In the case of an agency or
9 instrumentality of a foreign state that engages in
10 the activities described in subsection (a) that is an
11 agency or instrumentality of a foreign state de-
12 scribed in paragraph (2), the President shall, pursu-
13 ant to section 6 of the Export Administration Act of
14 1979 (as continued in effect pursuant to the Inter-
15 national Emergency Economic Powers Act (50
16 U.S.C. 1701 et seq.)), require a license under the
17 Export Administration Regulations to export or re-
18 export to that foreign state any item designated by
19 the Secretary of Commerce as ‘EAR 99’, other than
20 food, medicine, medical devices, or similarly licensed
21 items.

22 “(2) FOREIGN STATE DESCRIBED.—A foreign
23 state described in this paragraph is a foreign state
24 that—

1 “(A) the President determines has, on or
2 after the date of the enactment of this section,
3 knowingly provided significant financial or ma-
4 terial support for, or arms or related material
5 to—

6 “(i) Hizballah; or

7 “(ii) an entity owned or controlled by
8 Hizballah; and

9 “(B) is a state sponsor of terrorism.

10 “(c) WAIVER.—

11 “(1) IN GENERAL.—The President may, for pe-
12 riods not to exceed 180 days, waive the imposition
13 of sanctions under this section with respect to a for-
14 eign state or an agency or instrumentality of a for-
15 eign state if the President certifies to the appro-
16 priate congressional committees that such waiver is
17 vital to the national security interests of the United
18 States.

19 “(2) CONSULTATION.—

20 “(A) BEFORE WAIVER EXERCISED.—Be-
21 fore a waiver under paragraph (1) takes effect
22 with respect to a foreign state or an agency or
23 instrumentality of a foreign state, the President
24 shall notify and brief the appropriate congres-
25 sional committees on the status of the involve-

1 ment of the foreign state in activities described
2 in subsection (b)(2) or involvement of the agen-
3 cy or instrumentality of a foreign state in ac-
4 tivities described in subsection (a)(2), as the
5 case may be.

6 “(B) AFTER WAIVER EXERCISED.—Not
7 later than 90 days after the issuance of a waiv-
8 er under paragraph (1) with respect to a for-
9 eign state or an agency or instrumentality of a
10 foreign state, and every 120 days thereafter
11 while the waiver remains in effect, the Presi-
12 dent shall brief the appropriate congressional
13 committees on the status of the involvement of
14 the foreign state in activities described in sub-
15 section (b)(2) or involvement of the agency or
16 instrumentality of a foreign state in activities
17 described in subsection (a)(2), as the case may
18 be.

19 “(d) DEFINITIONS.—In this section:

20 “(1) AGENCY OR INSTRUMENTALITY OF A FOR-
21 EIGN STATE; FOREIGN STATE.—The terms ‘agency
22 or instrumentality of a foreign state’ and ‘foreign
23 state’ have the meanings given those terms in sec-
24 tion 1603 of title 28, United States Code.

1 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term ‘appropriate congressional com-
3 mittees’ means—

4 “(A) the Committee on Foreign Affairs,
5 the Committee on Financial Services, the Com-
6 mittee on Ways and Means, and the Committee
7 on the Judiciary of the House of Representa-
8 tives; and

9 “(B) the Committee on Foreign Relations,
10 the Committee on Banking, Housing, and
11 Urban Affairs, and the Committee on the Judi-
12 ciary of the Senate.

13 “(3) ARMS OR RELATED MATERIAL.—The term
14 ‘arms or related material’ means—

15 “(A) nuclear, biological, chemical, or radio-
16 logical weapons or materials or components of
17 such weapons;

18 “(B) ballistic or cruise missile weapons or
19 materials or components of such weapons;

20 “(C) destabilizing numbers and types of
21 advanced conventional weapons;

22 “(D) defense articles or defense services,
23 as those terms are defined in paragraphs (3)
24 and (4), respectively, of section 47 of the Arms
25 Export Control Act (22 U.S.C. 2794);

1 “(E) defense information, as that term is
2 defined in section 644 of the Foreign Assist-
3 ance Act of 1961 (22 U.S.C. 2403); or

4 “(F) items designated by the President for
5 purposes of the United States Munitions List
6 under section 38(a)(1) of the Arms Export
7 Control Act (22 U.S.C. 2778(a)(1)).

8 “(4) EXPORT ADMINISTRATION REGULA-
9 TIONS.—The term ‘Export Administration Regula-
10 tions’ means subchapter C of chapter VII of title 15,
11 Code of Federal Regulations (as in effect on the
12 date of the enactment of this Act).

