



House Committee On FOREIGN AFFAIRS

Royce-Engel – Nuclear Iran Prevention Act of 2013, H.R. 850

Iran's march to nuclear weapons continues, making it the gravest threat facing the U.S. and our allies

This week, the House will consider H.R. 850, legislation that passed the Foreign Affairs Committee by unanimous consent. There are 375 cosponsors of the bill. The legislation will broaden economic sanctions, target human rights violators and increase the pressure on the Iranian regime. The bill states that it is the policy of the United States to prevent Iran from acquiring a nuclear weapons capability.

Highlights:

- ➔ **Hitting Iran's Achilles' Heel:** Strengthens existing sanctions by compelling countries that are currently purchasing crude oil from Iran to reduce their combined purchases by a total of 1,000,000 barrels per day within a year. By taking 1,000,000 barrels per day of Iranian crude oil off of the market within a year (with safeguards to ensure that international oil markets can withstand such a reduction), the Iranian regime would continue to lose the funding that it requires to pay for its nuclear program, ballistic missiles, and sponsorship of terrorism.
- ➔ **Economic Squeeze:** Penalizes foreign persons who engage in significant commercial trade with Iran. This would use the same model – targeting transactions through the Central Bank or a designated Iranian bank - that has successfully curtailed Iran's oil trade over the past year.
- ➔ **Blacklisting Iranian Economic Sectors:** Expands the list of sectors of the Iranian economy effectively blacklisted to include the automotive and mining sectors. The provision also requires that the President make a determination within 45 days as to whether to blacklist the construction and engineering sectors. Last Congress, legislation enacted into law blacklisted the energy, shipping and shipbuilding sectors.
- ➔ **Denying Iran's foreign currency reserves:** Prevents Tehran from accessing billions in overseas foreign currency reserves.
- ➔ **Shipping Denied:** Bars entry to the United States of vessels registered in countries that also register Iranian vessels or vessels operating on behalf of Iran. These additional shipping sanctions limit the ability of the Iranian regime to engage in international commerce.
- ➔ **Human Rights Abusers:** Stiffer penalties for human rights violators by applying the financial sector sanctions in existing law for terrorism and proliferation to transactions involving human rights violators; persons transferring technologies to Iran that are likely to be used to commit human rights abuses; and persons who engage in censorship against citizens of Iran; and corrupt officials who confiscate humanitarian and other goods for their own benefit. It also forces the Administration to make determinations with respect to high ranking Iranian officials and their human rights violations.