

114TH CONGRESS
2D SESSION

H. R. 3662

IN THE SENATE OF THE UNITED STATES

FEBRUARY 3, 2016

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

AN ACT

To enhance congressional oversight over the administration
of sanctions against certain Iranian terrorism financiers,
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 “Iran Terror Finance
3 Transparency Act”.

4 **SEC. 2. CERTIFICATION REQUIREMENT FOR REMOVAL OF**
5 **FOREIGN FINANCIAL INSTITUTIONS, INCLUD-**
6 **ING IRANIAN FINANCIAL INSTITUTIONS,**
7 **FROM THE LIST OF SPECIALLY DESIGNATED**
8 **NATIONALS AND BLOCKED PERSONS.**

9 (a) IN GENERAL.—On or after July 19, 2015, the
10 President may not remove a foreign financial institution,
11 including an Iranian financial institution, described in
12 subsection (b) from the list of specially designated nation-
13 als and blocked persons maintained by the Office of For-
14 eign Asset Control of the Department of the Treasury un-
15 less and until the President submits to the appropriate
16 congressional committees a certification described in sub-
17 section (c) with respect to the foreign financial institution.

18 (b) COVERED INSTITUTIONS.—A foreign financial in-
19 stitution, including an Iranian financial institution, de-
20 scribed in this subsection is a foreign financial institution
21 listed in Attachment 3 or Attachment 4 to Annex II of
22 the Joint Comprehensive Plan of Action.

23 (c) CERTIFICATION.—The President may remove a
24 foreign financial institution, including an Iranian financial
25 institution, described in subsection (b) from the list of spe-
26 cially designated nationals and blocked persons main-

1 tained by the Office of Foreign Asset Control of the De-
2 partment of the Treasury if the President submits to the
3 appropriate congressional committees a certification that
4 the foreign financial institution—

5 (1) has not knowingly, directly or indirectly, fa-
6 cilitated a significant transaction or transactions or
7 provided significant financial services for or on be-
8 half of—

9 (A) Iran’s Revolutionary Guard Corps or
10 any of its agents or affiliates whose property or
11 interests in property are blocked pursuant to
12 the International Emergency Economic Powers
13 Act (50 U.S.C. 1701 et seq.);

14 (B) a foreign terrorist organization for or
15 on behalf of a person whose property or inter-
16 ests in property have been blocked pursuant to
17 Executive Order No. 13224 (66 Fed. Reg.
18 49079; relating to blocking property and pro-
19 hibiting transactions with persons who commit,
20 threaten to commit, or support terrorism); and

21 (C) a person whose property or interests in
22 property are blocked pursuant to the Inter-
23 national Emergency Economic Powers Act in
24 connection with Iran’s proliferation of weapons
25 of mass destruction or delivery systems for

1 weapons of mass destruction, or to further
2 Iran’s development of ballistic missiles and de-
3 stabilizing types and amounts of conventional
4 weapons; and

5 (2) no longer knowingly engages in illicit or de-
6 ceptive financial transactions or other activities.

7 (d) FORM.—A certification described in subsection
8 (c) shall be submitted in unclassified form, but may con-
9 tain a classified annex.

10 (e) DEFINITIONS.—In this section:

11 (1) FOREIGN FINANCIAL INSTITUTION.—The
12 term “foreign financial institution” has the meaning
13 given such term in section 1010.605 of title 31,
14 Code of Federal Regulations.

15 (2) FOREIGN TERRORIST ORGANIZATION.—The
16 term “foreign terrorist organization” means any or-
17 ganization designated by the Secretary of State as a
18 foreign terrorist organization in accordance with sec-
19 tion 219(a) of the Immigration and Nationality Act
20 (8 U.S.C. 1189(a)).

21 (3) IRANIAN FINANCIAL INSTITUTION.—The
22 term “Iranian financial institution” has the meaning
23 given the term in section 104A(d)(3) of the Com-
24 prehensive Iran Sanctions, Accountability, and Di-
25 vestment Act of 2010 (22 U.S.C. 8513b(d)(3)).