13 “(5) HIZBALLAH.—The term ‘Hizballah’ has
14 the meaning given that term in section 102(f).

15 “(6) STATE SPONSOR OF TERRORISM.—In this
16 paragraph, the term ‘state sponsor of terrorism’
17 means a country the government of which the Sec-
18 retary of State has determined is a government that
19 has repeatedly provided support for acts of inter-
20 national terrorism for purposes of—

21 “(A) section 6(j) of the Export Adminis-
22 tration Act of 1979 (50 U.S.C. 4605(j)) (as
23 continued in effect pursuant to the Inter-
24 national Emergency Economic Powers Act (50
25 U.S.C. 1701 et seq.));

1 “(B) section 620A of the Foreign Assist-
2 ance Act of 1961 (22 U.S.C. 2371);

3 “(C) section 40 of the Arms Export Con-
4 trol Act (22 U.S.C. 2780); or

5 “(D) any other provision of law.”.

6 (b) CLERICAL AMENDMENT.—The table of contents
7 for the Hizballah International Financing Prevention Act
8 of 2015 is amended by inserting after the item relating
9 to section 102 the following new item:

 “Sec. 103. Sanctions against foreign states that support Hizballah.”.

10 **SEC. 104. PROHIBITIONS AND CONDITIONS WITH RESPECT**
11 **TO CERTAIN ACCOUNTS HELD BY FOREIGN**
12 **FINANCIAL INSTITUTIONS.**

13 Section 104(c)(2)(A)(ii) of the Comprehensive Iran
14 Sanctions, Accountability, and Divestment Act of 2010
15 (22 U.S.C. 8513(c)(2)(A)(ii)) is amended by inserting be-
16 fore “or support for acts of international terrorism” the
17 following “, including Hizballah (as defined in section
18 102(f)(1)(E) of the Hizballah International Financing
19 Prevention Act of 2015 (Public Law 114–102; 50 U.S.C.
20 1701 note), and any affiliates or successors thereof,”.

1 **TITLE II—NARCOTICS TRAF-**
2 **FICKING AND SIGNIFICANT**
3 **TRANSNATIONAL CRIMINAL**
4 **ACTIVITIES OF HIZBALLAH**

5 **SEC. 201. BLOCKING OF PROPERTY OF HIZBALLAH.**

6 (a) IN GENERAL.—Section 201 of the Hizballah
7 International Financing Prevention Act of 2015 (Public
8 Law 114–102; 50 U.S.C. 1701 note) is amended to read
9 as follows:

10 **“SEC. 201. IMPOSITION OF SANCTIONS WITH RESPECT TO**
11 **HIZBALLAH.**

12 “(a) IN GENERAL.—Not later than 120 days after
13 the date of the enactment of this section, and as appro-
14 priate thereafter, the President shall impose the sanctions
15 described in subsection (b) with respect to Hizballah, in-
16 cluding by reason of Hizballah’s significant transnational
17 criminal activities.

18 “(b) SANCTIONS DESCRIBED.—The sanctions de-
19 scribed in this subsection are sanctions applied with re-
20 spect to a foreign person pursuant to Executive Order
21 13581 (75 Fed. Reg. 44,757) (as such Executive order
22 was in effect on the day before the date of the enactment
23 of this section).

1 “(c) DEFINITION.—In this section, the term
2 ‘Hizballah’ has the meaning given such term in section
3 102(f).”.

4 (b) CLERICAL AMENDMENTS.—The table of contents
5 for the Hizballah International Financing Prevention Act
6 of 2015 is amended—

7 (1) by striking the item relating to title II and
8 inserting the following:

“TITLE II—IMPOSITION OF SANCTIONS WITH RESPECT TO
HIZBALLAH AND REPORTS AND BRIEFINGS ON NARCOTICS
TRAFFICKING AND SIGNIFICANT TRANSNATIONAL CRIMINAL
ACTIVITIES OF HIZBALLAH”;

9 and

10 (2) by striking the item relating to section 201
11 and inserting the following:

“Sec. 201. Imposition of sanctions with respect to Hizballah.”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section take effect on the date that is 90 days after
14 the date of the enactment of this Act.

