

116TH CONGRESS
1ST SESSION

H. R. 1037

To increase transparency with respect to financial services benefitting state sponsors of terrorism, human rights abusers, and corrupt officials, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2019

Mr. RIGGLEMAN introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To increase transparency with respect to financial services benefitting state sponsors of terrorism, human rights abusers, and corrupt officials, 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 “Banking Transparency
5 for Sanctioned Persons Act of 2019”.

1 **SEC. 2. REPORT ON FINANCIAL SERVICES BENEFITTING**
2 **STATE SPONSORS OF TERRORISM, HUMAN**
3 **RIGHTS ABUSERS, AND CORRUPT OFFICIALS.**

4 (a) IN GENERAL.—Not later than 180 days after the
5 date of the enactment of this Act, and every 180 days
6 thereafter, the Secretary of the Treasury shall issue a re-
7 port to the Committees on Financial Services and Foreign
8 Affairs of the House of Representatives and the Commit-
9 tees on Banking, Housing, and Urban Affairs and Foreign
10 Relations of the Senate that includes—

11 (1) a copy of any license issued by the Sec-
12 retary in the preceding 180 days that authorizes a
13 financial institution to provide financial services ben-
14 efitting a state sponsor of terrorism; and

15 (2) a list of any foreign financial institutions
16 that, in the preceding 180 days, knowingly con-
17 ducted a significant transaction or transactions, di-
18 rectly or indirectly, for a sanctioned person included
19 on the Department of the Treasury's Specially Des-
20 ignated Nationals And Blocked Persons List who—

21 (A) is owned or controlled by, or acts on
22 behalf of, the government of a state sponsor of
23 terrorism; or

24 (B) is designated pursuant to any of the
25 following:

1 (i) Section 404 of the Russia and
2 Moldova Jackson-Vanik Repeal and Sergei
3 Magnitsky Rule of Law Accountability Act
4 of 2012 (Public Law 112–208).

5 (ii) Subtitle F of title XII of the Na-
6 tional Defense Authorization Act for Fiscal
7 Year 2017 (Public Law 114–328, the
8 Global Magnitsky Human Rights Account-
9 ability Act).

10 (iii) Executive Order 13818.

11 (b) FORM OF REPORT.—The report required under
12 subsection (a) shall be submitted in unclassified form but
13 may contain a classified annex.

14 **SEC. 3. WAIVER.**

15 The Secretary of the Treasury may waive the require-
16 ments of section 2 with respect to a foreign financial insti-
17 tution described in paragraph (2) of such section—

18 (1) upon receiving credible assurances that the
19 foreign financial institution has ceased, or will immi-
20 nently cease, to knowingly conduct any significant
21 transaction or transactions, directly or indirectly, for
22 a person described in subparagraph (A) or (B) of
23 such paragraph (2); or

24 (2) upon certifying to the Committees on Fi-
25 nancial Services and Foreign Affairs of the House of

1 Representatives and the Committees on Banking,
2 Housing, and Urban Affairs and Foreign Relations
3 of the Senate that the waiver is important to the na-
4 tional interest of the United States, with an expla-
5 nation of the reasons therefor.

6 **SEC. 4. DEFINITIONS.**

7 For purposes of this Act:

8 (1) FINANCIAL INSTITUTION.—The term “fi-
9 nancial institution” means a United States financial
10 institution or a foreign financial institution.

11 (2) FOREIGN FINANCIAL INSTITUTION.—The
12 term “foreign financial institution” has the meaning
13 given that term under section 561.308 of title 31,
14 Code of Federal Regulations.

15 (3) KNOWINGLY.—The term “knowingly” with
16 respect to conduct, a circumstance, or a result,
17 means that a person has actual knowledge, or should
18 have known, of the conduct, the circumstance, or the
19 result.

20 (4) UNITED STATES FINANCIAL INSTITUTION.—
21 The term “United States financial institution” has
22 the meaning given the term “U.S. financial institu-
23 tion” under section 561.309 of title 31, Code of
24 Federal Regulations.

1 **SEC. 5. SUNSET.**

2 The reporting requirement under this Act shall termi-
3 nate on the date that is the end of the 7-year period begin-
4 ning on the date of the enactment of this Act.

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