

116TH CONGRESS  
2D SESSION

# H. R. 6081

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

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 2020

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

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## 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 2020”.

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       volvement 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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