

117TH CONGRESS
1ST SESSION

H. R. 4592

To require the President to report on financial institutions' involvement with officials of the Iranian Government, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 21, 2021

Mr. HILL (for himself and Mr. LAWSON of Florida) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To require the President to report on financial institutions' involvement with officials of the Iranian Government, 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 “Holding Iranian Lead-
5 ers Accountable Act of 2021”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds the following:

8 (1) Iran is characterized by high levels of offi-
9 cial and institutional corruption, and substantial in-
10 involvement by Iran’s security forces, particularly the

1 Islamic Revolutionary Guard Corps (IRGC), in the
2 economy.

3 (2) In 2019, the Department of the Treasury
4 concluded that Iran is a jurisdiction of primary
5 money laundering concern and imposed restrictions
6 on correspondent accounts in the United States in-
7 volving Iranian financial institutions.

8 (3) In June 2019, the Financial Action Task
9 Force (FATF) urged all jurisdictions to require in-
10 creased supervisory examination for branches and
11 subsidiaries of financial institutions based in Iran.
12 The FATF later called upon its members to intro-
13 duce enhanced relevant reporting mechanisms or
14 systematic reporting of financial transactions, and
15 require increased external audit requirements, for fi-
16 nancial groups with respect to any of their branches
17 and subsidiaries located in Iran.

18 (4) The Transparency International index of
19 perceived public corruption ranks Iran 138th out of
20 180 countries surveyed.

21 (5) According to the State Department's
22 "Country Reports on Terrorism" in 2018, "Iran re-
23 mains the world's worst state sponsor of terrorism.
24 The regime has spent nearly one billion dollars per
25 year to support terrorist groups that serve as its

1 proxies and expand its malign influence across the
2 globe. Tehran has funded international terrorist
3 groups such as Hizballah, Hamas, and Palestinian
4 Islamic Jihad.”.

5 **SEC. 3. REPORT ON FINANCIAL INSTITUTIONS CONNECTED**
6 **TO CERTAIN IRANIAN OFFICIALS.**

7 (a) FINANCIAL INSTITUTIONS REPORT.—

8 (1) IN GENERAL.—Not later than 180 days
9 after the date of the enactment of this Act, and an-
10 nually thereafter for 2 years, the President shall
11 submit a report to the appropriate Members of Con-
12 gress containing—

13 (A) the estimated total funds held in finan-
14 cial institutions that are under direct or indi-
15 rect control by each of five or more of the nat-
16 ural persons described under subsection (b),
17 and a description of such funds; and

18 (B) a list of any financial institutions
19 that—

20 (i) maintain an account in connection
21 with significant funds described in sub-
22 paragraph (A); or

23 (ii) knowingly provide significant fi-
24 nancial services to a natural person cov-
25 ered by the report.

1 (2) BRIEFING REQUIRED.—Not later than 60
2 days after submitting a report described under para-
3 graph (1), the Secretary of the Treasury, or a des-
4 ignee of the Secretary, shall brief the appropriate
5 Members of Congress on the funds covered by the
6 report, including a description of how the funds were
7 acquired, and any illicit or corrupt means employed
8 to acquire or use the funds.

9 (3) EXEMPTIONS.—The requirements described
10 under paragraph (1) may not be applied with re-
11 spect to a natural person or a financial institution,
12 as the case may be, if the President determines:

13 (A) The funds described under subpara-
14 graph (A) of paragraph (1) were primarily ac-
15 quired through legal or noncorrupt means.

16 (B) The natural person has agreed to pro-
17 vide significant cooperation to the United
18 States for an important national security or law
19 enforcement purpose with respect to Iran.

20 (C) A financial institution that would oth-
21 erwise be listed in the report required by para-
22 graph (1) has agreed to—

23 (i) no longer maintain an account de-
24 scribed under subparagraph (C)(i) of para-
25 graph (1);

1 (ii) no longer provide significant fi-
2 nancial services to a natural person cov-
3 ered by the report; or

4 (iii) provide significant cooperation to
5 the United States for an important na-
6 tional security or law enforcement purpose
7 with respect to Iran.

8 (4) WAIVER.—The President may waive for up
9 to 1 year at a time any requirement under para-
10 graph (1) with respect to a natural person or a fi-
11 nancial institution after reporting in writing to the
12 appropriate Members of Congress that the waiver is
13 in the national interest of the United States, with a
14 detailed explanation of the reasons therefor.

15 (b) PERSONS DESCRIBED.—The natural persons de-
16 scribed in this subsection are the following:

17 (1) The Supreme Leader of Iran.

18 (2) The President of Iran.

19 (3) Members of the Council of Guardians.

20 (4) Members of the Expediency Council.

