

Opening Statement
Ranking Member Stephen F. Lynch (MA-08)
Subcommittee on National Security
Hearing on Iran's Power Projection Capability
Nov. 5, 2015

Thank you, Mr. Chairman. I'd like to thank you for holding this hearing. I'd also like to thank our witnesses for helping the Subcommittee with its work.

There is no doubt that Iran is a destabilizing force in the Middle East. The United States first placed Iran on its terrorist list in 1984 due to its support of Lebanese Hezbollah. In its most recent Country Terrorism Report, the State Department found that throughout 2014, Iran continued supporting terrorist groups, including Hezbollah, and provided financing, training, and arms to Iraqi Shia and even Afghan fighters to bolster Bashar al-Assad in Syria. Iran has also detained American hikers and journalists, and most recently is reported to have arrested two Americans citizens on unspecified charges.

It is clear that we cannot trust Iran's leaders. But that is precisely why the Obama Administration has worked so hard to reduce their nuclear weapons capabilities. I believe that the Joint Comprehensive Plan of Action, also known as the Iran nuclear agreement, offers us the most viable path forward for limiting Iran's nuclear program and preventing its future development of a nuclear weapon.

In referencing the nuclear arms race between the United States and the Soviet Union in his 1960 inaugural address, President Kennedy remarked: "*Sincerity is always subject to proof.*"

The Iran nuclear agreement does not require us to simply rely on the sincerity of Iran's leadership. Rather, it depends entirely on proof in the form of a robust nuclear inspections and verification regime conducted by the International Atomic Energy Agency – or the I.A.E.A.

To be clear: The lifting of nuclear-related United Nations, European Union, and U.S. financial sanctions will occur only after I.A.E.A. verification that Iran has complied with its end of the deal.

Specifically, the I.A.E.A. must monitor and verify that Iran has met a variety of stipulations required by the agreement. For instance, Iran must reduce its total uranium stockpiles by 97% – from 10,000 kilograms to 300 – immediately. It also must reduce the number of centrifuges from 19,000 to around 6,000, which Iran has reportedly already begun to do. The I.A.E.A. must also verify that Iran does not produce or retain any weapons-grade uranium, and the little low-enriched uranium remaining is to be for commercial and scientific purposes only, at 3.67% enrichment. The I.A.E.A. must monitor and verify the dismantling of the heavy water reactor at Iran's water plant in Arak so that it will no longer be able to produce weapons-grade plutonium. These are only a few of the substantial physical and verifiable reductions that Iran must undertake.

The U.S. Treasury estimates that upon implementation of the agreement, Iran will have access to between \$100 billion and \$125 billion in foreign exchange assets held in the U.S., EU, and mostly Asian banks – a lot of which is already obligated, including nearly \$20 billion owed to China. In all, experts anticipate Iran to use the vast majority of these funds to pay down current debt obligations and domestic needs estimated to be over a half trillion dollars. These include as much as \$200 billion in necessary oil infrastructure investments and the purchase of commercial aircraft to replace a deteriorated domestic fleet.

There is still the danger that Iran may direct a portion of repatriated funds to finance terrorist activity or further destabilize the Middle East. That is why it is critical that the agreement leaves in place our sanctions pertaining to terrorist financing, human rights, and weapons of mass destruction.

As noted by the non-partisan Congressional Research Service, the many U.S. sanctions that will remain include those specified by Executive Order 13224, issued by President Bush following the 9/11 terrorist attacks and authorizing the U.S. Government to block the assets of foreign entities and individuals that support terrorist organizations. Chief among them is the Islamic Revolutionary Guard Corps-Qods Force, which the State Department has deemed “the regime’s primary mechanism for cultivating and supporting terrorists abroad.” Iran’s designation as a state sponsor of terrorism will also stay in effect along with the array of sanctions that accompany it – from export controls and prohibitions on arms sales to withholding economic assistance.

The nuclear agreement also includes a snap-back mechanism to re-impose sanctions in the event that Iran cheats.

Mr. Chairman, I look forward to discussing with today’s witnesses how we might build upon the Iran nuclear agreement, the purpose of which, as stated in the preface of the agreement, we can all support: “That under no circumstances will Iran ever seek, develop, or acquire any nuclear weapons.” Thank you, Mr. Chairman. I yield the balance of my time.