To enhance congressional oversight over the administration of sanctions against certain Iranian terrorism financiers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

October 1, 2015

Mr. RUSSELL (for himself, Mr. BRAT, Mr. WESTERMAN, Mrs. BLACK, Mr. HURD of Texas, Mr. ROUZER, Mr. MEEHAN, Mr. YOHO, Mr. GRAVES of Louisiana, Mrs. BROOKS of Indiana, Mr. GRAVES of Missouri, Mr. HARDY, Mr. JODY B. HICE of Georgia, Mr. BURGESS, Mr. FITZPATRICK, Mr. DESJARLAIS, Mr. DESANTIS, Mr. GIBBS, Ms. JENKINS of Kansas, Mr. MESSER, and Mr. LOUDERMILK) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

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,

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Iran Terror Finance
5 Transparency Act”.
SEC. 2. CERTIFICATION REQUIREMENT FOR REMOVAL OF
FOREIGN FINANCIAL INSTITUTIONS, INCLUDING IRANIAN
FINANCIAL INSTITUTIONS, FROM THE LIST OF SPECIALLY DESIGNATED
NATIONALS AND BLOCKED PERSONS.

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

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

(c) Certification.—The President may remove a
foreign financial institution, including an Iranian financial
institution, described in subsection (b) from the list of spe-
cially designated nationals and blocked persons main-
tained by the Office of Foreign Asset Control of the De-
partment of the Treasury if the President submits to the
appropriate congressional committees a certification that
the foreign financial institution—

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

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

(B) a foreign terrorist organization for or
on behalf of a person whose property or inter-
est in property have been blocked pursuant to
Executive Order 13224 (66 Fed. Reg. 49079;
relating to blocking property and prohibiting
transactions with persons who commit, threaten
to commit, or support terrorism); and

(C) a person whose property or interests in
property are blocked pursuant to the Inter-
national Emergency Economic Powers Act in
connection with Iran’s proliferation of weapons
of mass destruction or delivery systems for
weapons of mass destruction, or to further
Iran’s development of ballistic missiles and de-
stabilizing types and amounts of conventional weapons; and

(2) no longer knowingly engages in illicit or deceptive financial transactions or other activities.

(d) Form.—A certification described in subsection (c) shall be submitted in unclassified form, but may contain a classified annex.

(e) Definitions.—In this section:

(1) Foreign financial institution.—The term “foreign financial institution” has the meaning given such term in section 1010.605 of title 31, Code of Federal Regulations.

(2) Foreign terrorist organization.—The term “foreign terrorist organization” means any organization designated by the Secretary of State as a foreign terrorist organization in accordance with section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)).

(3) Iranian financial institution.—The term “Iranian financial institution” has the meaning given the term in section 104A(d)(3) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513b(d)(3)).
SEC. 3. CERTIFICATION REQUIREMENT FOR REMOVAL OF
CERTAIN FOREIGN PERSONS FROM THE LIST
OF SPECIALLY DESIGNATED NATIONALS AND
BLOCKED PERSONS.

(a) In General.—On or after July 19, 2015, the
President may not remove a foreign person described in
subsection (b) from the list of specially designated nation-
als and blocked persons maintained by the Office of For-
egn Asset Control of the Department of the Treasury
until the President submits to the appropriate congress-
sional committees a certification described in subsection
(c) with respect to the foreign person.

(b) Covered Persons and Entities.—A foreign
person described in this subsection is a foreign person list-
ed in Attachment 3 or Attachment 4 to Annex II of the
Joint Comprehensive Plan of Action.

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

(1) has not knowingly assisted in, sponsored, or
provided financial, material, or technological support
for, or financial or other services to or in support of terrorism or a terrorist organization; and

(2) has not knowingly engaged in significant activities or transactions that have materially contributed to the Government of Iran’s proliferation of weapons of mass destruction or their means of delivery (including missiles capable of delivering such weapons), including any efforts to manufacture, acquire, possess, develop, transport, transfer, or use such item.

(d) FORM.—A certification described in subsection (c) shall be submitted in unclassified form, but may contain a classified annex.

(e) DEFINITIONS.—In this section:

(1) FOREIGN PERSON.—The term “foreign person”—

(A) means—

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

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

(iii) any representative, agent or instrumentality of, or an individual working on behalf of a foreign government; but
(B) does not include a foreign financial institution, including an Iranian financial institution, described in section 2(b).

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

(A) a United States citizen or an alien lawfully admitted for permanent residence to the United States; or

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

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

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

(b) CERTIFICATION.—The President may remove the designation of Iran as a jurisdiction of primary money laundering concern if the President submits to the appropriate congressional committees a certification that the
Government of Iran is no longer engaged in support for terrorism, pursuit of weapons of mass destruction, and any illicit and deceptive financial activities.

(c) FORM.—The certification described in subsection (b) shall be submitted in unclassified form, but may contain a classified annex.

(d) DEFINITION.—In this section, the term “appropriate congressional committees” means—

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

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

SEC. 5. APPLICABILITY OF CONGRESSIONAL REVIEW OF CERTAIN AGENCY RULEMAKING RELATING TO IRAN.

(a) IN GENERAL.—Notwithstanding any other provision of law, any rule to amend or otherwise alter a covered regulatory provision as defined in subsection (c) that is published on or after the date of the enactment of this Act shall be deemed to be a rule or major rule (as the case may be) for purposes of chapter 8 of title 5, United States Code, and shall be subject to all applicable requirements of chapter 8 of title 5, United States Code.
(b) QUARTERLY REPORTS.—Not later than 60 days after the date of the enactment of this Act, and every 90 days thereafter, the head of the applicable department or agency of the Federal Government shall submit to the appropriate congressional committees a report on the operation of the licensing system under each covered regulatory provision as defined in subsection (c) for the preceding 2-year period, including—

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

(2) the number and types of licenses approved;

(3) a summary of each license approved;

(4) a summary of transactions conducted pursuant to a general license;

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

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

(7) a description of comments received from interested parties about the extent to which the licensing procedures were effective, after the applicable department or agency holds a public 30-day comment period.
(c) DEFINITION.—In this section, the term “covered regulatory provision” means any provision of part 535, 560, 561, or 1060 of title 31, Code of Federal Regulations, as such part was in effect on June 1, 2015.

SEC. 6. PROHIBITIONS AND CONDITIONS WITH RESPECT TO CERTAIN ACCOUNTS HELD BY FOREIGN FINANCIAL INSTITUTIONS.

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

SEC. 7. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” has the meaning given the term in section 14(2) of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note).

(2) JOINT COMPREHENSIVE PLAN OF ACTION.—The term “Joint Comprehensive Plan of Action” means the Joint Comprehensive Plan of Action, signed at Vienna July 14, 2015, by Iran and by the People’s Republic of China, France, Germany, the
Russian Federation, the United Kingdom and the
United States, with the High Representative of the
European Union for Foreign Affairs and Security
Policy, and all implementing materials and agree-
ments related to the Joint Comprehensive Plan of
Action, and transmitted by the President to Con-
gress on July 19, 2015, pursuant to section 135(a)
of the Atomic Energy Act of 1954, as amended by
the Iran Nuclear Agreement Review Act of 2015
(Public Law 114–17; 129 Stat. 201).