

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 2106
OFFERED BY MS. ROS-LEHTINEN OF FLORIDA**

Page 38, line 11, strike section 105 and insert the following:

1 **SEC. 105. MANDATORY SANCTIONS WITH RESPECT TO FI-**
2 **NANCIAL INSTITUTIONS THAT ENGAGE IN**
3 **CERTAIN TRANSACTIONS.**

4 (a) PROHIBITIONS AND CONDITIONS WITH RESPECT
5 TO CERTAIN ACCOUNTS HELD BY FOREIGN FINANCIAL
6 INSTITUTIONS.—

7 (1) IN GENERAL.—Not later than 30 days after
8 the date of the enactment of this Act, the Secretary
9 of the Treasury shall prescribe regulations to pro-
10 hibit, or impose strict conditions on, the opening or
11 maintaining in the United States of a correspondent
12 account or a payable-through account by a foreign
13 financial institution that the Secretary finds know-
14 ingly engages in an activity described in paragraph
15 (2).

16 (2) ACTIVITIES DESCRIBED.—A foreign finan-
17 cial institution engages in an activity described in
18 this paragraph if the foreign financial institution—

1 (A) knowingly engages in or facilitates a
2 transaction with—

3 (i) Syria's security services or its
4 armed forces, including the National Security
5 Directorate, the mukhabarat, or any of
6 its agents or affiliates; or

7 (ii) a person subject to financial sanc-
8 tions pursuant to—

9 (I) the International Emergency
10 Economic Powers Act (50 U.S.C.
11 1701 et seq.) or any other provision of
12 law; or

13 (II) a resolution that is agreed to
14 by the United Nations Security Council
15 and imposes sanctions with respect
16 to Syria;

17 (B) knowingly engages in money laun-
18 dering to carry out an activity described in sub-
19 paragraph (A);

20 (C) knowingly facilitates efforts by the
21 Central Bank of Syria or any other Syrian fi-
22 nancial institution to carry out an activity de-
23 scribed in subparagraph (A); or

1 (D) knowingly facilitates the withdrawal of
2 foreign currency reserves of the Government of
3 Syria or any of its agents or affiliates.

4 (3) PENALTIES.—The penalties provided for in
5 subsections (b) and (c) of section 206 of the Inter-
6 national Emergency Economic Powers Act (50
7 U.S.C. 1705) shall apply to a person that knowingly
8 violates, attempts to violate, conspires to violate, or
9 causes a violation of regulations prescribed under
10 paragraph (1) of this subsection to the same extent
11 that such penalties apply to a person that knowingly
12 commits an unlawful act described in section 206(a)
13 of that Act.

14 (b) PENALTIES FOR DOMESTIC FINANCIAL INSTITU-
15 TIONS FOR ACTIONS OF PERSONS OWNED OR CON-
16 TROLLED BY SUCH FINANCIAL INSTITUTIONS.—

17 (1) IN GENERAL.—Not later than 30 days after
18 the date of the enactment of this Act, the Secretary
19 of the Treasury shall prescribe regulations to pro-
20 hibit any person owned or controlled by a domestic
21 financial institution from knowingly engaging in a
22 transaction or transactions with or benefitting Syr-
23 ia's security services or its armed forces or any of
24 its agents or affiliates whose property or interests in
25 property are blocked pursuant to the International

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

3 (2) PENALTIES.—The penalties provided for in
4 section 206(b) of the International Emergency Eco-
5 nomic Powers Act (50 U.S.C. 1705(b)) shall apply
6 to a domestic financial institution to the same extent
7 that such penalties apply to a person that knowingly
8 commits an unlawful act described in section 206(a)
9 of that Act if—

10 (A) a person owned or controlled by the
11 domestic financial institution knowingly vio-
12 lates, attempts to violate, conspires to violate,
13 or causes a violation of regulations prescribed
14 under paragraph (1) of this subsection; and

15 (B) the domestic financial institution knew
16 or should have known that the person violated,
17 attempted to violate, conspired to violate, or
18 caused a violation of such regulations.

19 (c) REQUIREMENTS FOR FINANCIAL INSTITUTIONS
20 MAINTAINING ACCOUNTS FOR FOREIGN FINANCIAL IN-
21 STITUTIONS.—

22 (1) IN GENERAL.—The Secretary of the Treas-
23 ury shall prescribe regulations to require a domestic
24 financial institution that maintains a correspondent
25 account or payable-through account in the United

1 States for a foreign financial institution to do one or
2 more of the following:

3 (A) Perform a reasonably diligent audit of
4 activities described in subsection (a)(2) that
5 may be carried out by the foreign financial in-
6 stitution.

7 (B) Report to the Department of the
8 Treasury with respect to transactions or other
9 financial services provided with respect to any
10 activity described in subsection (a)(2).

11 (C) Certify, to the best of the knowledge of
12 the domestic financial institution, that the for-
13 eign financial institution is not knowingly en-
14 gaging in any activity described in subsection
15 (a)(2).

