

# BILL SUMMARY

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March 2009

## Iran Sanctions Enabling Act of 2009 (H.R. 1327)

As Iran continues to make rapid advancements in its illicit nuclear weapons program, members of the House have introduced the Iran Sanctions Enabling Act of 2009. The bill authorizes state and local governments to divest from companies investing in Iran's petroleum and natural gas sector and protects fund managers who divest from such companies from potential lawsuits. Companies invested in Iran's oil and natural gas sector, which accounts for 80 percent of the country's hard currency, provide the economic wherewithal needed by Iran to fund its nuclear weapons pursuit and support for terrorism.

The bill's lead cosponsors are Reps. Barney Frank (D-MA) and Mark Kirk (R-IL). Similar legislation was authored by President Barack Obama as a senator in 2007 along with Senator Sam Brownback (R-KS). A version of the bill introduced in the last Congress (H.R. 2347) by Reps. Barney Frank (D-MA) and Christopher Shays (R-CT) was overwhelmingly passed by the House of Representatives on July 31, 2007, by a vote of 408-6, but failed to receive consideration in the Senate.

### Key Provisions of H.R. 1327:

- Authorizes state and local governments to divest the assets of their pension funds and any other funds under their control from companies on the list.
- Protects fund managers who divest from companies from lawsuits directed at them by investors who are unhappy with the results.