



April 26, 2024

The Honorable Charles E. Schumer
Senate Majority Leader
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Mitch McConnell
Senate Minority Leader
317 Russell Senate Office Building
Washington, DC 20510

RE: Urging Sanctions and Action to Prevent Iran's Access to Funds Following Iran's Unprecedented April 13, 2024, Attack on the Nation of Israel

Dear Majority Leader Schumer and Minority Leader McConnell:

The American Center for Law and Justice (ACLJ) is a not-for-profit 501(c)(3) organization dedicated to the defense of constitutional liberties secured by law. The ACLJ regularly monitors and informs the public about governmental activity. The ACLJ and its global affiliated organizations – including the European Centre for Law and Justice credentialed with Special Consultative Status at the UN ECOSOC – are committed to defending the national security of the United States and that of its critical ally Israel, as well as the ongoing viability of freedom and liberty in the United States and around the world.

As the world watched on the Saturday night and Sunday morning of April 13-14, 2024, Iran launched an air assault of approximately 300 missiles and drones at our ally, the sovereign nation of Israel. In the aftermath of that attack, we urge swift and meaningful action in enforcing existing sanctions and issuing new ones to hold Iran accountable. The United States should use all legislative and executive authorities at its disposal to punish and deter Iranian terror, atrocities, and acts of war. More specifically, we urge you to take all actions necessary to ensure that Iran is permanently denied *any* access to the \$6 billion in funds currently held in Qatar, as addressed below. As you know, money is fungible, and any money given to the radical Iranian regime by the United States inevitably frees up additional resources to fund terrorist attacks that further destabilize the Middle East.

Numerous examples of Iran's unlawful and disgusting behavior are widely known, but their most egregious acts are surveyed below. On October 7, 2023, Iran-backed Hamas invaded Israel

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in a surprise terror attack, brutally murdering, mutilating, and sexually assaulting approximately 1,200 Israeli and foreign civilians, as well as kidnapping approximately 250 hostages.

This attack did not happen in a vacuum. Instead, it came on the heels of a major U.S. concession. In September 2023, the Biden Administration issued a blanket waiver of sanctions for international banks to transfer \$6 billion in frozen Iranian money from South Korea to Qatar as part of a prisoner exchange made with the terror state.¹ Just weeks later, Hamas committed its barbaric terror attack funded and armed by Iran.

Following the terror attack, on October 12, 2023, this Administration stated that Iran will not be allowed to access the \$6 billion in funds that remained in Qatar and that the United States retained the right to freeze the account. According to Secretary of State Antony Blinken, “We have strict oversight of the funds and we retain the right to freeze them.”² He added that “the U.S. Treasury oversees any disbursement to ensure it is used only for humanitarian purposes.”³ According to White House Spokesman Admiral John Kirby, “the money was intended to be disbursed ‘to approved vendors - that we approved - to go buy food, medicine and medical equipment, agricultural products, and ship it into Iran directly to the benefit of the Iranian people.’”⁴ Many warned that the Biden Administration’s deal would embolden Iran and boost its economy and political leadership “when Iran poses a growing threat to U.S. troops and Mideast allies.”⁵

Even with the funds frozen in Qatar, in November 2023, this Administration “extended a sanctions waiver to allow Iran to access upwards of \$10 billion in electricity revenue once held in escrow in Iraq.”⁶ Accordingly, “[t]he waiver allows Baghdad to continue purchasing electricity from Iran and, in a change from past policy, for Iran to convert its revenue into euros and draw on the money for budget imports out of Iraq and Oman.”⁷ This Administration’s argument that funds generated from transactions are “not permitted to enter Iran” is refuted openly by Iran itself. According to President Ebrahim Raisi, Iran will use the money “wherever we need it.”⁸ Obviously, Iran can use or benefit from additional funds without a single dollar “enter[ing] Iran.” Further, Iran has been known to evade sanctions, for example, by fraudulently claiming a transaction to be humanitarian or smuggling humanitarian goods abroad for profit.⁹

¹ Matthew Lee, *The US Moves to Advance a Prisoner Swap Deal With Iran and Release \$6 Billion in Frozen Funds*, AP NEWS, <https://apnews.com/article/us-iran-prisoners-blinken-3e834df0a845ef2cc5c52af14598c66f#> (last updated Sept. 11, 2023).

