

115TH CONGRESS
2D SESSION

S. 2353

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

IN THE SENATE OF THE UNITED STATES

JANUARY 29, 2018

Mr. COTTON (for himself and Mr. HATCH) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require the Secretary of the Treasury to report 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”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Iran is characterized by high levels of offi-
2 cial and institutional corruption, and substantial in-
3 volvement by Iran’s security forces, particularly the
4 Islamic Revolutionary Guard Corps (in this Act re-
5 ferred to as the “IRGC”), in the economy.

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

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

16 (4) The Department of the Treasury in 2011
17 designated Iran’s financial sector as a jurisdiction of
18 primary money laundering concern under section
19 5318A of title 31, United States Code, stating
20 “Treasury has for the first time identified the entire
21 Iranian financial sector; including Iran’s Central
22 Bank, private Iranian banks, and branches, and sub-
23 sidiaries of Iranian banks operating outside of Iran
24 as posing illicit finance risks for the global financial
25 system.”.

1 (5) Iran continues to be listed by the Financial
2 Action Task Force (in this section referred to as
3 “FATF”) among the “high-risk and non-cooperative
4 jurisdictions”, jurisdictions that FATF perceives to
5 be non-cooperative in the global fight against ter-
6 rorist finance and money laundering.

7 (6) Iran and North Korea are the only coun-
8 tries listed by the FATF as “high-risk and non-co-
9 operative jurisdictions” against which countries that
10 are members of FATF should take measures.

11 (7) The Transparency International index of
12 perceived public corruption ranks Iran 131st out of
13 176 countries surveyed.

14 (8) The Department of State identified Iran as
15 a “major money-laundering country” in its Inter-
16 national Narcotics Control Strategy Report for
17 2016.

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

23 (10) The Department of State’s Country Re-
24 ports on Terrorism for 2014, noted that “Iran con-
25 tinued to sponsor terrorist groups around the world,

1 principally through its Islamic Revolutionary Guard
 2 Corps—Qods Force (IRGC—QF). These groups in-
 3 cluded Lebanese Hizballah, several Iraqi Shia mili-
 4 tant groups, Hamas, and Palestine Islamic Jihad.
 5 Iran, Hizballah, and other Shia militia continued to
 6 provide support to the Asad regime, dramatically
 7 bolstering its capabilities, prolonging the civil war in
 8 Syria, and worsening the human rights and refugee
 9 crisis there.”.

10 (11) The Government of Iran’s tolerance of cor-
 11 ruption and nepotism in business limits opportuni-
 12 ties for foreign and domestic investment, particularly
 13 given the significant involvement of the IRGC in
 14 many sectors of Iran’s economy.

15 (12) The IRGC and the leadership-controlled
 16 bonyads (foundations) control an estimated $\frac{1}{3}$ of
 17 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 citizen of Iran.

1 **SEC. 3. REPORT RELATING TO ASSETS OF IRANIAN LEAD-**
2 **ERS AND SENIOR POLITICAL FIGURES.**

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

14 (1) the estimated total funds or other assets
15 held in accounts at United States and foreign finan-
16 cial institutions that are under direct or indirect
17 control of each individual described in subsection (b)
18 and a description of such funds or assets;

19 (2) an identification of any equity interest such
20 an individual has in an entity on the list of specially
21 designated nationals and blocked persons maintained
22 by the Office of Foreign Assets Control of the De-
23 partment of the Treasury or in any other entity with
24 respect to which sanctions are imposed;

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

4 (4) a description of any new methods or tech-
5 niques used to evade anti-money laundering and re-
6 lated laws, including recommendations to improve
7 techniques to combat illicit uses of the United States
8 financial system by individuals described in sub-
9 section (b);

10 (5) recommendations for how United States
11 economic sanctions against Iran may be revised to
12 prevent the funds or other assets described in para-
13 graph (1) from being used by individuals described
14 in subsection (b) to contribute—

15 (A) to the continued development, testing,
16 and procurement of ballistic missile technology
17 by Iran; and

18 (B) to human rights abuses;

19 (6) an assessment of the impact and effective-
20 ness of United States economic sanctions programs
21 against Iran;

22 (7) a description of how the Department of the
23 Treasury assesses the impact and effectiveness of
24 United States economic sanctions programs against
25 Iran; and

1 (8) recommendations for improving the ability
 2 of the Department of the Treasury to rapidly and ef-
 3 fectively develop, implement, and enforce additional
 4 economic sanctions against Iran if so ordered by the
 5 President under the International Emergency Eco-
 6 nomic Powers Act (50 U.S.C. 1701 et seq.) or any
 7 other provision of law.

8 (b) INDIVIDUALS DESCRIBED.—The individuals de-
 9 scribed in this subsection are the following:

10 (1) The Supreme Leader of Iran.

11 (2) The President of Iran.

12 (3) Members of the Council of Guardians.

13 (4) Members of the Expediency Council.

14 (5) The Minister of Intelligence and Security.

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

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

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

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

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

25 (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 (21) The head of the Atomic Energy Organiza-
18 tion of Iran.

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

20 (1) FORM.—Each report required by subsection
21 (a) shall be submitted in unclassified form but may
22 contain a classified annex.

23 (2) PUBLIC AVAILABILITY.—The unclassified
24 portion of a report required by subsection (a) shall
25 be made available to the public and posted on a pub-

1 licly available Internet website of the Department of
2 the Treasury—

3 (A) in English, Farsi, Arabic, and Azeri;
4 and

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

8 (d) SOURCES OF INFORMATION.—In preparing a re-
9 port required by subsection (a), the Secretary of the
10 Treasury may use any credible publication, database, web-
11 based resource, public information compiled by any gov-
12 ernment agency, and any information collected or com-
13 piled by a nongovernmental organization or other entity
14 provided to or made available to the Secretary, that the
15 Secretary finds credible.

16 (e) DEFINITIONS.—In this section:

17 (1) APPROPRIATE CONGRESSIONAL COMMIT-
18 TEES.—The term “appropriate congressional com-
19 mittees” means—

20 (A) the Committee on Financial Services
21 and the Committee on Foreign Affairs of the
22 House of Representatives; and

23 (B) the Committee on Banking, Housing,
24 and Urban Affairs and the Committee on For-
25 eign Relations of the Senate.

1 (2) FUNDS.—The term “funds” means—

2 (A) cash;

3 (B) equity;

4 (C) any other intangible asset the value of
 5 which is derived from a contractual claim, in-
 6 cluding bank deposits, bonds, stocks, a security
 7 (as defined in section 2(a) of the Securities Act
 8 of 1933 (15 U.S.C. 77b(a))), or a security or
 9 an equity security (as defined in section 3(a) of
 10 the Securities Exchange Act of 1934 (15
 11 U.S.C. 78c(a))); and

12 (D) any other asset that the Secretary de-
 13 termines appropriate.

14 **SEC. 4. SENSE OF CONGRESS.**

15 It is the sense of Congress that, in preparing the re-
 16 ports required by section 3, the Secretary of the Treasury
 17 should consider acquiring information from sources that—

18 (1) collect and, if necessary, translate high-ve-
 19 racity, official records; or

20 (2) provide search and analysis tools that en-
 21 able law enforcement agencies to have new insights
 22 into commercial and financial relationships.

○