

116TH CONGRESS  
1ST SESSION

# H. R. 1037

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IN THE SENATE OF THE UNITED STATES

MAY 15, 2019

Received; read twice and referred to the Committee on Banking, Housing, and  
Urban Affairs

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## AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Banking Transparency  
3 for Sanctioned Persons Act of 2019”.

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

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

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

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

24 (A) is owned or controlled by, or acts on  
25 behalf of, the government of a state sponsor of  
26 terrorism; or

1 (B) is designated pursuant to any of the  
2 following:

3 (i) Section 404 of the Russia and  
4 Moldova Jackson-Vanik Repeal and Sergei  
5 Magnitsky Rule of Law Accountability Act  
6 of 2012 (Public Law 112208).

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

12 (iii) Executive Order No. 13818.

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

16 **SEC. 3. WAIVER.**

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

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

1           (2) upon certifying to the Committees on Fi-  
2           nancial Services and Foreign Affairs of the House of  
3           Representatives and the Committees on Banking,  
4           Housing, and Urban Affairs and Foreign Relations  
5           of the Senate that the waiver is important to the na-  
6           tional interest of the United States, with an expla-  
7           nation of the reasons therefor.

8 **SEC. 4. DEFINITIONS.**

9           For purposes of this Act:

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

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

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

22           (4) **UNITED STATES FINANCIAL INSTITUTION.**—  
23           The term “United States financial institution” has  
24           the meaning given the term “U.S. financial institu-

