

114TH CONGRESS
2D SESSION

H. R. 5461

To require the Secretary of the Treasury to submit a report to the appropriate congressional committees on the estimated total assets under direct or indirect control by certain senior Iranian leaders and other figures, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 13, 2016

Mr. POLIQUIN (for himself and Mr. HILL) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require the Secretary of the Treasury to submit a report to the appropriate congressional committees on the estimated total assets under direct or indirect control by certain senior Iranian leaders and other figures, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “Iranian Leadership
5 Asset Transparency Act”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds the following:

3 (1) Iran is characterized by high levels of offi-
4 cial and institutional corruption, and substantial in-
5 volvement by Iran's security forces, particularly the
6 Islamic Revolutionary Guard Corps (IRGC), in the
7 economy.

8 (2) Many members of Iran's senior political and
9 military leadership have acquired significant per-
10 sonal and institutional wealth by using their posi-
11 tions to secure control of significant portions of
12 Iran's national economy.

13 (3) Sanctions relief provided through the Joint
14 Comprehensive Plan of Action has resulted in the re-
15 moval of many Iranian entities that are tied to gov-
16 ernmental corruption from the list of entities sanc-
17 tioned by the United States.

18 (4) The Department of Treasury in 2011 des-
19 igned the Islamic Republic of Iran's financial sec-
20 tor as a jurisdiction of primary money laundering
21 concern under section 311 of the USA PATRIOT
22 Act, stating "Treasury has for the first time identi-
23 fied the entire Iranian financial sector; including
24 Iran's Central Bank, private Iranian banks, and
25 branches, and subsidiaries of Iranian banks oper-

1 ating outside of Iran as posing illicit finance risks
2 for the global financial system.”.

3 (5) Iran continues to be listed by the Financial
4 Action Task Force (FATF) among the “Non-Coop-
5 erative Countries or Territories”—countries which it
6 perceived to be non-cooperative in the global fight
7 against terror finance and money laundering.

8 (6) Iran and North Korea are the only coun-
9 tries listed by the FATF as “Non-Cooperative Coun-
10 tries or Territories” against which FATF countries
11 should take measures.

12 (7) The Transparency International index of
13 perceived public corruption ranks Iran 130th out of
14 168 countries surveyed.

15 (8) The State Department identified Iran as a
16 country/jurisdiction of “primary concern” for money
17 laundering in its 2014 International Narcotics Con-
18 trol Strategy Report (INCSR).

19 (9) The State Department currently identifies
20 Iran, along with Sudan and Syria, as a state sponsor
21 of terrorism, “having repeatedly provided support
22 for acts of international terrorism”.

23 (10) The State Department’s “Country Reports
24 on Terrorism”, published last in June 2015 noted
25 that “Iran continued to sponsor terrorist groups

1 around the world, principally through its Islamic
2 Revolutionary Guard Corps–Qods Force (IRGC–
3 QF). These groups included Lebanese Hizballah,
4 several Iraqi Shia militant groups, Hamas, and Pal-
5 estine Islamic Jihad. Iran, Hizballah, and other Shia
6 militia continued to provide support to the Asad re-
7 gime, dramatically bolstering its capabilities, pro-
8 longing the civil war in Syria, and worsening the
9 human rights and refugee crisis there.”.

10 (11) The Iranian Government’s tolerance of
11 corruption and nepotism in business limits opportu-
12 nities for foreign and domestic investment, particu-
13 larly given the significant involvement of the IRGC
14 in many sectors of Iran’s economy.

15 (12) The IRGC and the leadership-controlled
16 bonyads (foundations) control an estimated one-third
17 of Iran’s total economy, including large portions of
18 Iran’s telecommunications, construction, and airport
19 and port operations. These operations give the IRGC
20 and bonyads vast funds to support terrorist organi-
21 zations such as Hezbollah and Hamas.

22 (13) By gaining control of major economic sec-
23 tors, the IRGC and bonyads have also served to fur-
24 ther disadvantage the average Iranian.