² Humeyra Pamuk & Daphne Psaledakis, *US Says Iran Cannot Access its \$6 Billion in Qatar Any Time Soon*, REUTERS (Oct. 12, 2023, 3:42 PM), <https://www.reuters.com/world/us/us-signals-iran-wont-access-its-6-bln-qatar-any-time-soon-2023-10-12/>.

³ *Id.*

⁴ *Id.*

⁵ Lee, *supra* note **Error! Bookmark not defined.**

⁶ *Iran Receives Access to \$10 Billion Thanks to U.S. Sanctions Waiver*, FDD (Nov. 15, 2023), <https://www.fdd.org/analysis/2023/11/15/iran-receives-access-to-10-billion-thanks-to-u-s-sanctions-waiver/>.

⁷ *Id.*

⁸ Anders Hagstrom, *Iranian President Reveals Plans for Spending \$6 Billion Gained in US Prisoner Exchange*, FOX NEWS (Sept. 12, 2023), <https://www.foxnews.com/world/iranian-president-reveals-plans-spending-6-billion-gained-us-prisoner-exchange>.

⁹ Henry Rome, TWI, *The Iran Hostage Deal: Clarifying the \$6 Billion Transfer*, WASH. INST. FOR NEAR EAST POL’Y (Sept. 18, 2023), <https://www.washingtoninstitute.org/policy-analysis/iran-hostage-deal-clarifying-6-billion-transfer>.

In January 2024, Iran-backed terrorists murdered three American troops and injured 25 more in an attack on a United States base in Jordan.¹⁰ According to a March 2024 tally, Iran's proxies "attacked U.S. troops there 170 times since the Oct. 7 Hamas attack in Israel."¹¹ Reports regularly surface of Iran-backed groups assaulting maritime targets¹² and engaging in cyberattacks on United States infrastructure and interests¹³. Then, early on April 14, 2024, Iran brazenly launched more than 300 missiles at Israel, some from Iran itself and others from its proxies' locations in the region.¹⁴ Clearly, the current status quo of American foreign policy concerning Iran is emboldening the terrorist state, not containing or weakening it.

Despite the clear failures of the Biden Administration's approach to Iran, the Administration "might again extend this month's sanctions waiver to the Islamic Republic of Iran that would result in as much as [another] \$10 billion funneled into Iran's coffers."¹⁵ The White House has simultaneously stated that it is considering some new sanctions: "In the coming days, the United States will impose new sanctions targeting Iran, including its missile and drone program as well as new sanctions against entities supporting the Islamic Revolutionary Guard Corps (IRGC) and Iran's Defense Ministry."¹⁶ While the bill signed into law yesterday broadened sanctions to include ports, vessels, and refineries knowingly processing or shipping Iranian crude oil in violation of existing sanctions is a step in the right direction, the current situation demands more, stronger, and clearer action. At a minimum, Iran should permanently be denied access to the \$6 billion currently held in a Qatari bank and all potential sanction waivers should be rejected. Alternatively, the funds held in Qatar should be revoked and repurposed to the U.S. Victims of

¹⁰ Danielle Wallace ET AL., *3 American Troops Killed, 25 Injured in Attack on Jordan Base Near Syria Border*, FOX NEWS (Jan. 28, 2024), <https://www.foxnews.com/politics/3-american-troops-killed-25-injured-attack-jordan-base-near-syria-border>.

¹¹ Lara Seligman, *Iran Proxy Attacks on US Troops in Iraq, Syria Drop Off as Red Sea Heats Up*, POLITICO (Mar. 6, 2024), <https://www.politico.com/news/2024/03/06/proxy-attacks-iraq-syria-red-sea-00145428>.

