

112TH CONGRESS
1ST SESSION

H. R. 3439

To require the President to impose sanctions on foreign financial institutions that conduct transactions with the Central Bank of Iran if the President determines that the Central Bank of Iran has engaged in certain transactions relating to the proliferation of chemical, biological, or nuclear weapons or support for acts of international terrorism.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 16, 2011

Mr. FLAKE (for himself and Mr. MCINTYRE) 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 require the President to impose sanctions on foreign financial institutions that conduct transactions with the Central Bank of Iran if the President determines that the Central Bank of Iran has engaged in certain transactions relating to the proliferation of chemical, biological, or nuclear weapons or support for acts of international terrorism.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. IMPOSITION OF SANCTIONS ON FOREIGN FI-**
2 **NANCIAL INSTITUTIONS THAT CONDUCT**
3 **TRANSACTIONS OF THE CENTRAL BANK OF**
4 **IRAN.**

5 Section 104 of the Comprehensive Iran Sanctions,
6 Accountability, and Divestment Act of 2010 (22 U.S.C.
7 8513) is amended—

8 (1) by redesignating subsections (h) and (i) as
9 subsections (i) and (j), respectively; and

10 (2) by inserting after subsection (g) the fol-
11 lowing new subsection:

12 “(h) IMPOSITION OF SANCTIONS ON FOREIGN FI-
13 NANCIAL INSTITUTIONS THAT CONDUCT TRANSACTIONS
14 OF THE CENTRAL BANK OF IRAN.—

15 “(1) DETERMINATION REQUIRED.—

16 “(A) IN GENERAL.—Not later than 30
17 days after the date of the enactment of this
18 subsection, the President shall determine
19 whether the Central Bank of Iran has—

20 “(i) provided financial services in sup-
21 port of, or otherwise facilitated, the ability
22 of Iran to—

23 “(I) acquire or develop chemical,
24 biological, or nuclear weapons, or re-
25 lated technologies;

1 “(II) construct, equip, operate, or
2 maintain nuclear enrichment facilities;
3 or

4 “(III) acquire or develop ballistic
5 missiles, cruise missiles, or desta-
6 bilizing types and amounts of conven-
7 tional weapons; or

8 “(ii) facilitated a transaction or pro-
9 vided financial services for—

10 “(I) Iran’s Revolutionary Guard
11 Corps; or

12 “(II) a financial institution
13 whose property or interests in prop-
14 erty are subject to sanctions imposed
15 pursuant to the International Emer-
16 gency Economic Powers Act (50
17 U.S.C. 1701 et seq.) in connection
18 with—

19 “(aa) Iran’s proliferation of
20 weapons of mass destruction or
21 delivery systems for weapons of
22 mass destruction; or

23 “(bb) Iran’s support for acts
24 of international terrorism.

1 “(B) SUBMISSION TO CONGRESS.—The
2 President shall submit in writing to the appro-
3 priate congressional committees the determina-
4 tion made under subparagraph (A) and the rea-
5 sons for the determination.

6 “(2) IMPOSITION OF SANCTIONS.—If the Presi-
7 dent determines under paragraph (1)(A) that the
8 Central Bank of Iran has engaged in an activity de-
9 scribed in that paragraph, the President shall imme-
10 diately—

11 “(A) prohibit the opening or maintaining
12 in the United States of a correspondent account
13 or a payable-through account by a foreign fi-
14 nancial institution that the President deter-
15 mines has knowingly conducted any financial
16 transaction with the Central Bank of Iran; and

17 “(B) freeze and prohibit all transactions in
18 all property and interests in property of each
19 such foreign financial institution if such prop-
20 erty and interests in property are in the United
21 States, come within the United States, or come
22 within the possession or control of a United
23 States person.

24 “(3) APPLICABILITY.—

1 “(A) IN GENERAL.—Except as provided in
2 subparagraph (B), paragraph (2) applies with
3 respect to financial transactions commenced on
4 or after the date of the enactment of this sub-
5 section.

6 “(B) PETROLEUM TRANSACTIONS.—Para-
7 graph (2) applies with respect to financial
8 transactions for the purchase of petroleum or
9 petroleum products through the Central Bank
10 of Iran commenced on or after the date that is
11 180 days after the date of the enactment of this
12 subsection.

13 “(4) FOREIGN FINANCIAL INSTITUTION.—For
14 purposes of this subsection, the term ‘foreign finan-
15 cial institution’ includes a financial institution owned
16 or controlled by a foreign government.”.

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