

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: In the nature of a substitute.

**IN THE SENATE OF THE UNITED STATES—118th Cong., 2d Sess.**

**S. 3235**

To require a strategy to counter the role of the People’s Republic of China in evasion of sanctions imposed by the United States with respect to Iran, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended  
to be proposed by Mr. RISCH

Viz:

1 Strike all after the enacting clause and insert the fol-  
2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “End Iranian Terrorism  
5 Act of 2024”.

6 **SEC. 2. SENSE OF CONGRESS.**

7 It is the sense of Congress that—

8 (1) the Islamic Republic of Iran has long pro-  
9 vided hundreds of millions of dollars in material sup-  
10 port to Hamas and other terrorist groups, such as

1 Palestinian Islamic Jihad, that directly threaten  
2 Israel;

3 (2) Iran poses a threat to regional and global  
4 security and has earned approximately  
5 \$80,000,000,000 in oil revenues since 2021;

6 (3) the People's Republic of China, seeking to  
7 secure reliable sources of Middle Eastern energy,  
8 has purchased roughly \$47,000,000,000 in Iranian  
9 petroleum products since 2021 and is undercutting  
10 the enforcement of sanctions imposed by the United  
11 States with respect to Iran;

12 (4) illicit purchases of Iranian petroleum prod-  
13 ucts by the People's Republic of China and other  
14 countries fund the Iranian regime's suppression of  
15 human rights in Iran, provide valuable resources for  
16 Iran's terrorist proxies, and provide additional re-  
17 sources for support by Iran for the Russian Federa-  
18 tion in its unprovoked war in Ukraine, contrary to  
19 United States policy;

20 (5) lack of sanctions and sanctions enforcement  
21 directly undercuts United States policy objectives in  
22 the Indo-Pacific region, Europe, the Middle East,  
23 and beyond;

24 (6) increasing encroachment by the People's  
25 Republic of China in the Middle East and North Af-

1       rica, include involvement of the People’s Republic of  
2       China in illicit oil trade, runs counter to the national  
3       security interests of the United States; and

4               (7) the United States should immediately en-  
5       force existing sanctions, including sanctions provided  
6       for in Executive Order 13846 (50 U.S.C. 1701 note;  
7       relating to reimposing certain sanctions with respect  
8       to Iran), and expand sanctions designations to in-  
9       clude persons that store Iranian oil, ship-to-ship oil  
10      transfer operators, ports and port operators, refin-  
11      eries and refinery operators, and other individuals  
12      and entities, particularly in the People’s Republic of  
13      China, dealing in Iranian-origin oil and petrochemi-  
14      cals.

15 **SEC. 3. APPROPRIATE CONGRESSIONAL COMMITTEES DE-**  
16 **FINED.**

17       In this Act, the term “appropriate congressional com-  
18      mittees” means—

19               (1) the Committee on Foreign Relations and  
20      the Committee on Banking, Housing, and Urban Af-  
21      fairs of the Senate; and

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

1 **SEC. 4. STRATEGY TO COUNTER ROLE OF THE PEOPLE'S**  
2 **REPUBLIC OF CHINA IN EVASION OF SANC-**  
3 **TIONS WITH RESPECT TO IRAN.**

4 (a) IN GENERAL.—Not later than 120 days after the  
5 date of the enactment of this Act, the Secretary of State,  
6 in consultation with the heads of other appropriate Fed-  
7 eral agencies, shall submit to the appropriate congres-  
8 sional committees a written strategy, and provide to those  
9 committees an accompanying briefing, on the role of the  
10 People's Republic of China in evasion of sanctions imposed  
11 by the United States with respect to Iranian-origin petro-  
12 leum products that includes an assessment of options—

13 (1) to strengthen the enforcement of such sanc-  
14 tions; and

15 (2) to expand sanctions designations targeting  
16 the involvement of the People's Republic of China in  
17 the production, transportation, storage, refining, and  
18 sale of Iranian-origin petroleum products.

