

GOVERNOR GREG ABBOTT

May 31, 2016

To: All Governors

From: Governor Greg Abbott

RE: Iran Sanctions

On April 8, 2016, we received a letter from President Barack Obama urging states like Texas to "review" our economic sanctions against Iran in the wake of the Joint Comprehensive Plan of Action — more colloquially known as the Iran Deal. When I responded to the State Department on May 16, 2016, I unequivocally rejected the administration's request to lift our state's Iran sanctions. Because the Iran Deal is fundamentally flawed and does not permanently dismantle Iran's nuclear capability, Texas will maintain its sanctions against Iran. Furthermore, because the Obama administration has recklessly and unilaterally removed these critical sanctions, I have called on the Texas Legislature to strengthen the Iran sanctions that Texas already has in place. I write to urge your state to chart a similar path.

I strongly oppose the Iran Deal because it undermines the national security of the United States and its strategic allies abroad — especially our most important Middle East ally, Israel. Entering into an agreement with a country that consistently calls for "death to America" and articulates anti-Semitic policies is short-sighted and ignores geopolitical realities.

Iran is the world's top state sponsor of terrorism. It is the central bank and training center for terror organizations, including Hezbollah, Islamic Jihad and the Mahdi Army, which have killed hundreds of American service men and women, including in Lebanon and Iraq. Iranian-sponsored groups have also targeted civilians around the world: hijacking airplanes, bombing an Argentine Jewish cultural center and — according to the findings of a U.S. federal court — providing "direct assistance" to Al Qaeda in carrying out the 1998 bombings of U.S. embassies in Africa.

The Iran Deal does not eliminate Iran's ability to obtain a nuclear warhead — much less completely and permanently dismantle its nuclear capability. Even while complying with the so-called Plan of Action, Iran retains enriched uranium and uranium centrifuges. Expecting Iran to

actually adhere to the deal is equally foolhardy. The Iranian regime has consistently and blatantly flouted the terms of previous international agreements, and indeed, on multiple occasions since the Iran Deal was finalized, it has conducted long-range ballistic missile tests in defiance of existing United Nations resolutions.

In exchange for an empty and unreliable promise, the Obama administration has unshackled Iran's lucrative energy sector and has unilaterally removed additional sanctions that have helped keep Iran in check. Further, the administration has released billions of dollars to Iran that can now be misused to sponsor acts of terror against Israel, the United States and our allies. Given all the flaws that are inherent in the Iran deal, Texas is absolutely committed to maintaining its sanctions against Iran. The Texas Prohibition on Investment in Iran Act currently bans state pension and retirement systems from investment in Iran or entities that do business with Iran. But there is more that Texas can — and will — do. During a meeting with Israeli Prime Minister Netanyahu in January, I announced that I would seek legislation that would strengthen Texas' existing sanctions against Iran by:

- Prohibiting local government entities in the state of Texas from investing in Iran or entities conducting business with Iran and
- Requiring all Texas state entities not just state pensions to follow Texas' divestiture policy.

I understand the Obama administration's April 8 letter as an attempt to fulfill another misguided promise in the Iran Deal — to convince states to lift their own sanctions. Congress already made clear that state and local sanctions play a vital role in controlling Iran when it passed the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010. Now more than ever, Texas agrees. I write today to urge you to join me and demonstrate support for our allies in Israel by establishing, maintaining or strengthening your state's sanctions against Iran.

Sincerely,

Greg Abbott Governor

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