

## [H.R. 2297, Hezbollah International Financing Prevention Act of 2015](#)

### FLOOR SITUATION

On Thursday, May 14, 2015, the House will consider H.R. [2297](#), *the Hezbollah International Financing Prevention Act of 2015*, under suspension of the rules. H.R. 2297 was introduced on May 13, 2015, by Rep. Ed Royce (R-CA) and was referred to the Committee on Foreign Affairs, and in addition, to the Committee on Financial Services.

### SUMMARY

H.R. 2297 requires the Secretary of State to brief Congress, within 30 days of enactment and annually thereafter, on the activities of satellite, broadcast, Internet, and other providers that knowingly provide material support—including broadcasting—to Al-Manar, the official TV station of Hezbollah. Al-Manar has already been sanctioned by the U.S. In the briefings, the Secretary must identify the providers that have been sanctioned accordingly under [Executive Order 13224](#),<sup>1</sup> as well as those who have not been sanctioned, and justify why sanctions have not been imposed.

H.R. 2297 also requires the Secretary of the Treasury to prohibit or impose strict conditions on U.S. correspondent banking for foreign financial institutions that engage in certain financial transactions.<sup>2</sup>

The bill further requires the President to submit a report to Congress, within 120 days of enactment, determining whether Hezbollah meets the criteria under the Foreign Narcotics Kingpin Designation Act;<sup>3</sup> and if not, which criteria have not been met. H.R. 2297 also requires the President to submit to Congress, within the same timeframe, a report including a determination as to whether Hezbollah meets the criteria for a “transnational criminal organization” as set forth in [Executive Order 13581](#).<sup>4</sup>

<sup>1</sup> Executive Order 13224 prohibits persons from taking measures “to assist in, sponsor, or provide financial, material, or technological support for, or financial or other services to or in support of, such acts of terrorism or those persons listed in the Annex to this order or determined to be subject to this Order.”

<sup>2</sup> Such financial transactions include, in part, 1) knowingly facilitating significant transactions for Hezbollah; 2) knowingly facilitating significant transactions for persons acting on behalf of Hezbollah; and 3) knowingly money laundering to carry out the foregoing activities.

<sup>3</sup> The Foreign Narcotics Kingpin Designation Act was enacted “to apply economic and other financial sanctions to significant foreign narcotics traffickers and their organizations worldwide.” [Narcotics Sanctions Program](#), Office of Foreign Asset Control, U.S. Department of the Treasury at 3.

<sup>4</sup> See Department of Treasury Fact Sheet—“[New Executive Order Targets Significant Transnational Criminal Organizations](#),” July 25, 2011.

The legislation also requires the Secretary of State to submit a report, within 90 days of enactment, detailing actions taken by the Department of State through its rewards programs to obtain information on fundraising, financing, and money laundering activities of Hezbollah. The bill also requires an annual briefing to Congress on the status of such actions.

Further, H.R. 2297 requires the President to submit to Congress, within 90 days of enactment, a report listing 1) the countries that support Hezbollah, or in which Hezbollah maintains important portions of its global logistics networks; and 2) a list of countries in which Hezbollah or any of its affiliates conduct significant fundraising, financing, or money laundering activities. The bill also requires the Administration to provide ongoing briefings to Congress on Hezbollah's assets and activities related to fundraising, financing, and money laundering worldwide.

Finally, H.R. 2297 provides for the bill's termination within 30 days if the President certifies that Hezbollah is no longer designated as a foreign terrorist organization and poses no significant threat to the U.S. or our allies.

## **BACKGROUND**

Hezbollah, "an Iran-backed Shia Muslim militia, political party, and U.S.-designated terrorist organization"<sup>5</sup> continues to pose a significant threat to the United States, our allies, and other interests globally. Hezbollah has been militarily involved in the conflict in Syria, and continues to launder money through its international financial network to fund terrorist activities.

House Foreign Affairs Committee Chairman Ed Royce has said that "Prior to September 11th, 2001, Hezbollah was responsible for more American deaths than any other terrorist organization. Since that time their capabilities have grown, enabling them to attack the U.S. and our allies around the world—from the Philippines, to Bulgaria, and even on our doorstep in South America."<sup>6</sup> H.R. 2297 is designed to better enable the Administration to strike at Hezbollah's fundraising and international financing.

In the 113<sup>th</sup> Congress, the House passed a similar bill ([H.R. 4411](#)) by a vote of [404 to 0](#) on July 22, 2014. The Senate did not act on the measure before the Congress adjourned.

## **COST**

A cost estimate from the Congressional Budget Office (CBO) is currently unavailable.

## **STAFF CONTACT**

For questions or further information please contact [Jerry White](#) with the House Republican Policy Committee by email or at 5-0190.

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<sup>5</sup> See CRS Report—"[Lebanon: Background and U.S. Policy](#)," April 4, 2014 at Summary.

<sup>6</sup> See Press Release—"[Reps. Meadows, Schneider, Royce, Engel to Author Tougher Sanctions against Hezbollah](#)," April 3, 2014.