



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503**

January 11, 2016
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3662 – Iran Terror Finance Transparency Act

(Rep. Russell, R-OK, and 62 cosponsors)

The Administration strongly opposes H.R. 3662, the Iran Terror Finance Transparency Act, which would prevent the United States from implementing the Joint Comprehensive Plan of Action (JCPOA) by tying the Administration's ability to fulfill U.S. commitments under the deal to unrelated, non-nuclear issues.

H.R. 3662 includes provisions that connect the United States' JCPOA commitment to provide sanctions relief by delisting certain Iran-related individuals and entities, including banks, to non-nuclear issues outside of the scope of the JCPOA. In addition, certain provisions would effectively preclude delisting of individuals or entities on Implementation Day of the JCPOA – the day on which the International Atomic Energy Agency verifies that Iran has completed key nuclear-related steps that significantly dismantle and constrain its nuclear program – based on activity that may have taken place and ended long before Implementation Day and involving persons or activity that will no longer be sanctioned post-Implementation Day. By preventing the United States from fulfilling its JCPOA commitments, H.R. 3662 could result in the collapse of a comprehensive diplomatic arrangement that peacefully and verifiably prevents Iran from acquiring a nuclear weapon. Such a collapse would remove the unprecedented constraints on Iran's nuclear program that we achieved in the JCPOA, lead to the unraveling of the international sanctions regime against Iran, and deal a devastating blow to America's credibility as a leader of international diplomacy. This would have ripple effects, jeopardizing the hard work of sustaining a unified coalition to combat Iran's destabilizing activities in the region, calling into question the effectiveness of our sanctions regime and our ability to lead the world on nuclear non-proliferation.

The Administration has consistently made clear that the purpose of the nuclear negotiations, and ultimately the JCPOA, was to address one issue only – the international community's concerns over Iran's nuclear program and to verifiably prevent Iran from acquiring a nuclear weapon. The JCPOA is the mechanism through which the United States was able to garner international support for our sanctions and achieve a diplomatic resolution.

As we address our concerns with Iran's nuclear program through implementation of the JCPOA, the Administration remains clear-eyed and shares the deep concerns of the Congress and the American people about Iran's support for terrorism. Powerful sanctions targeting Iran's support for terrorism, its ballistic missile activities, its human rights abuses, and its destabilizing activities in the region remain in effect. Anyone worldwide who transacts with or supports individuals or entities sanctioned in connection with Iran's support for terrorism or development of WMD and their means of delivery, including missiles – or who does the same with any Iranian individual or entity who remains on Treasury's Specially Designated Nationals and Blocked Persons List – puts themselves at risk of being sanctioned.

The President has made it clear that he will veto any legislation that prevents the successful implementation of the JCPOA. If the President were presented with H.R. 3662, he would veto the bill.

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