

tions on, and to require the enhanced monitoring of, transactions involving North Korean financial institutions that could contribute to sanctioned activities;

(2) urges the President, in the strongest terms—

(A) to immediately designate North Korea as a jurisdiction of primary money laundering concern; and

(B) to adopt stringent special measures to safeguard the financial system against the risks posed by North Korea's willful evasion of sanctions and its illicit activities; and

(3) urges the President to seek the prompt implementation by other countries of enhanced monitoring and due diligence to prevent North Korea's misuse of the international financial system, including by sharing information about activities, transactions, and property that could contribute to—

(A) activities sanctioned by applicable United Nations Security Council resolutions; or

(B) the evasion of such sanctions.

**(c) Determinations regarding North Korea**

**(1) In general**

Not later than 180 days after February 18, 2016, the Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General, and in accordance with section 5318A of title 31, shall determine whether reasonable grounds exist for concluding that North Korea is a jurisdiction of primary money laundering concern.

**(2) Enhanced due diligence and reporting requirements**

If the Secretary of the Treasury determines under paragraph (1) that reasonable grounds exist for concluding that North Korea is a jurisdiction of primary money laundering concern, the Secretary, in consultation with the Federal functional regulators (as defined in section 6809 of title 15), shall impose 1 or more of the special measures described in section 5318A(b) of title 31 with respect to the jurisdiction of North Korea.

**(3) Report required**

**(A) In general**

Not later than 90 days after the date on which the Secretary of the Treasury makes a determination under paragraph (1), the Secretary shall submit to the appropriate congressional committees a report that contains the reasons for such determination.

**(B) Form**

The report submitted under subparagraph (A) shall be submitted in unclassified form, but may include a classified annex.

(Pub. L. 114-122, title II, §201, Feb. 18, 2016, 130 Stat. 101.)

**§ 9221a. Prohibition on indirect correspondent accounts**

**(a) In general**

Except as provided in subsection (b), if a United States financial institution has or ob-

tains knowledge that a correspondent account established, maintained, administered, or managed by that institution for a foreign financial institution is being used by the foreign financial institution to provide significant financial services indirectly to any person, foreign government, or financial institution designated under section 9214 of this title, the United States financial institution shall ensure that such correspondent account is no longer used to provide such services.

**(b) Exception**

A United States financial institution is authorized to process transfers of funds to or from North Korea, or for the direct or indirect benefit of any person, foreign government, or financial institution that is designated under section 9214 of this title, only if the transfer—

(1) arises from, and is ordinarily incident and necessary to give effect to, an underlying transaction that has been authorized by a specific or general license issued by the Secretary of the Treasury; and

(2) does not involve debiting or crediting a North Korean account.

**(c) Definitions**

In this section:

**(1) Correspondent account**

The term “correspondent account” has the meaning given that term in section 5318A of title 31.

**(2) United States financial institution**

The term “United States financial institution” means<sup>1</sup> has the meaning given that term in section 510.310 of title 31, Code of Federal Regulations, as in effect on August 2, 2017.

**(3) Foreign financial institution**

The term “foreign financial institution” has the meaning given that term in section 1010.605 of title 31, Code of Federal Regulations, as in effect on August 2, 2017.

(Pub. L. 114-122, title II, §201A, as added Pub. L. 115-44, title III, §312(a), Aug. 2, 2017, 131 Stat. 945.)

**§ 9221b. Sanctions with respect to foreign financial institutions that provide financial services to certain sanctioned persons**

**(a) In general**

The Secretary of the Treasury shall impose one or more of the sanctions described in subsection (b) with respect to a foreign financial institution that the Secretary determines, in consultation with the Secretary of State, knowingly, on or after the date that is 120 days after December 20, 2019, provides significant financial services to any person designated for the imposition of sanctions with respect to North Korea under—

(1) subsection (a), (b), or (g) of section 9214 of this title;

(2) an applicable Executive order; or

(3) an applicable United Nations Security Council resolution.

<sup>1</sup> So in original.