16 (D) Establish due diligence policies, proce-
17 dures, and controls, such as the due diligence
18 policies, procedures, and controls described in
19 section 5318(i) of title 31, United States Code,
20 to ensure that the foreign financial institution
21 is not knowingly engaged in any activity de-
22 scribed in subsection (a)(2).

23 (2) PENALTIES.—The penalties provided for in
24 sections 5321(a) and 5322 of title 31, United States
25 Code, shall apply to a person that knowingly violates

1 a regulation prescribed under paragraph (1) of this
2 subsection, in the same manner and to the same ex-
3 tent as such penalties would apply to any person
4 that is otherwise subject to such section 5321(a) or
5 5322.

6 (d) WAIVER.—The Secretary of the Treasury may
7 waive the application of a prohibition or condition imposed
8 with respect to a foreign financial institution pursuant to
9 subsection (a) or the imposition of a penalty under sub-
10 section (b) with respect to a domestic financial institution
11 if—

12 (1) the Secretary determines that failure to ex-
13 ercise such waiver authority would pose an unusual
14 and extraordinary threat to the vital national secu-
15 rity interests of the United States; and

16 (2) not less than 15 days prior to the exercise
17 of the waiver authority, the Secretary submits to the
18 appropriate congressional committees a report de-
19 scribing the reasons for the determination.

20 (e) PROCEDURES FOR JUDICIAL REVIEW OF CLASSI-
21 FIED INFORMATION.—

22 (1) IN GENERAL.—If a finding under sub-
23 section (a)(1), a prohibition, condition, or penalty
24 imposed as a result of any such finding, or a penalty
25 imposed under subsection (b), is based on classified

1 information (as defined in section 1(a) of the Classi-
2 fied Information Procedures Act (18 U.S.C. App.))
3 and a court reviews the finding or the imposition of
4 the prohibition, condition, or penalty, the Secretary
5 of the Treasury may submit such information to the
6 court ex parte and in camera.

7 (2) RULE OF CONSTRUCTION.—Nothing in this
8 subsection shall be construed to confer or imply any
9 right to judicial review of any finding under sub-
10 section (a)(1), any prohibition, condition, or penalty
11 imposed as a result of any such finding, or any pen-
12 alty imposed under subsection (b).

13 (f) CONSULTATIONS IN IMPLEMENTATION OF REGU-
14 LATIONS.—In implementing this section and the regula-
15 tions prescribed under this section, the Secretary of the
16 Treasury—

17 (1) shall consult with the Secretary of State;
18 and

19 (2) may, in the sole discretion of the Secretary
20 of the Treasury, consult with such other agencies
21 and departments and such other interested parties
22 as the Secretary considers appropriate.

23 (g) DEFINITIONS.—

24 (1) IN GENERAL.—In this section:

1 (A) ACCOUNT; CORRESPONDENT ACCOUNT;
2 PAYABLE-THROUGH ACCOUNT.—The terms “ac-
3 count”, “correspondent account”, and “payable-
4 through account” have the meanings given
5 those terms in section 5318A of title 31, United
6 States Code.

7 (B) AGENT.—The term “agent” includes
8 an entity established by a person for purposes
9 of conducting transactions on behalf of the per-
10 son in order to conceal the identity of the per-
11 son.

12 (C) FINANCIAL INSTITUTION.—The term
13 “financial institution” means a financial insti-
14 tution specified in subparagraph (A), (B), (C),
15 (D), (E), (F), (G), (H), (I), (J), (M), or (Y) of
16 section 5312(a)(2) of title 31, United States
17 Code.

18 (D) FOREIGN FINANCIAL INSTITUTION;
19 DOMESTIC FINANCIAL INSTITUTION.—The
20 terms “foreign financial institution” and “do-
21 mestic financial institution” shall have the
22 meanings of those terms as determined by the
23 Secretary of the Treasury.

24 (E) MONEY LAUNDERING.—The term
25 “money laundering” has the meaning given the

1 term “money laundering and related financial
2 crime” in section 5340 of title 31, United
3 States Code.

4 (2) OTHER DEFINITIONS.—The Secretary of
5 the Treasury may further define the terms used in
6 this section in the regulations prescribed under this
7 section.

Page 41, after line 23, insert the following:

8 **SEC. 106. FACILITATING THE ELIMINATION OF SYRIA’S**
9 **WEAPONS OF MASS DESTRUCTION.**

10 (a) SENSE OF CONGRESS.—It is the sense of Con-
11 gress that the President should utilize existing authorities,
12 including the Cooperative Threat Reduction program and
13 the Nonproliferation and Disarmament Fund, to accom-
14 plish the objectives of subsection (b).

15 (b) OBJECTIVES.—Notwithstanding any other provi-
16 sion of law, the President is authorized to assist a post-
17 Assad transitional government of Syria to secure, disable,
18 remove, destroy, and establish verifiable safeguards
19 against the proliferation of—

20 (1) Syria’s chemical and biological weapons and
21 any elements of a nuclear weapons program;

22 (2) Syria’s radiological materials and related
23 sensitive materials and their delivery systems; and

1 (3) precursor and constituent parts and produc-
2 tion equipment of—

3 (A) weapons described in paragraph (1);

4 and

5 (B) materials described in paragraph (2).

