

Calendar No. 240

118TH CONGRESS
1ST SESSION

H. R. 3774

IN THE SENATE OF THE UNITED STATES

NOVEMBER 6, 2023

Received; read the first time

NOVEMBER 7, 2023

Read the second time and placed on the calendar

AN ACT

To impose additional sanctions with respect to the importation or facilitation of the importation of petroleum products from 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 “Stop Harboring Ira-
5 nian Petroleum Act” or the “SHIP Act”.

6 **SEC. 2. STATEMENT OF POLICY.**

7 It is the policy of the United States—

8 (1) to deny Iran the ability, by limiting Iran’s
9 export of petroleum and petroleum products, to—

- 1 (A) engage in destabilizing activities;
- 2 (B) support international terrorism; or
- 3 (C) fund the development and acquisition
- 4 of weapons of mass destruction and weapons
- 5 delivery systems;
- 6 (2) to deny Iran funds to oppress and commit
- 7 human rights violations against the Iranian people
- 8 assembling to peacefully redress the Iranian regime;
- 9 (3) to fully enforce sanctions against those enti-
- 10 ties which provide support to the Iranian energy sec-
- 11 tor; and
- 12 (4) to counter Iran's actions to finance and fa-
- 13 cilitate the participation of foreign terrorist organi-
- 14 zations in ongoing conflicts and illicit activities due
- 15 to the threat such actions pose to the vital national
- 16 interests of the United States.

17 **SEC. 3. IMPOSITION OF SANCTIONS WITH RESPECT TO IRA-**

18 **NIAN PETROLEUM.**

19 (a) IN GENERAL.—On and after the date that is 90

20 days after the date of the enactment of this Act, and ex-

21 cept as provided in subsection (e)(2), the President shall

22 impose the sanctions described in subsection (c) with re-

23 spect to each foreign person that the President deter-

24 mines, on or after such date of enactment, engages in an

25 activity described in subsection (b).

1 (b) ACTIVITIES DESCRIBED.—A foreign person en-
2 gages in an activity described in this subsection if the for-
3 eign person—

4 (1) owns or operates a foreign port and has
5 knowingly facilitated or accommodated at least 1
6 designated vessel in landing at such port on or after
7 the date of enactment of this Act for the purpose of
8 transporting Iranian crude oil;

9 (2) knowingly transports, offloads, or otherwise
10 engages in transactions involving petroleum or petro-
11 leum products, including petrochemicals, originating
12 from Iran;

13 (3) knowingly owns or operates a vessel used to
14 conduct ship-to-ship transfers of petroleum or petro-
15 leum products, including petrochemicals, originating
16 from Iran;

17 (4) owns or operates a refinery that knowingly
18 processes, refines, or otherwise engages in trans-
19 actions involving petroleum or petroleum products,
20 including petrochemicals, originating from Iran;

21 (5) is an adult family member of a foreign per-
22 son described in any of paragraphs (1) through (4),
23 unless the President determines there is clear and
24 convincing evidence that such adult family member
25 has disassociated themselves from the foreign person

1 described in such paragraph and has not assisted
2 such foreign person in concealing assets; or

3 (6) is owned, as such term is defined by section
4 510.411 of title 31, Code of Federal Regulations, by
5 a foreign person described in any of paragraphs (1)
6 through (5) that has been designated for such con-
7 duct.

8 (c) SANCTIONS DESCRIBED.—The sanctions de-
9 scribed in this subsection with respect to a foreign person
10 described in subsection (a) are the following:

11 (1) BLOCKING OF PROPERTY.—The President
12 shall exercise all of the powers granted to the Presi-
13 dent under the International Emergency Economic
14 Powers Act (50 U.S.C. 1701 et seq.) to the extent
15 necessary to block and prohibit all transactions in
16 property and interests in property of the foreign per-
17 son if such property and interests in property are in
18 the United States, come within the United States, or
19 are or come within the possession or control of a
20 United States person.

21 (2) INELIGIBILITY FOR VISAS, ADMISSION, OR
22 PAROLE.—

23 (A) VISAS, ADMISSION, OR PAROLE.—An
24 alien described in subsection (a) is—

25 (i) inadmissible to the United States;

1 (ii) ineligible to receive a visa or other
2 documentation to enter the United States;
3 and

4 (iii) otherwise ineligible to be admitted
5 or paroled into the United States or to re-
6 ceive any other benefit under the Immigra-
7 tion and Nationality Act (8 U.S.C. 1101 et
8 seq.).

9 (B) CURRENT VISAS REVOKED.—

10 (i) IN GENERAL.—An alien described
11 in subsection (a) is subject to revocation of
12 any visa or other entry documentation re-
13 gardless of when the visa or other entry
14 documentation is or was issued.

15 (ii) IMMEDIATE EFFECT.—A revoca-
16 tion under clause (i) shall take effect im-
17 mediately and automatically cancel any
18 other valid visa or entry documentation
19 that is in the alien's possession.

20 (C) EXCEPTIONS.—Sanctions under this
21 paragraph shall not apply with respect to an
22 alien if admitting or paroling the alien into the
23 United States is necessary—

24 (i) to permit the United States to
25 comply with the Agreement regarding the

1 Headquarters of the United Nations,
2 signed at Lake Success June 26, 1947,
3 and entered into force November 21, 1947,
4 between the United Nations and the
5 United States, or other applicable inter-
6 national obligations; or

7 (ii) to carry out or assist law enforce-
8 ment activity in the United States.