15 **SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**
16 **GAGED IN BY HIZBALLAH.**

17 (a) IN GENERAL.—Section 202 of the Hizballah
18 International Financing Prevention Act of 2015 (Public
19 Law 114–102; 50 U.S.C. 1701 note) is amended to read
20 as follows:

1 **“SEC. 202. REPORT ON RACKETEERING ACTIVITIES EN-**
2 **GAGED IN BY HIZBALLAH.**

3 “(a) IN GENERAL.—Not later than 120 days after
4 the date of the enactment of the Hizballah International
5 Financing Prevention Amendments Act of 2017, and an-
6 nually thereafter for the following 5 years, the Assistant
7 Attorney General for the Criminal Division of the Depart-
8 ment of Justice and the Administrator of the Drug En-
9 forcement Administration, in coordination with the Sec-
10 retary of the Treasury and the heads of other applicable
11 Federal agencies, shall jointly submit to the appropriate
12 congressional committees a report on the following:

13 “(1) Activities that Hizballah, and agents and
14 affiliates of Hizballah, have engaged in that are
15 racketeering activities.

16 “(2) The extent to which Hizballah, and agents
17 and affiliates of Hizballah, engage in a pattern of
18 such racketeering activities.

19 “(b) FORM OF REPORT.—Each report required under
20 subsection (a) shall be submitted in an unclassified form
21 but may contain a classified annex.

22 “(c) DEFINITIONS.—In this section:

23 “(1) APPROPRIATE CONGRESSIONAL COMMIT-
24 TEES.—The term ‘appropriate congressional com-
25 mittees’ means—

1 “(A) the Committee on the Judiciary and
2 the Committee on Foreign Affairs of the House
3 of Representatives; and

4 “(B) the Committee on the Judiciary and
5 the Committee on Foreign Relations of the Sen-
6 ate.

7 “(2) HIZBALLAH.—The term ‘Hizballah’ has
8 the meaning given that term in section 102(f).

9 “(3) RACKETEERING ACTIVITY.—The term
10 ‘racketeering activity’ has the meaning given that
11 term in section 1961(1) of title 18, United States
12 Code.”.

13 (b) CLERICAL AMENDMENT.—The table of contents
14 for the Hizballah International Financing Prevention Act
15 of 2015 is amended by striking the item relating to section
16 202 and inserting the following:

 “Sec. 202. Report on racketeering activities engaged in by Hizballah.”.

17 **SEC. 203. MODIFICATION OF REPORT ON ACTIVITIES OF**
18 **FOREIGN GOVERNMENTS TO DISRUPT GLOB-**
19 **AL LOGISTICS NETWORKS AND FUND-**
20 **RAISING, FINANCING, AND MONEY LAUN-**
21 **DERING ACTIVITIES OF HIZBALLAH.**

22 (a) IN GENERAL.—Section 204(a)(1) of the
23 Hizballah International Financing Prevention Act of 2015
24 (Public Law 114–102; 50 U.S.C. 1701 note) is amend-
25 ed—

1 (1) in the matter preceding subparagraph (A),
2 by striking “this Act” and inserting “the Hizballah
3 International Financing Prevention Amendments
4 Act of 2017, and annually thereafter for the fol-
5 lowing 5 years”;

6 (2) in subparagraph (D)(ii)(II), by striking
7 “and” at the end;

8 (3) in subparagraph (E), by striking “and free-
9 trade zones.” and inserting “free-trade zones, busi-
10 ness partnerships and joint ventures, and other in-
11 vestments in small and medium-sized enterprises;”;
12 and

13 (4) by adding at the end the following:

14 “(F) a list of provinces, municipalities, and
15 local governments outside of Lebanon that ex-
16 pressly consent to, or with knowledge allow, tol-
17 erate, or disregard the use of their territory by
18 Hizballah to carry out terrorist activities, in-
19 cluding training, financing, and recruitment;

20 “(G) a description of the total aggregate
21 revenues and remittances that Hizballah re-
22 ceives from the global logistics networks of
23 Hizballah, including—

24 “(i) a list of Hizballah’s sources of
25 revenue, including sources of revenue

1 based on illicit activity, revenues from
2 Iran, charities, and other business activi-
3 ties; and

4 “(ii) a list of Hizballah’s expenditures,
5 including expenditures for ongoing military
6 operations, social networks, and external
7 operations; and

8 “(H) a survey of national and
9 transnational legal measures available to target
10 Hizballah’s financial networks.”.

