

111TH CONGRESS
2D SESSION

H. R. 5833

To amend the Securities Exchange Act of 1934 to require issuers to make disclosures related to Iranian investments, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2010

Mr. DEUTCH (for himself, Ms. ROS-LEHTINEN, Mr. ACKERMAN, Mr. BURTON of Indiana, and Mr. KLEIN of Florida) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Securities Exchange Act of 1934 to require issuers to make disclosures related to Iranian investments, 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 “Iran Transparency and
5 Accountability Act of 2010” or the “ITA Act of 2010”.

6 **SEC. 2. DISCLOSURES REQUIRED.**

7 (a) IN GENERAL.—Section 13 of the Securities Ex-
8 change Act of 1934 is amended by adding at the end the
9 following new subsection:

1 “(m) DISCLOSURE OF IRANIAN INVESTMENTS.—

2 “(1) GENERAL DISCLOSURE REQUIRED.—Each
3 issuer required to file an annual or quarterly report
4 under subsection (a) shall include with such report
5 a statement of whether, during the period since the
6 issuer made the last such report, the issuer, or any
7 subsidiary or affiliate of the issuer—

8 “(A) engaged in any activity that is a cov-
9 ered activity;

10 “(B) knowingly engaged in an activity de-
11 scribed under section 104(c)(2) of the Com-
12 prehensive Iran Sanctions, Accountability, and
13 Divestment Act of 2010 or knowingly violated
14 regulations prescribed under section 104(d)(1)
15 or 104(e)(1) of such Act; or

16 “(C) has had any ties to a company des-
17 ignated by the Secretary of the Treasury or the
18 Secretary of State under Executive Order
19 13382 for contributing or supporting the pro-
20 liferation activities of Iran.

21 “(2) SPECIFIC DISCLOSURE REQUIRED.—If the
22 issuer, or any subsidiary or affiliate of the issuer, re-
23 ports under paragraph (1)(A) that it has engaged in
24 any activity that is a covered activity, then with re-
25 spect to each such activity that is a covered entity,

1 the issuer shall include with the statement described
2 under paragraph (1) a detailed description of each
3 such activity, including—

4 “(A) the nature and extent of such activ-
5 ity;

6 “(B) the revenues and profits, if any, at-
7 tributable to such activity; and

8 “(C) whether the issuer, or the subsidiary
9 or affiliate of the issuer, as applicable, intends
10 to continue such activity.

11 “(3) INVESTIGATION OF DISCLOSURES.—With
12 respect to any issuer that, in a statement described
13 under paragraph (1), states that the issuer, or any
14 subsidiary or affiliate of the issuer, engaged in any
15 activity that is a covered activity, the President shall
16 carry out an investigation upon receipt of such re-
17 port to determine if the issuer, or the subsidiary or
18 affiliate of the issuer, should be subject to sanctions
19 under section 5 of the Iran Sanctions Act of 1996.

20 “(4) PUBLIC DISCLOSURE OF INFORMATION.—
21 With respect to any information received by the
22 Commission pursuant to paragraph (1) or (2), the
23 Commission shall—

24 “(A) make such information available to
25 the public, including on a dedicated location on

1 the Commission’s website that lists all issuers
2 from which the Commission received informa-
3 tion pursuant to paragraph (1) or (2);

4 “(B) provide a copy of such information to
5 the Secretary of State;

6 “(C) provide a copy of such information to
7 the Secretary of the Treasury;

8 “(D) provide a copy of such information to
9 the Administrator of the General Services Ad-
10 ministration; and

11 “(E) provide a copy to the Committees on
12 Foreign Affairs and Financial Services of the
13 House of Representatives and the Committees
14 on Foreign Relations and Banking, Housing,
15 and Urban Affairs of the Senate.

16 “(5) COVERED ACTIVITY DEFINED.—For pur-
17 poses of this subsection, the term ‘covered activity’
18 means an activity is of a type and involving an
19 amount that could subject the issuer, or the sub-
20 sidiary or affiliate of the issuer, as applicable, to
21 sanctions under section 5 of the Iran Sanctions Act
22 of 1996.

23 “(6) SUNSET.—The provisions of this sub-
24 section shall terminate on the date on which the
25 President certifies to Congress that—

1 “(A) the Government of Iran has ceased
2 providing support for acts of international ter-
3 rorism and no longer satisfies the requirements
4 for designation as a state sponsor of terrorism
5 under—

6 “(i) section 6(j)(1)(A) of the Export
7 Administration Act of 1979 (50 U.S.C.
8 App. 2405(j)(1)(A));

9 “(ii) section 40(d) of the Arms Export
10 Control Act (22 U.S.C. 2780(d)); or

11 “(iii) section 620A(a) of the Foreign
12 Assistance Act of 1961 (22 U.S.C.
13 2371(a)); and

14 “(B) Iran has ceased the pursuit, acquisi-
15 tion, and development of nuclear, biological,
16 and chemical weapons and ballistic missiles and
17 ballistic missile launch technology.”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 subsection (a) shall take effect with respect to reports re-
20 quired to be filed with the Securities and Exchange Act
21 after the end of the 90-day period beginning on the date
22 of the enactment of this Act.

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