19 (b) ELEMENTS.—The strategy required by subsection  
20 (a) shall include—

21 (1) a description and assessment of the use of  
22 sanctions in effect before the date of the enactment  
23 of this Act to target individuals and entities of the  
24 People's Republic of China that are directly or indi-  
25 rectly associated with smuggling of Iranian-origin  
26 petroleum products;

1 (2) an assessment of—

2 (A) Iranian-owned entities operating in the  
3 People’s Republic of China and involved in pe-  
4 troleum refining supply chains;

5 (B) the People’s Republic of China’s role  
6 in global petroleum refining supply chains;

7 (C) how the People’s Republic of China  
8 leverages its role in global petroleum supply  
9 chains to achieve political objectives;

10 (D) the People’s Republic of China’s petro-  
11 leum importing and exporting partners;

12 (E) what percent of the People’s Republic  
13 of China’s energy consumption is linked to ille-  
14 gally imported Iranian-origin petroleum prod-  
15 ucts; and

16 (F) what level of influence the Chinese  
17 Communist Party holds over non-state, semi-  
18 independent “teapot” refineries;

19 (3) a detailed plan for—

20 (A) monitoring the maritime domain for  
21 sanctionable activity related to smuggling of  
22 Iranian-origin petroleum products;

23 (B) identifying the individuals, entities,  
24 and vessels engaging in sanctionable activity re-

1           lated to Iranian-origin petroleum products, in-  
2           cluding—

3                   (i) vessels—

4                           (I) transporting petrochemicals  
5                           subject to sanctions;

6                           (II) conducting ship-to-ship  
7                           transfers of such petrochemicals;

8                           (III) with deactivated automatic  
9                           identification systems; or

10                          (IV) that engage in “flag hop-  
11                          ping” by changing national registries;

12                          (ii) individuals or entities—

13                           (I) storing petrochemicals subject  
14                           to sanctions; or

15                           (II) refining or otherwise proc-  
16                           essing such petrochemicals; and

17                           (iii) through the use of port entry and  
18                           docking permission of vessels subject to  
19                           sanctions;

20                          (C) deterring individuals and entities from  
21                          violating sanctions by educating and engag-  
22                          ing—

23                           (i) insurance providers;

24                           (ii) parent companies; and

25                           (iii) vessel operators;

1 (D) collaborating with allies and partners  
2 of the United States engaged in the Arabian  
3 Peninsula, including through standing or new  
4 maritime task forces, to build sanctions enforce-  
5 ment capacity through assistance and training  
6 to defense and law enforcement services; and

7 (E) using public communications and glob-  
8 al diplomatic engagements to highlight the role  
9 of illicit petroleum product smuggling in bol-  
10 stering Iran's support for terrorism and its nu-  
11 clear program; and

12 (4) an assessment of—

13 (A) the total number of vessels smuggling  
14 Iranian-origin petroleum products;

15 (B) the total number of vessels smuggling  
16 such petroleum products destined for the Peo-  
17 ple's Republic of China;

18 (C) the number of vessels smuggling such  
19 petroleum products specifically from the Islamic  
20 Revolutionary Guard Corps;

21 (D) interference by the People's Republic  
22 of China with attempts by the United States to  
23 investigate or enforce sanctions on illicit Ira-  
24 nian petroleum product exports;

1           (E) the effectiveness of the use of sanc-  
2           tions with respect to insurers of entities that  
3           own or operate vessels involved in smuggling  
4           Iranian-origin petroleum products;

5           (F) the personnel and resources needed to  
6           enforce sanctions with respect to Iranian-origin  
7           petroleum products; and

8           (G) the impact of smuggled illicit Iranian-  
9           origin petroleum products on global energy  
10          markets.

11       (c) FORM.—The strategy required by subsection (a)  
12 shall be submitted in unclassified form, but may include  
13 a classified index.

14 **SEC. 5. IMPOSITION OF SANCTIONS.**

15       (a) IN GENERAL.—Not later than 180 days after the  
16 date of the enactment of this Act, the President shall—

17           (1) identify each foreign entity, including any  
18           member of the Chinese Communist Party or any en-  
19           tity organized under the laws of the People’s Repub-  
20           lic of China or otherwise subject to the jurisdiction  
21           of the People’s Republic of China, that the President  
22           determines meets the criteria for the imposition of  
23           sanctions under—

24           (A) the Iran Sanctions Act of 1996 (Public  
25           Law 104–172;50 U.S.C. 1701 note);



1 (B) the Comprehensive Iran Sanctions, Ac-  
2 countability, and Divestment Act of 2010 (22  
3 U.S.C. 8501 et seq.);

4 (C) section 1245 of the National Defense  
5 Authorization Act for Fiscal Year 2012 (22  
6 U.S.C. 8513a);

7 (D) the Iran Threat Reduction and Syria  
8 Human Rights Act of 2012 (22 U.S.C. 8701 et  
9 seq.);

10 (E) the Iran Freedom and Counter-Pro-  
11 liferation Act of 2012 (22 U.S.C. 8801 et seq.);

12 (F) title I of the Countering America's Ad-  
13 versaries Through Sanctions Act (22 U.S.C.  
14 9401 et seq.);

15 (G) any Executive order imposing sanc-  
16 tions with respect to Iran issued under the au-  
17 thority provided by the International Emer-  
18 gency Economic Powers Act (50 U.S.C. 1701 et  
19 seq.); or

20 (H) any other provision of law imposing  
21 sanctions with respect to Iran; and

22 (2) impose sanctions applicable under existing  
23 law with respect to each such entity.