21 (5) The Minister of Intelligence and Security.

22 (6) The Commander and the Deputy Com-
23 mander of the IRGC.

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

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

3 (9) The Commander and the Deputy Com-
4 mander of the IRGC Navy.

5 (10) The Commander of the Basij-e-
6 Mostaz'afin.

7 (11) The Commander of the Qods Force.

8 (12) The Commander in Chief of the Police
9 Force.

10 (13) The head of the IRGC Joint Staff.

11 (14) The Commander of the IRGC Intelligence.

12 (15) The head of the IRGC Imam Hussein Uni-
13 versity.

14 (16) The Supreme Leader's Representative at
15 the IRGC.

16 (17) The Chief Executive Officer and the
17 Chairman of the IRGC Cooperative Foundation.

18 (18) The Commander of the Khatam-al-Anbia
19 Construction Head Quarter.

20 (19) The Chief Executive Officer of the Basij
21 Cooperative Foundation.

22 (20) The head of the Political Bureau of the
23 IRGC.

24 (21) The senior leadership, as determined by
25 the President, of any terrorist group or regional

1 proxy force supported by the Government of Iran,
2 including Hizballah, Hamas, Palestinian Islamic
3 Jihad, and Kata'ib Hizballah.

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

5 (1) FORM.—The report required under sub-
6 section (a) shall be submitted in unclassified form
7 but may contain a classified annex.

8 (2) PUBLIC AVAILABILITY.—The President
9 shall make the unclassified portion of such report
10 public upon determining that the publication would
11 substantially promote any of the following:

12 (A) Deterring or sanctioning official cor-
13 ruption in Iran.

14 (B) Holding natural persons listed in the
15 report accountable to the people of Iran.

16 (C) Combating money laundering or the fi-
17 nancing of terrorism.

18 (D) Achieving any other strategic objective
19 with respect to the Government of Iran.

20 (3) WAIVER.—The President may waive the re-
21 quirements of paragraph (2) upon reporting in writ-
22 ing to the appropriate Members of Congress that the
23 waiver is in the national interest of the United
24 States, with a detailed explanation of the reasons
25 therefor.

1 (4) **FORMAT OF PUBLICLY AVAILABLE RE-**
2 **PORTS.**—If the President makes the unclassified
3 portion of a report public pursuant to paragraph
4 (2), the Secretary of the Treasury shall make it
5 available to the public on the website of the Depart-
6 ment of the Treasury—

7 (A) in English, Farsi, Arabic, and Azeri;
8 and

9 (B) in precompressed, easily downloadable
10 versions that are made available in all appro-
11 priate formats.

12 **SEC. 4. SUNSET.**

13 The provisions of this Act shall have no force or effect
14 on the earlier of—

15 (1) the date that is 3 years after the date of en-
16 actment of this Act; or

17 (2) 30 days after the President reports in writ-
18 ing to the appropriate Members of Congress that—

19 (A) Iran is not a jurisdiction of primary
20 money laundering concern; or

21 (B) the Government of Iran is providing
22 significant cooperation to the United States for
23 the purpose of preventing acts of international
24 terrorism, or for the promotion of any other
25 strategic objective that is important to the na-

1 tional interest of the United States, as specified
2 in the report by the President.

3 **SEC. 5. DEFINITIONS.**

4 For purposes of this Act:

5 (1) **APPROPRIATE MEMBERS OF CONGRESS.**—

6 The term “appropriate Members of Congress”
7 means the Speaker and minority leader of the House
8 of Representatives, the majority leader and minority
9 leader of the Senate, the Chairman and Ranking
10 Member of the Committee on Financial Services of
11 the House of Representatives, and the Chairman
12 and Ranking Member of the Committee on Banking,
13 Housing, and Urban Affairs of the Senate.

14 (2) **FINANCIAL INSTITUTION.**—The term “fi-
15 nancial institution” means a United States financial
16 institution or a foreign financial institution.

17 (3) **FOREIGN FINANCIAL INSTITUTION.**—The
18 term “foreign financial institution” has the meaning
19 given that term in section 561.308 of title 31, Code
20 of Federal Regulations.

21 (4) **FUNDS.**—The term “funds” has the mean-
22 ing given to such term by the Secretary of the
23 Treasury.

24 (5) **KNOWINGLY.**—The term “knowingly” with
25 respect to conduct, a circumstance, or a result,

1 means that a person has actual knowledge, or should
2 have known, of the conduct, the circumstance, or the
3 result.

4 (6) UNITED STATES FINANCIAL INSTITUTION.—
5 The term “United States financial institution” has
6 the meaning given the term “U.S. financial institu-
7 tion” under section 561.309 of title 31, Code of
8 Federal Regulations.

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