

112TH CONGRESS
1ST SESSION

S. 366

To require disclosure to the Securities and Exchange Commission of certain sanctionable activities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 16, 2011

Mrs. GILLIBRAND (for herself and Mr. KIRK) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require disclosure to the Securities and Exchange Commission of certain sanctionable activities, 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 Transparency and
5 Accountability Act of 2011”.

1 **SEC. 2. DISCLOSURES TO THE SECURITIES AND EXCHANGE**
2 **COMMISSION RELATING TO SANCTIONABLE**
3 **ACTIVITIES.**

4 (a) IN GENERAL.—Section 13 of the Securities Ex-
5 change Act of 1934 (15 U.S.C. 78m) is amended by add-
6 ing at the end the following new subsection:

7 “(r) DISCLOSURE OF CERTAIN ACTIVITIES RELAT-
8 ING TO IRAN, TERRORISM, AND THE PROLIFERATION OF
9 WEAPONS OF MASS DESTRUCTION.—

10 “(1) GENERAL DISCLOSURE REQUIRED.—Each
11 issuer required to file an annual or quarterly report
12 under subsection (a) shall include with such report
13 a statement of whether, during the period since the
14 issuer made the last such report, the issuer or any
15 affiliate of the issuer—

16 “(A) engaged in an activity described in
17 section 5 of the Iran Sanctions Act of 1996
18 (Public Law 104–172; 50 U.S.C. 1701 note);

19 “(B) knowingly engaged in an activity de-
20 scribed in subsection (c)(2) of section 104 of
21 the Comprehensive Iran Sanctions, Account-
22 ability, and Divestment Act of 2010 (22 U.S.C.
23 8513) or knowingly violated regulations pre-
24 scribed under subsection (d)(1) or (e)(1) of
25 such section 104; or

1 “(C) knowingly conducted any transaction
2 or dealing with—

3 “(i) any person the property and in-
4 terests in property of which are blocked
5 pursuant to Executive Order 13224 (66
6 Fed. Reg. 49079; relating to blocking
7 property and prohibiting transacting with
8 persons who commit, threaten to commit,
9 or support terrorism);

10 “(ii) any person the property and in-
11 terests in property of which are blocked
12 pursuant to Executive Order 13382 (70
13 Fed. Reg. 38567; relating to blocking of
14 property of weapons of mass destruction
15 proliferators and their supporters); or

16 “(iii) any person on the list contained
17 in Appendix A to part 560 of title 31,
18 Code of Federal Regulations (commonly
19 known as the ‘Iranian Transactions Regu-
20 lations’).

21 “(2) SPECIFIC DISCLOSURE REQUIRED.—If an
22 issuer reports under paragraph (1) that the issuer or
23 an affiliate of the issuer has engaged in any activity
24 described in that paragraph, the issuer shall include
25 with the statement required under that paragraph a

1 detailed description of each such activity, includ-
2 ing—

3 “(A) the nature and extent of the activity;

4 “(B) the revenues and profits, if any, at-
5 tributable to the activity; and

6 “(C) whether the issuer or the affiliate of
7 the issuer (as the case may be) intends to con-
8 tinue the activity.

9 “(3) INVESTIGATION OF DISCLOSURES.—When
10 the Commission receives a report under paragraph
11 (1) from an issuer that the issuer or an affiliate of
12 the issuer has engaged in any activity described in
13 that paragraph, the President shall—

14 “(A) initiate an investigation into the pos-
15 sible imposition of sanctions under the Iran
16 Sanctions Act of 1996 (Public Law 104–172;
17 50 U.S.C. 1701 note), section 104 of the Com-
18 prehensive Iran Sanctions, Accountability, and
19 Divestment Act of 2010 (22 U.S.C. 8513), the
20 Executive Orders or regulations specified in
21 paragraph (1)(C), or any other provision of law;
22 and

23 “(B) not later than 180 days after initi-
24 ating such an investigation, make a determina-
25 tion with respect to whether sanctions should be

1 imposed with respect to the issuer or the affil-
2 iate of the issuer (as the case may be).

3 “(4) PUBLIC DISCLOSURE OF INFORMATION.—

4 The Commission shall promptly—

5 “(A) make the information provided to the
6 Commission under paragraphs (1) and (2)
7 available to the public by posting the informa-
8 tion on the Internet website of the Commission;
9 and

10 “(B) provide a copy of that information
11 to—

12 “(i) the President;

13 “(ii) the Committee on Foreign Af-
14 fairs and the Committee on Financial
15 Services of the House of Representatives;
16 and

17 “(iii) the Committee on Foreign Rela-
18 tions and the Committee on Banking,
19 Housing, and Urban Affairs of the Senate.

20 “(5) SUNSET.—The provisions of this sub-
21 section shall terminate on the date that is 30 days
22 after the date on which the President makes the cer-
23 tification described in section 401(a) of the Com-
24 prehensive Iran Sanctions, Accountability, and Di-
25 vestment Act of 2010 (22 U.S.C. 8551(a)).”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall take effect with respect to reports re-
3 quired to be filed with the Securities and Exchange Com-
4 mission after the date that is 90 days after the date of
5 the enactment of this Act.

6 **SEC. 3. DEADLINE FOR REGULATIONS WITH RESPECT TO**
7 **FINANCIAL INSTITUTIONS MAINTAINING AC-**
8 **COUNTS FOR FOREIGN FINANCIAL INSTITU-**
9 **TIONS.**

10 Section 104(e)(1) of the Comprehensive Iran Sanc-
11 tions, Accountability, and Divestment Act of 2010
12 (8513(e)(1)) is amended by striking “The Secretary” and
13 inserting “Not later than 90 days after the date of the
14 enactment of the Iran Transparency and Accountability
15 Act of 2011, the Secretary”.

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