11 (b) REPORT ON ESTIMATED NET WORTH OF SENIOR
12 HIZBALLAH MEMBERS.—

13 (1) IN GENERAL.—Not later than 180 days
14 after the date of the enactment of this Act, and not
15 less frequently than annually thereafter for the fol-
16 lowing 2 years, the President shall submit to the ap-
17 propriate congressional committees a report that
18 contains—

19 (A) the estimated total net worth of each
20 individual described in paragraph (2); and

21 (B) a description of how funds of each in-
22 dividual described in paragraph (2) were ac-
23 quired, and how such funds have been used or
24 employed.

1 (2) INDIVIDUALS DESCRIBED.—The individuals
2 described in this paragraph are the following:

3 (A) The Secretary General of Hizballah.

4 (B) Members of the Hizballah Politburo.

5 (C) Any other individual that the President
6 determines is a senior foreign political figure of
7 Hizballah, is associated with Hizballah, or oth-
8 erwise provides significant support to Hizballah.

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

10 (A) FORM.—The report required under
11 paragraph (1) shall be submitted in unclassified
12 form but may contain a classified annex.

13 (B) PUBLIC AVAILABILITY.—The unclassi-
14 fied portion of the report required under para-
15 graph (1) shall be made available to the public
16 and posted on the website of the Department of
17 State and all United States Embassy websites.

18 (4) DEFINITIONS.—In this subsection:

19 (A) APPROPRIATE CONGRESSIONAL COM-
20 MITTEES.—The term “appropriate congres-
21 sional committees” means—

22 (i) the Committee on Foreign Affairs
23 and the Committee on Financial Services
24 of the House of Representatives; and

1 (ii) the Committee on Foreign Rela-
2 tions and the Committee on Banking,
3 Housing, and Urban Affairs of the Senate.

4 (B) FUNDS.—The term “funds” means—

5 (i) cash;

6 (ii) equity;

7 (iii) any other intangible asset the
8 value of which is derived from a contrac-
9 tual claim, including bank deposits, bonds,
10 stocks, a security (as defined in section
11 2(a) of the Securities Act of 1933 (15
12 U.S.C. 77b(a))), or a security or an equity
13 security (as those terms are defined in sec-
14 tion 3(a) of the Securities Exchange Act of
15 1934 (15 U.S.C. 78c(a))); and

16 (iv) anything else of value that the
17 Secretary determines to be appropriate.

18 (C) SENIOR FOREIGN POLITICAL FIG-
19 URE.—The term “senior foreign political fig-
20 ure” has the meaning given that term in section
21 1010.605 of title 31, Code of Federal Regula-
22 tions (or any successor regulation).

1 **SEC. 204. REPORT ON COMBATING THE ILLICIT TOBACCO**
2 **TRAFFICKING NETWORKS USED BY**
3 **HIZBALLAH AND OTHER FOREIGN TER-**
4 **RORIST ORGANIZATIONS.**

5 (a) IN GENERAL.—Not later than 180 days after the
6 date of the enactment of this Act, the President shall sub-
7 mit to the appropriate congressional committees a report
8 on combating the illicit tobacco trafficking networks used
9 by Hizballah and other foreign terrorist organizations to
10 finance their operations, as described in the report sub-
11 mitted to Congress in December 2015 by the Department
12 of State, the Department of Justice, the Department of
13 the Treasury, the Department of Homeland Security, and
14 the Department of Health and Human Services entitled,
15 “The Global Illicit Trade in Tobacco: A Threat to Na-
16 tional Security.”.

17 (b) MATTERS TO BE ADDRESSED.—The report re-
18 quired by subsection (a) shall include the following:

19 (1) A description of the steps to be taken by
20 Federal agencies to combat the illicit tobacco traf-
21 ficking networks used by Hizballah, other foreign
22 terrorist organizations, and other illicit actors.

23 (2) A description of the steps to be taken to en-
24 gage State and local law enforcement authorities in
25 efforts to combat illicit tobacco trafficking networks
26 operating within the United States.

1 (3) A description of the steps to be taken to en-
2 gage foreign government law enforcement and intel-
3 ligence authorities in efforts to combat illicit tobacco
4 trafficking networks operating outside the United
5 States.

6 (4) Recommendations for legislative or adminis-
7 trative action needed to address the threat of illicit
8 tobacco trafficking networks.

9 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
10 FINED.—In this section, the term “appropriate congres-
11 sional committees” means—

12 (1) the Committee on Foreign Affairs, the
13 Committee on Armed Services, the Committee on
14 Homeland Security, the Committee on the Judiciary,
15 the Committee on Financial Services, and the Com-
16 mittee on Ways and Means of the House of Rep-
17 resentatives; and

18 (2) the Committee on Foreign Relations, the
19 Committee on Armed Services, the Committee on
20 Homeland Security and Governmental Affairs, the
21 Committee on the Judiciary, the Committee on
22 Banking, Housing, and Urban Affairs, and the Com-
23 mittee on Finance of the Senate.