¹² Henry Austin, *Iranian Special Forces Seize Cargo Vessel in a Key Shipping Lane, State Media Reports*, NBC NEWS (Apr. 13, 2024), <https://www.nbcnews.com/news/world/iran-special-forces-seize-ship-israel-strait-hormuz-irgc-red-sea-rcna147689>; *Iran Attacks and Seizes Merchant Shipping Vessel*, U.S. NAVAL FORCES CENTRAL COMMAND (Jan. 11, 2024), <https://www.cusnc.navy.mil/Media/News/Display/Article/3643545/iran-attacks-and-seizes-merchant-shipping-vessel/>.

¹³ *Iran Cyber Threat Overview and Advisories*, CYBERSECURITY & INFRASTRUCTURE SECURITY AGENCY, <https://www.cisa.gov/topics/cyber-threats-and-advisories/advanced-persistent-threats/iran>; Alexander Culafi, *Iranian Cyberattacks Targeting U.S. and Israeli Entities*, TECHTARGET (Feb. 13, 2024), <https://www.techtarget.com/searchsecurity/news/366569934/Iranian-cyberattacks-targeting-US-and-Israeli-entities>; *Press Release: Iranian National Charged for Multi-Year Hacking Campaign Targeting U.S. Defense Contractors and Private Sector Companies*, OFFICE OF PUBLIC AFFAIRS (Feb. 29, 2024), <https://www.justice.gov/opa/pr/iranian-national-charged-multi-year-hacking-campaign-targeting-us-defense-contractors-and>.

¹⁴ Josef Federman & Jon Gambrell, *Israel Says Iran Launched More Than 300 Drones and Missiles, 99% of Which Were Intercepted*, AP NEWS (Apr. 14, 2024), <https://apnews.com/article/strait-of-hormuz-vessel-33fcffde2d867380e98c89403776a8ac>.

¹⁵ Benjamin Weinthal, *Biden Admin Under Pressure to Stop Billions of Dollars in Sanctions Relief to Iran*, FOX NEWS (Mar. 13, 2024), <https://www.foxnews.com/world/biden-admin-under-pressure-stop-billions-dollars-sanctions-relief-iran>.

¹⁶ *Statement by National Security Advisor Jake Sullivan on Holding Iran Accountable for Unprecedented Attack on Israel*, THE WHITE HOUSE (Apr. 16, 2024), <https://www.whitehouse.gov/briefing-room/statements-releases/2024/04/16/statement-by-national-security-advisor-jake-sullivan-on-holding-iran-accountable-for-unprecedented-attack-on-israel/>.

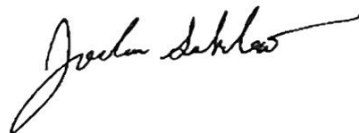
State Sponsored Terrorism Fund. To the extent legislative action is necessary to accomplish this, we urge you to advance and support such legislation.

Iran must be punished for its unrelenting atrocities and acts of terror, war, and aggression in violation of international law and norms. If the sanctions on Iran are intended as an alternative to war, then the sanctions must be strong, and they must be fully enforced.

We stand with you and support congressional efforts on this front. While the Executive Branch indeed performs a significant role in American foreign policy, Congress plays a role as well, and retains the power of the purse. On behalf of the American people, please take clear and meaningful action, including enforcing existing provisions of United States law and policy as well as pressuring the Biden Administration to issue new sanctions and economic measures, or otherwise, to restrain Iran and its ability to continue engaging in acts of terror and war against the Jewish State of Israel and the United States. Iran is genocidal. Left unchecked, it will ignite the next world war. As a critical arm of the United States government, you have the tools needed to suppress Iran's tyrannical and evil war of hatred on Israel and the United States.

If the American Center for Law and Justice may provide any assistance to you in this regard, we stand ready.

Very respectfully,



Jordan Sekulow
Executive Director



Benjamin P. Sisney
Senior Litigation Counsel

Identical Letter Sent to:

*The Honorable Mike Johnson
The Honorable Hakeem Jeffries
The Honorable Janet Yellen
The Honorable Antony Blinken
The Honorable Ron Wyden
The Honorable Mike Crapo
The Honorable Ben Cardin
The Honorable James Risch
The Honorable Patrick McHenry
The Honorable Maxine Waters
The Honorable Michael McCaul
The Honorable Gregory Meeks*