

119TH CONGRESS
2D SESSION

S. _____

To impose sanctions with respect to foreign persons that have facilitated
Israeli settlement construction in the E1 area of the West Bank.

IN THE SENATE OF THE UNITED STATES

Mr. COONS introduced the following bill; which was read twice and referred
to the Committee on _____

A BILL

To impose sanctions with respect to foreign persons that
have facilitated Israeli settlement construction in the E1
area of the West Bank.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS.**

4 Congress makes the following findings:

5 (1) The United States supports Israel's right to
6 safety and security and the Palestinian people's
7 right to freedom and self-determination.

8 (2) Actions taken by any party that undermine
9 the prospect of lasting peace between the Palestinian
10 and Israeli people undermine the security interests

1 and foreign policy objectives of the United States,
2 including the construction of Israeli settlements in
3 the West Bank, such as the E1 area, which are in-
4 consistent with international law.

5 (3) On August 13, 2025, Israel’s Higher Plan-
6 ning Council approved the construction of 3,401
7 housing units in the E1 area of the West Bank,
8 which, if completed, would sever Palestinian terri-
9 torial contiguity and threaten the viability of a fu-
10 ture Palestinian state.

11 **SEC. 2. IMPOSITION OF SANCTIONS WITH RESPECT TO**
12 **ISRAELI SETTLEMENT CONSTRUCTION IN E1**
13 **AREA OF THE WEST BANK.**

14 (a) MANDATORY SANCTIONS.—Beginning on the date
15 that is 30 days after the date of the enactment of this
16 Act, the President shall impose the sanctions described in
17 subsection (c) with respect to any foreign person that the
18 Secretary of the Treasury, in consultation with the Sec-
19 retary of State, determines—

20 (1) to have been responsible for or complicit in,
21 or to have directly or indirectly engaged or at-
22 tempted to engage in—

23 (A) the construction of any Israeli settle-
24 ments, Israeli settlement units, or related struc-

1 tures in the E1 area of the West Bank, includ-
2 ing by—

3 (i) submitting a bid for E1 tenders on
4 or after August 18, 2026;

5 (ii) offering a guarantee related to
6 any such bid;

7 (iii) signing any development or lease
8 agreement related to such construction; or
9 (iv) providing contracting, subcon-
10 tracting, or professional services related to
11 such construction;

12 (B) the investment in, or construction of,
13 infrastructure that has the purpose or effect of
14 facilitating the establishment of Israeli settle-
15 ments, Israeli settlement units, or related struc-
16 tures in the E1 area of the West Bank, includ-
17 ing roads, water systems, sewage systems, and
18 electricity infrastructure; or

19 (C) organizing, directing, financing, or fa-
20 cilitating the transfer of Israeli civilians into
21 Israeli settlements, Israeli settlement units, or
22 related structures in the E1 area of the West
23 Bank;

1 (2) to have knowingly facilitated financial
2 transactions related to any activity described in
3 paragraph (1);

4 (3) to have participated in activities that ad-
5 vance the financing, planning, construction, or ex-
6 pansion of Israeli settlements, Israeli settlement
7 units, or related structures in the E1 area of the
8 West Bank;

9 (4) to have been a leader or official of—

10 (A) any entity, including any government
11 entity, that has engaged in, or whose members,
12 employees, or officials have engaged in, any of
13 the activities described in any of paragraphs (1)
14 through (3); or

15 (B) any entity, including any government
16 entity, with respect to which sanctions have
17 been imposed under this section as a result of
18 activities relating to the tenure of the leader or
19 official.

20 (b) DISCRETIONARY SANCTIONS.—The President
21 may impose the sanctions described in subsection (c) with
22 respect to any foreign person that the Secretary of the
23 Treasury, in consultation with the Secretary of State, de-
24 termines—

1 (1) to have materially assisted, sponsored, or
2 provided financial, material, or technological support
3 for, or goods or services to or in support of, any per-
4 son with respect to which sanctions have been im-
5 posed under this section; or

6 (2) to be owned or controlled by, or to have
7 acted or purported to act for or on behalf of, directly
8 or indirectly, any person with respect to which sanc-
9 tions have been imposed under this section.

10 (c) SANCTIONS DESCRIBED.—The sanctions de-
11 scribed in this subsection are the exercise of all of the pow-
12 ers granted to the President under the International
13 Emergency Economic Powers Act (50 U.S.C. 1701 et
14 seq.) to the extent necessary to block and prohibit all
15 transactions in property and interests in property of a for-
16 eign person described in subsection (a) or (b) if such prop-
17 erty and interests in property are in the United States,
18 come within the United States, or are or come within the
19 possession or control of a United States person.

20 (d) EXCEPTIONS.—

21 (1) HUMANITARIAN ASSISTANCE.—Sanctions
22 under this section shall not apply to—

23 (A) the conduct or facilitation of a trans-
24 action for the provision of agricultural commod-
25 ities, food, medicine, medical devices, humani-

1 tarian assistance, or for humanitarian purposes;
2 or

3 (B) transactions that are necessary for, or
4 ordinarily incident to, the activities described in
5 subparagraph (A).

6 (2) EXCEPTION FOR INTELLIGENCE ACTIVI-
7 TIES.—Sanctions under this section shall not apply
8 to—

9 (A) any activity subject to the reporting
10 requirements under title V of the National Se-
11 curity Act of 1947 (50 U.S.C. 3091 et seq.); or

12 (B) any authorized intelligence activities of
13 the United States.

14 (e) IMPLEMENTATION; PENALTIES.—

15 (1) IMPLEMENTATION.—The President may ex-
16 ercise all authorities provided under sections 203
17 and 205 of the International Emergency Economic
18 Powers Act (50 U.S.C. 1702 and 1704) to carry out
19 this section.

20 (2) PENALTIES.—The penalties provided for in
21 subsections (b) and (c) of section 206 of the Inter-
22 national Emergency Economic Powers Act (50
23 U.S.C. 1705) shall apply to any person that violates,
24 attempts to violate, conspires to violate, or causes a
25 violation of any license, order, regulation, or prohibi-

1 tion issued under this section, to the same extent
2 that such penalties apply to a person that commits
3 an unlawful act described in section 206(a) of such
4 Act (50 U.S.C. 1705(a)).

5 (f) SUNSET.—The provisions of this section, and any
6 sanctions imposed under this section, shall terminate on
7 the date that is 7 years after the date of the enactment
8 of this Act.

9 (g) DEFINITIONS.—In this section:

10 (1) FOREIGN PERSON.—The term “foreign per-
11 son” means an individual or entity that is not a
12 United States person.

13 (2) KNOWINGLY.—The term “knowingly”, with
14 respect to conduct, a circumstance, or a result,
15 means that a person had actual knowledge, or
16 should have known, of the conduct, the cir-
17 cumstance, or the result.

18 (3) UNITED STATES PERSON.—The term
19 “United States person” means—

20 (A) a United States citizen or an alien law-
21 fully admitted for permanent residence to the
22 United States;

23 (B) an entity organized under the laws of
24 the United States or any jurisdiction within the

1 United States, including a foreign branch of
2 such an entity; or
3 (C) any person located in the United
4 States.