1 **TITLE III—GENERAL**
2 **PROVISIONS**

3 **SEC. 301. REGULATORY AUTHORITY.**

4 (a) **IN GENERAL.**—The President shall, not later
5 than 180 days after the date of the enactment of this Act,
6 prescribe regulations as necessary for the implementation
7 of this Act and the amendments made by this Act.

8 (b) **BRIEFING TO CONGRESS.**—Not later than 10
9 days before the prescription of regulations under sub-
10 section (a), the President shall brief the appropriate con-
11 gressional committees of the proposed regulations and the
12 provisions of this Act and the amendments made by this
13 Act that the regulations are implementing.

14 (c) **APPROPRIATE CONGRESSIONAL COMMITTEES DE-**
15 **FINED.**—In this section, the term “appropriate congres-
16 sional committees” means—

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

20 (2) the Committee on Foreign Relations and
21 the Committee on Banking, Housing, and Urban Af-
22 fairs of the Senate.

1 **SEC. 302. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**
2 **VIEW; EXEMPTIONS.**

3 (a) IN GENERAL.—Title I of the Hizballah Inter-
4 national Financing Prevention Act of 2015 (Public Law
5 114–102; 50 U.S.C. 1701 note), as amended by section
6 103 of this Act, is further amended by adding at the end
7 the following:

8 **“SEC. 104. IMPLEMENTATION; PENALTIES; JUDICIAL RE-**
9 **VIEW; EXEMPTIONS; RULE OF CONSTRUC-**
10 **TION.**

11 “(a) IMPLEMENTATION.—The President may exercise
12 all authorities provided under sections 203 and 205 of the
13 International Emergency Economic Powers Act (50
14 U.S.C. 1702 and 1704) to carry out sections 101 and 103.

15 “(b) PENALTIES.—The penalties provided for in sub-
16 sections (b) and (c) of section 206 of the International
17 Emergency Economic Powers Act (50 U.S.C. 1705) shall
18 apply to a person that violates, attempts to violate, con-
19 spires to violate, or causes a violation of regulations pre-
20 scribed to carry out section 101 or 103 to the same extent
21 that such penalties apply to a person that commits an un-
22 lawful act described in subsection (a) of such section 206.

23 “(c) PROCEDURES FOR JUDICIAL REVIEW OF CLAS-
24 SIFIED INFORMATION.—

25 “(1) IN GENERAL.—If a finding, or a prohibi-
26 tion, condition, or penalty imposed as a result of any

1 such finding, is based on classified information (as
2 defined in section 1(a) of the Classified Information
3 Procedures Act (18 U.S.C. App.)) and a court re-
4 views the finding or the imposition of the prohibi-
5 tion, condition, or penalty, the President may submit
6 such information to the court ex parte and in cam-
7 era.

8 “(2) RULE OF CONSTRUCTION.—Nothing in
9 this subsection shall be construed to confer or imply
10 any right to judicial review of any finding under sec-
11 tion 101 or 103 or any prohibition, condition, or
12 penalty imposed as a result of any such finding.

13 “(d) EXEMPTIONS.—The following activities shall be
14 exempt from sections 101 and 103:

15 “(1) Any authorized intelligence, law enforce-
16 ment, or national security activities of the United
17 States.

18 “(2) Any transaction necessary to comply with
19 United States obligations under the Agreement be-
20 tween the United Nations and the United States of
21 America regarding the Headquarters of the United
22 States, signed at Lake Success June 26, 1947, and
23 entered into force November 21, 1947, or under the
24 Convention on Consular Relations, done at Vienna
25 April 24, 1963, and entered into force March 19,

1 1967, or any other United States international trea-
2 ties.

3 “(e) RULE OF CONSTRUCTION.—Nothing in section
4 101 or 103 shall be construed to limit the authority of
5 the President under the International Emergency Eco-
6 nomic Powers Act (50 U.S.C. 1701 et seq.) or under any
7 other provision of law.”.

8 (b) CLERICAL AMENDMENT.—The table of contents
9 for the Hizballah International Financing Prevention Act
10 of 2015 is amended by inserting after the item relating
11 to section 103, as added by section 103(b) of this Act,
12 the following new item:

“Sec. 104. Implementation; penalties; judicial review; exemptions; rule of construction.”.

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