1 **SEC. 3. REPORT REQUIREMENT RELATING TO ASSETS OF**
2 **IRANIAN LEADERS AND CERTAIN SENIOR PO-**
3 **LITICAL FIGURES.**

4 (a) IN GENERAL.—Not later than 270 days after the
5 date of enactment of this Act, and annually thereafter (or
6 more frequently if the Secretary of the Treasury deter-
7 mines it appropriate based on new information received
8 by the Secretary) for the following 2 years, the Secretary
9 of the Treasury shall, in furtherance of the Secretary’s
10 efforts to prevent the financing of terrorism, money laun-
11 dering, or related illicit finance and to make financial in-
12 stitutions’ required compliance with remaining sanctions
13 more easily understood, submit a report to the appropriate
14 congressional committees containing—

15 (1) the estimated total funds or assets held in
16 accounts at U.S. and foreign financial institutions
17 that are under direct or indirect control by each nat-
18 ural person described in subsection (b) and a de-
19 scription of such assets;

20 (2) an identification of any equity stake such
21 natural person has in an entity on the Department
22 of the Treasury’s list of Specially Designated Na-
23 tionals or in any other sanctioned entity;

24 (3) a description of how such funds or assets or
25 equity interests were acquired, and how they have
26 been used or employed; and

1 (4) a description of any new methods or tech-
2 niques used to evade anti-money laundering and re-
3 lated laws, including recommendations to improve
4 techniques to combat illicit uses of the U.S. financial
5 system by each natural person described in sub-
6 section (b).

7 (b) PERSONS DESCRIBED.—The natural persons de-
8 scribed in this subsection are the following:

9 (1) The Supreme Leader of Iran.

10 (2) The President of Iran.

11 (3) Members of the Council of Guardians.

12 (4) Members of the Expediency Council.

13 (5) The Minister of Intelligence and Security.

14 (6) The Commander and the Deputy Com-
15 mander of the IRGC.

16 (7) The Commander and the Deputy Com-
17 mander of the IRGC Ground Forces.

18 (8) The Commander and the Deputy Com-
19 mander of the IRGC Aerospace Force.

20 (9) The Commander and the Deputy Com-
21 mander of the IRGC Navy.

22 (10) The Commander of the Basij-e-
23 Mostaz'afin.

24 (11) The Commander of the Qods Force.

1 (12) The Commander in Chief of the Police
2 Force.

3 (13) The head of the IRGC Joint Staff.

4 (14) The Commander of the IRGC Intelligence.

5 (15) The head of the IRGC Imam Hussein Uni-
6 versity.

7 (16) The Supreme Leader's Representative at
8 the IRGC.

9 (17) The Chief Executive Officer and the
10 Chairman of the IRGC Cooperative Foundation.

11 (18) The Commander of the Khatam-al-Anbia
12 Construction Head Quarter.

13 (19) The Chief Executive Officer of the Basij
14 Cooperative Foundation.

15 (20) The head of the Political Bureau of the
16 IRGC.

17 (c) FORM OF REPORT; PUBLIC AVAILABILITY.—

18 (1) FORM.—The report required under sub-
19 section (a) shall be submitted in unclassified form
20 but may contain a classified annex.

21 (2) PUBLIC AVAILABILITY.—The unclassified
22 portion of such report shall be made available to the
23 public and posted on the website of the Department
24 of the Treasury—

1 (A) in English, Farsi, Arabic, and Azeri;
2 and

3 (B) in precompressed, easily downloadable
4 versions that are made available in all appro-
5 priate formats.

6 (d) SOURCES OF INFORMATION.—In preparing a re-
7 port described under subsection (a), the Secretary of the
8 Treasury may utilize any credible publication, database,
9 web-based resource, and any credible information compiled
10 by any government agency, nongovernmental organization,
11 or other entity provided to or made available to the Sec-
12 retary.

13 (e) DEFINITIONS.—For purposes of this section:

14 (1) APPROPRIATE CONGRESSIONAL COMMIT-
15 TEES.—The term “appropriate congressional com-
16 mittees” means the Committee on Financial Services
17 of the House of Representatives and the Committee
18 on Banking, Housing, and Urban Affairs of the Sen-
19 ate.

20 (2) FUNDS.—The term “funds” means—

21 (A) cash;

22 (B) equity;

23 (C) any other intangible asset whose value
24 is derived from a contractual claim, including
25 bank deposits, bonds, stocks, a security as de-

1 fined in section 2(a) of the Securities Act of
2 1933 (15 U.S.C. 77b(a)), or a security or an
3 equity security as defined in section 3(a) of the
4 Securities Exchange Act of 1934 (15 U.S.C.
5 78c(a)); and

6 (D) anything else that the Secretary deter-
7 mines appropriate.

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