1 **SEC. 3. CERTIFICATION REQUIREMENT FOR REMOVAL OF**
2 **CERTAIN FOREIGN PERSONS FROM THE LIST**
3 **OF SPECIALLY DESIGNATED NATIONALS AND**
4 **BLOCKED PERSONS.**

5 (a) IN GENERAL.—On or after July 19, 2015, the
6 President may not remove a foreign person described in
7 subsection (b) from the list of specially designated nation-
8 als and blocked persons maintained by the Office of For-
9 eign Asset Control of the Department of the Treasury
10 until the President submits to the appropriate congres-
11 sional committees a certification described in subsection
12 (c) with respect to the foreign person.

13 (b) COVERED PERSONS AND ENTITIES.—A foreign
14 person described in this subsection is a foreign person list-
15 ed in Attachment 3 or Attachment 4 to Annex II of the
16 Joint Comprehensive Plan of Action.

17 (c) CERTIFICATION.—The President may remove a
18 foreign person described in subsection (b) from the list
19 of specially designated nationals and blocked persons
20 maintained by the Office of Foreign Asset Control of the
21 Department of the Treasury if the President submits to
22 the appropriate congressional committees a certification
23 that the foreign person—

24 (1) has not knowingly assisted in, sponsored, or
25 provided financial, material, or technological support

1 for, or financial or other services to or in support of
2 terrorism or a terrorist organization; and

3 (2) has not knowingly engaged in significant ac-
4 tivities or transactions that have materially contrib-
5 uted to the Government of Iran's proliferation of
6 weapons of mass destruction or their means of deliv-
7 ery (including missiles capable of delivering such
8 weapons), including any efforts to manufacture, ac-
9 quire, possess, develop, transport, transfer, or use
10 such item.

11 (d) FORM.—A certification described in subsection
12 (c) shall be submitted in unclassified form, but may con-
13 tain a classified annex.

14 (e) DEFINITIONS.—In this section:

15 (1) FOREIGN PERSON.—The term “foreign per-
16 son”—

17 (A) means—

18 (i) an individual who is not a United
19 States person;

20 (ii) a corporation, partnership, or
21 other nongovernmental entity which is not
22 a United States person; or

23 (iii) any representative, agent or in-
24 strumentality of, or an individual working
25 on behalf of a foreign government; but

1 (B) does not include a foreign financial in-
 2 stitution, including an Iranian financial institu-
 3 tion, described in section 2(b).

4 (2) UNITED STATES PERSON.—The term
 5 “United States person” means—

6 (A) a United States citizen or an alien law-
 7 fully admitted for permanent residence to the
 8 United States; or

9 (B) an entity organized under the laws of
 10 the United States or of any jurisdiction within
 11 the United States, including a foreign branch of
 12 such an entity.

13 **SEC. 4. CERTIFICATION REQUIREMENT FOR REMOVAL OF**
 14 **DESIGNATION OF IRAN AS A JURISDICTION**
 15 **OF PRIMARY MONEY LAUNDERING CONCERN.**

16 (a) IN GENERAL.—The President may not remove
 17 the designation of Iran as a jurisdiction of primary money
 18 laundering concern pursuant to section 5318A of title 31,
 19 United States Code, unless the President submits to the
 20 appropriate congressional committees a certification de-
 21 scribed in subsection (b) with respect to Iran.

22 (b) CERTIFICATION.—The President may remove the
 23 designation of Iran as a jurisdiction of primary money
 24 laundering concern if the President submits to the appro-
 25 priate congressional committees a certification that the

1 Government of Iran is no longer engaged in support for
2 terrorism, pursuit of weapons of mass destruction, and
3 any illicit and deceptive financial activities.

4 (c) FORM.—The certification described in subsection
5 (b) shall be submitted in unclassified form, but may con-
6 tain a classified annex.