24 (b) REPORT REQUIRED.—Not later than 30 days  
25 after the imposition of sanctions under subsection (a) with

1 respect to a foreign entity, the President shall submit to  
2 the appropriate congressional committees a report on the  
3 sanctions imposed.

4 (c) WAIVER.—

5 (1) IN GENERAL.—The President may waive  
6 the application of sanctions under this section for re-  
7 newable periods not to exceed 180 days if the Presi-  
8 dent—

9 (A) determines that such a waiver is in the  
10 national security interests of the United States;  
11 and

12 (B) not less than 15 days before the grant-  
13 ing of the waiver, submits to the appropriate  
14 congressional committees a notice of and jus-  
15 tification for the waiver.

16 (2) FORM.—A notice described in paragraph  
17 (1)(B) may be submitted in classified form.

18 **SEC. 6. EXCEPTIONS.**

19 (a) EXCEPTION RELATING TO IMPORTATION OF  
20 GOODS.—

21 (1) IN GENERAL.—A requirement to block and  
22 prohibit all transactions in all property and interests  
23 in property under this Act shall not include the au-  
24 thority or a requirement to impose sanctions on the  
25 importation of goods.

1           (2) GOOD.—In this subsection, the term “good”  
2           means any article, natural or manmade substance,  
3           material, supply, or manufactured product, including  
4           inspection and test equipment, and excluding tech-  
5           nical data.

6           (b) EXCEPTION TO COMPLY WITH UNITED NATIONS  
7 HEADQUARTERS AGREEMENT AND LAW ENFORCEMENT  
8 ACTIVITIES.—Sanctions under this Act shall not apply  
9 with respect to the admission of an alien to the United  
10 States if admitting or paroling the alien into the United  
11 States is necessary—

12           (1) to permit the United States to comply with  
13           the Agreement regarding the Headquarters of the  
14           United Nations, signed at Lake Success June 26,  
15           1947, and entered into force November 21, 1947,  
16           between the United Nations and the United States,  
17           or other applicable international obligations of the  
18           United States; or

19           (2) to carry out or assist authorized law en-  
20           forcement activity in the United States.

21           (c) EXCEPTION TO COMPLY WITH INTELLIGENCE  
22 ACTIVITIES.—Sanctions under this Act shall not apply to  
23 any activity subject to the reporting requirements under  
24 title V of the National Security Act of 1947 (50 U.S.C.

1 3091 et seq.) or any authorized intelligence activities of  
2 the United States.

3 (d) HUMANITARIAN ASSISTANCE.—

4 (1) IN GENERAL.—Sanctions under this Act  
5 shall not apply to—

6 (A) the conduct or facilitation of a trans-  
7 action for the provision of agricultural commod-  
8 ities, food, medicine, medical devices, humani-  
9 tarian assistance, or for humanitarian purposes;  
10 or

11 (B) transactions that are necessary for or  
12 related to the activities described in paragraph  
13 (A).

14 (2) DEFINITIONS.—In this subsection:

15 (A) AGRICULTURAL COMMODITY.—The  
16 term “agricultural commodity” has the meaning  
17 given that term in section 102 of the Agricul-  
18 tural Trade Act of 1978 (7 U.S.C. 5602).

19 (B) MEDICAL DEVICE.—The term “med-  
20 ical device” has the meaning given the term  
21 “device” in section 201 of the Federal Food,  
22 Drug, and Cosmetic Act (21 U.S.C. 321).

23 (C) MEDICINE.—The term “medicine” has  
24 the meaning given the term “drug” in section

1           201 of the Federal Food, Drug, and Cosmetic  
2           Act (21 U.S.C. 321).

3           (e) REPORT ON EXCEPTIONS.—Not later than one  
4 year after the date of the enactment of this Act, and annu-  
5 ally thereafter, the President shall submit to the appro-  
6 priate congressional committees a report that describes  
7 each activity that would be subject to sanctions under this  
8 Act if not excepted pursuant to subsection (b) or (c).