9 (3) PENALTIES.—The penalties provided for in
10 subsections (b) and (c) of section 206 of the Inter-
11 national Emergency Economic Powers Act (50
12 U.S.C. 1705) shall apply to a person that violates,
13 attempts to violate, conspires to violate, or causes a
14 violation of this section or any regulations promul-
15 gated to carry out this section to the same extent
16 that such penalties apply to a person that commits
17 an unlawful act described in section 206(a) of that
18 Act.

19 (d) RULE OF CONSTRUCTION.—For purposes of de-
20 terminations under subsection (a) that a foreign person
21 engaged in activities described in subsection (b), a foreign
22 person shall not be determined to know that petroleum
23 or petroleum products originated from Iran if such person
24 relied on a certificate of origin or other documentation
25 confirming that the origin of the petroleum or petroleum

1 products was a country other than Iran, unless such per-
2 son knew or had reason to know that such documentation
3 was falsified.

4 (e) IMPLEMENTATION; REGULATIONS.—

5 (1) IN GENERAL.—The President may exercise
6 all authorities under sections 203 and 205 of the
7 International Emergency Economic Powers Act (50
8 U.S.C. 1702 and 1704) for purposes of carrying out
9 this section.

10 (2) DEADLINE FOR REGULATIONS.—Not later
11 than 180 days after the date of the enactment of
12 this Act, the President shall prescribe such regula-
13 tions as may be necessary for the implementation of
14 this Act.

15 (3) NOTIFICATION TO CONGRESS.—Not later
16 than 10 days before the prescription of regulations
17 under paragraph (2), the President shall brief and
18 provide written notification to the appropriate con-
19 gressional committees regarding—

20 (A) the proposed regulations; and

21 (B) the specific provisions of this Act that
22 the regulations are implementing.

23 (f) WAIVER.—

24 (1) IN GENERAL.—The President may, on a
25 case-by-case basis and for periods not to exceed 180

1 days each, waive the application of sanctions im-
2 posed with respect to a foreign person under this
3 section if the President certifies to the appropriate
4 congressional committees, not later than 15 days be-
5 fore such waiver is to take effect, that the waiver is
6 vital to the national interests of the United States.

7 (2) SPECIAL RULE.—The President shall not be
8 required to impose sanctions under this section with
9 respect to a foreign person described in subsection
10 (a) if the President certifies in writing to the appro-
11 priate congressional committees that the foreign per-
12 son—

13 (A) is no longer engaging in activities de-
14 scribed in subsection (b); or

15 (B) has taken and is continuing to take
16 significant, verifiable steps toward permanently
17 terminating such activities.

18 (f) TERMINATION.—The authorities provided by this
19 section shall cease to have effect on and after the date
20 that is 30 days after the date on which the President cer-
21 tifies to the appropriate congressional committees that—

22 (1) the Government of Iran no longer repeat-
23 edly provides support for international terrorism as
24 determined by the Secretary of State pursuant to—

1 (A) section 1754(c)(1)(A) of the Export
2 Control Reform Act of 2018 (50 U.S.C.
3 4318(c)(1)(A));

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

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

8 (D) any other provision of law; and

9 (2) Iran has ceased the pursuit, acquisition,
10 and development of, and verifiably dismantled, its
11 nuclear, biological, and chemical weapons, ballistic
12 missiles, and ballistic missile launch technology.

13 **SEC. 4. REPORT ON IRANIAN PETROLEUM AND PETRO-**
14 **LEUM PRODUCTS EXPORTS.**

15 (a) IN GENERAL.—Not later than 120 days after the
16 date of enactment of this Act, and annually thereafter
17 until the date described in subsection (d), the Adminis-
18 trator of the Energy Information Administration shall
19 submit to the appropriate congressional committees a re-
20 port describing Iran’s growing exports of petroleum and
21 petroleum products, that includes the following:

22 (1) An analysis of Iran’s exports and sale of pe-
23 troleum and petroleum products, including—

24 (A) an estimate of Iran’s petroleum export
25 and sale revenue per year since 2018;

1 (B) an estimate of Iran's petroleum export
2 and sale revenue to China per year since 2018;

3 (C) the amount of petroleum and crude oil
4 barrels exported per year since 2018;

5 (D) the amount of petroleum and crude oil
6 barrels exported to China per year since 2018;

7 (E) the amount of petroleum and crude oil
8 barrels exported to countries other than China
9 per year since 2018;

10 (F) the average price per petroleum and
11 crude oil barrel exported per year since 2018;
12 and

13 (G) the average price per petroleum and
14 crude oil barrel exported to China per year
15 since 2018.

16 (2) An analysis of Iran's labeling practices of
17 exported petroleum and petroleum products.

18 (3) A description of companies involved in the
19 exporting and sale of Iranian petroleum and petro-
20 leum products.

21 (4) A description of ships involved in the ex-
22 porting and sale of Iranian petroleum and petroleum
23 products.

1 **SEC. 6. APPROPRIATE CONGRESSIONAL COMMITTEES DE-**
2 **FINED.**

3 In this Act, the term “appropriate congressional com-
4 mittees” means—

5 (1) the Committee on Foreign Affairs, the
6 Committee on the Judiciary, and the Committee on
7 Financial Services of the House of Representatives;
8 and

9 (2) the Committee on Foreign Relations, the
10 Committee on the Judiciary, and the Committee on
11 Banking, Housing, and Urban Affairs of the Senate.

Passed the House of Representatives November 3,
2023.

Attest: KEVIN F. MCCUMBER,
Clerk.

Calendar No. 240

118TH CONGRESS
1ST Session

H. R. 3774

AN ACT

To impose additional sanctions with respect to the importation or facilitation of the importation of petroleum products from Iran, and for other purposes.

NOVEMBER 7, 2023

Read the second time and placed on the calendar