7 (d) DEFINITION.—In this section, the term “appro-
8 priate congressional committees” means—

9 (1) the Committee on Foreign Affairs and the
10 Committee on Financial Services of the House of
11 Representatives; and

12 (2) the Committee on Banking, Housing, and
13 Urban Affairs of the Senate.

14 **SEC. 5. APPLICABILITY OF CONGRESSIONAL REVIEW OF**
15 **CERTAIN AGENCY RULEMAKING RELATING**
16 **TO IRAN.**

17 (a) IN GENERAL.—Notwithstanding any other provi-
18 sion of law, any rule to amend or otherwise alter a covered
19 regulatory provision as defined in subsection (c) that is
20 published on or after the date of the enactment of this
21 Act shall be deemed to be a rule or major rule (as the
22 case may be) for purposes of chapter 8 of title 5, United
23 States Code, and shall be subject to all applicable require-
24 ments of chapter 8 of title 5, United States Code.

1 (b) QUARTERLY REPORTS.—Not later than 60 days
2 after the date of the enactment of this Act, and every 90
3 days thereafter, the head of the applicable department or
4 agency of the Federal Government shall submit to the ap-
5 propriate congressional committees a report on the oper-
6 ation of the licensing system under each covered regu-
7 latory provision as defined in subsection (c) for the pre-
8 ceding 2-year period, including—

9 (1) the number and types of licenses applied
10 for;

11 (2) the number and types of licenses approved;

12 (3) a summary of each license approved;

13 (4) a summary of transactions conducted pur-
14 suant to a general license;

15 (5) the average amount of time elapsed from
16 the date of filing of a license application until the
17 date of its approval;

18 (6) the extent to which the licensing procedures
19 were effectively implemented; and

20 (7) a description of comments received from in-
21 terested parties about the extent to which the licens-
22 ing procedures were effective, after the applicable
23 department or agency holds a public 30-day com-
24 ment period.

1 (c) DEFINITION.—In this section, the term “covered
 2 regulatory provision” means any provision of part 535,
 3 560, 561, or 1060 of title 31, Code of Federal Regula-
 4 tions, as such part was in effect on June 1, 2015.

5 **SEC. 6. PROHIBITIONS AND CONDITIONS WITH RESPECT TO**
 6 **CERTAIN ACCOUNTS HELD BY FOREIGN FI-**
 7 **NANCIAL INSTITUTIONS.**

8 Section 104(c)(2)(A)(ii) of the Comprehensive Iran
 9 Sanctions, Accountability, and Divestment Act of 2010
 10 (22 U.S.C. 8513(c)(2)(A)(ii)) is amended by adding at the
 11 end before the semicolon the following: “, including
 12 Hezbollah, Hamas, the Palestinian Islamic Jihad, and any
 13 affiliates or successors thereof”.

14 **SEC. 7. DEFINITIONS.**

15 In this Act:

16 (1) APPROPRIATE CONGRESSIONAL COMMIT-
 17 TEES.—The term “appropriate congressional com-
 18 mittees” has the meaning given the term in section
 19 14(2) of the Iran Sanctions Act of 1996 (Public
 20 Law 104–172; 50 U.S.C. 1701 note).

21 (2) JOINT COMPREHENSIVE PLAN OF ACTION.—
 22 The term “Joint Comprehensive Plan of Action”
 23 means the Joint Comprehensive Plan of Action,
 24 signed at Vienna July 14, 2015, by Iran and by the
 25 People’s Republic of China, France, Germany, the

1 Russian Federation, the United Kingdom and the
2 United States, with the High Representative of the
3 European Union for Foreign Affairs and Security
4 Policy, and all implementing materials and agree-
5 ments related to the Joint Comprehensive Plan of
6 Action, and transmitted by the President to Con-
7 gress on July 19, 2015, pursuant to section 135(a)
8 of the Atomic Energy Act of 1954, as amended by
9 the Iran Nuclear Agreement Review Act of 2015
10 (Public Law 114–17; 129 Stat. 201).

Passed the House of Representatives February 2,
2016.

Attest:

KAREN L. HAAS,
Clerk.