

U.S. Rep. Steil: Re-introduces Stop Evasion of Iran Sanctions Act

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WASHINGTON, D.C.—Today, House Financial Services Committee member, Congressman Bryan Steil (WI-01), re-introduced the Stop Evasion of Iran Sanctions Act. Steil's bill prevents those trying to avoid U.S. sanctions against the Iranian regime by using a loophole known as INSTEX. Financial Services Committee members French Hill (AR-02), Lee Zeldin (NY-01), Lance Gooden (TX-05), and William Timmons (SC-04) are original cosponsors.

“Financial sanctions are an effective tool to prevent Iran’s nuclear build-up and cut off financial resources for the regime’s leaders. Sanctions enforcement is critical to preventing the world’s largest state sponsor of terrorism from obtaining a nuclear weapon. Some want to trade with Iran using a loophole, my bill stops that. The Stop Evasion of Iran Sanctions Act sends a clear message to the world that we are serious about sanctions enforcement. Thank you to Congressmen Hill, Zeldin, Gooden, and Timmons for supporting my efforts,” **said Rep. Bryan Steil.**

“Helping the Iranian mullahs side-step U.S. sanctions for their state sponsorship of terrorism and clandestine nuclear activity will not be tolerated by the U.S. treasury,” **said Rep. French Hill.** “Financial institutions around the world have a simple choice: choose to do business with the United States or with the world’s foremost state sponsor of terrorism. As the Ranking Member of the Subcommittee on National Security, I support Congressman Steil’s important legislation to demand from our allies a unified response to Iran’s continued threat to global peace and stability.”

“Iran can never obtain a nuclear weapon and must also be thwarted in its attempt to maintain its title as the world’s largest state sponsor of terror. The United States must continue to employ an across the board, unified front to prevent them from

doing so,” **said Rep. Lee Zeldin.** “Over the last few years, we have witnessed the effectiveness of sanctions and other maximum pressure tactics when it comes to crippling the Iranian regime, and we cannot let up. I’m proud to work with Congressman Steil to help ensure that we keep the pressure on, and that no entity can skirt these critical sanctions.”

“Economic sanctions diminish the Iranian money behind radical Islamic terrorism. This bill will save lives by making penalties more effective,” **said Rep. Lance Gooden.**

“Sanctions are one of several tools we use to combat the aggressive Iranian regime. However, we must ensure cooperation within the international community on U.S.-imposed sanctions against Iran. We know that Iran has the ability to evade our sanctions by using INSTEX. Our bill will allow the Secretary of the Treasury to stop these backchannel trades and prevent Iran from obtaining nuclear weapons,” **said Rep. William Timmons.**

On Background:

Under President Obama’s flawed Iran Nuclear Deal, also known as the Joint Comprehensive Plan of Action (JCPOA), the United States and our European allies provided generous sanctions relief in exchange for temporary limits on Iran’s nuclear activities. Following the implementation of the JCPOA, Iran capitalized on the resources provided through sanctions relief to fund its malign activities against the United States and our allies throughout the region.

When President Trump withdrew the United States from the Iran Nuclear Deal in 2018, the United States reinstated crippling sanctions against Iran. Though the United States has maintained sanctions on Iran, European signatories to the JCPOA have not. To address this, Germany, France, and the United Kingdom established the Instrument in Support of Trade Exchanges (INSTEX). This entity is designed to facilitate exchange between European and Iranian companies without triggering United States sanctions.

INSTEX facilitates transactions between businesses in Europe and Iran while avoiding direct exchange between participating firms. European businesses transact with INSTEX, which in turn engages with its Iranian counterpart. INSTEX tracks shipments between Europe and Iran and ensures that exporters and importers in Europe are compensated for their transactions.

H.R. 733, the Stop Evasion of Iran Sanctions Act, which Steil also introduced in the 116th Congress, gives the Secretary of the Treasury the explicit authority to sanction a financial institution operating outside the United States that knowingly conducts a significant sanctionable transaction related to the Instrument in Support of Trade Exchanges (INSTEX).

Steil is a member of the following House Financial Services Committee subcommittees: the Subcommittee on Investor Protection, Entrepreneurship, and Capital Markets and the Subcommittee on Housing, Community Development, and Insurance.