6 (c) DRAWDOWN AUTHORITY.—The President may di-
7 rect the drawdown of articles and services from any
8 United States Government department or agency to carry
9 out this section. The aggregate value of such articles and
10 services that are drawn down may not to exceed
11 \$250,000,000 in any fiscal year.

12 (d) TRANSFER AUTHORITY.—Notwithstanding any
13 other provision of law, the President may use funds appro-
14 priated under any other provision of law for any fiscal year
15 to carry out this section.

16 (e) CONGRESSIONAL NOTIFICATION.—

17 (1) IN GENERAL.—Except as provided in sub-
18 paragraph (B), not less than 15 days before direct-
19 ing the drawdown of articles or services from any
20 United States Government department or agency
21 under subsection (c) or using any funds appro-
22 priated under any other provision of law under sub-
23 section (d), the President shall transmit to Congress
24 a report on the proposed drawdown of articles or

1 services or use of funds (as the case may be). The
2 report shall specify—

3 (A) the account, budget activity, and par-
4 ticular program or programs from which the
5 drawdown of articles or services or the funds
6 proposed to be obligated are to be derived and
7 the amount of the articles or services or the
8 amount of funds proposed to be obligated; and

9 (B) the activities and forms of assistance
10 for which the articles or services will be used or
11 the funds will be obligated.

12 (2) EXCEPTION.—The President may direct the
13 drawdown of articles or services from any United
14 States Government department or agency under sub-
15 section (c) or use any funds appropriated under any
16 other provision of law under subsection (d) without
17 prior notification to Congress in accordance with
18 paragraph (1) if not less than 5 days after exer-
19 cising any such authority the President transmits to
20 Congress a report that contains a determination of
21 the President that an emergency exists that requires
22 the immediate exercise of such authority and the
23 reasons therefor.

24 (f) QUARTERLY REPORT.—Not later than 30 days
25 after the end of each calendar quarter during which the

1 President is utilizing existing authorities to accomplish the
2 objectives of subsection (b), the President shall transmit
3 to Congress a report on such efforts. The report shall set
4 forth, for such calendar quarter and cumulatively, the fol-
5 lowing:

6 (1) A description of each activity and the forms
7 of assistance.

8 (2) The total amount of funds obligated or ex-
9 pended for each activity and the purpose of the
10 funds.

11 (3) The source of the funds obligated or ex-
12 pended for each activity, as described in subsection
13 (c) or (d).

14 (4) A description of the participation of any
15 United States Government department or agency in
16 each activity.

17 (5) Such other information as the President de-
18 termines to be appropriate to fully inform Congress
19 concerning such efforts.

Page 83, line 22, strike “and”.

Page 83, after line 22, insert the following:

20 (iii) heavy weapons such as battle
21 tanks, armored combat vehicles, large-cal-
22 iber artillery systems, combat aircraft, at-

1 tack helicopters, warships, missiles, and
2 missile systems; and

Page 83, line 23, strike “(iii)” and insert “(iv)”.

Page 85, after line 11, insert the following:

3 (d) DENIAL OF VISAS.—The Secretary of State shall
4 deny a visa to, and the Secretary of Homeland Security
5 shall exclude from the United States, the following:

6 (1) A person on the list required by subsection
7 (b).

8 (2) A person that the Secretary of State deter-
9 mines is a person who, on or after the date of the
10 enactment of this Act, is—

11 (A) a corporate officer, principal, or share-
12 holder with a controlling interest in the person
13 described in paragraph (1);

14 (B) a corporate officer, principal, or share-
15 holder with a controlling interest in a successor
16 entity to or a parent or subsidiary of the person
17 described in paragraph (1); and

18 (C) a corporate officer, principal, or share-
19 holder with a controlling interest in an affiliate
20 of the person described in paragraph (1) if—

21 (i) the affiliate engages in an activity
22 described in subsection (a)(2); and

1 (ii) the affiliate is controlled in fact by
2 the person described in paragraph (1).

Page 88, line 25, strike “and” and insert “or”.

Page 90, after line 24, add the following:

3 **SEC. 605. WAIVER.**

4 (a) IN GENERAL.—The President may waive the pro-
5 visions of this Act on a case-by-case, 6-month basis if the
6 President determines and transmits to the appropriate
7 congressional committees a report not less than 15 days
8 prior to the exercise of the waiver authority that failure
9 to exercise the waiver authority would pose an unusual
10 and extraordinary threat to the vital national security in-
11 terests of the United States.

12 (b) CONTENTS OF REPORT.—Each report required
13 under subsection (a) shall provide a specific and detailed
14 rationale for the determination of the President under
15 subsection (a), including the extent to which the Govern-
16 ment of Syria has met the requirements of section 103.

