

114TH CONGRESS  
2D SESSION

# H. R. 4995

To prohibit the facilitation of certain financial transactions involving the Government of Iran or Iranian persons and to impose sanctions with respect to the facilitation of those transactions, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 19, 2016

Mr. ROSKAM (for himself, Mr. POMPEO, and Mr. ZELDIN) 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

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## A BILL

To prohibit the facilitation of certain financial transactions involving the Government of Iran or Iranian persons and to impose sanctions with respect to the facilitation of those transactions, 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 “Preventing Iran’s Ac-  
5 cess to United States Dollars Act of 2016”.

1 **SEC. 2. PROHIBITION ON FACILITATION OF CERTAIN**  
2 **TRANSACTIONS INVOLVING THE GOVERN-**  
3 **MENT OF IRAN OR IRANIAN PERSONS.**

4 (a) **IN GENERAL.**—The President shall not issue any  
5 license under the International Emergency Economic Pow-  
6 ers Act (50 U.S.C. 1701 et seq.) that permits a person—

7 (1) to conduct an offshore United States dollar  
8 clearing system for transactions involving the Gov-  
9 ernment of Iran or an Iranian person; or

10 (2) to provide United States dollars for any off-  
11 shore United States dollar clearing system conducted  
12 or overseen by a foreign government or a foreign fi-  
13 nancial institution for transactions involving the  
14 Government of Iran or an Iranian person.

15 (b) **DEFINITIONS.**—In this section:

16 (1) **ENTITY.**—The term “entity” means a cor-  
17 poration, business association, partnership, trust, so-  
18 ciety, or any other entity.

19 (2) **FOREIGN FINANCIAL INSTITUTION.**—The  
20 term “foreign financial institution” has the meaning  
21 of that term as determined by the Secretary of the  
22 Treasury pursuant to section 104(i) of the Com-  
23 prehensive Iran Sanctions, Accountability, and Di-  
24 vestment Act of 2010 (22 U.S.C. 8513(i)).

25 (3) **PERSON.**—The term “person” means an in-  
26 dividual or entity.

1 **SEC. 3. REPORTS ON, AND AUTHORIZATION OF IMPOSITION**  
2 **OF SANCTIONS WITH RESPECT TO, OFF-**  
3 **SHORE UNITED STATES DOLLAR CLEARING**  
4 **FOR TRANSACTIONS INVOLVING THE GOV-**  
5 **ERNMENT OF IRAN OR IRANIAN PERSONS.**

6 (a) REPORTS REQUIRED.—

7 (1) IN GENERAL.—Not later than 60 days after  
8 the date of the enactment of this Act, and not less  
9 frequently than once every 90 days thereafter, the  
10 Secretary of the Treasury shall submit to the appro-  
11 priate congressional committees and publish in the  
12 Federal Register a report that contains—

13 (A) a list of any financial institutions that  
14 the Secretary has identified as—

15 (i) operating an offshore United  
16 States dollar clearing system that conducts  
17 transactions involving the Government of  
18 Iran or an Iranian person; or

19 (ii) participating in a transaction de-  
20 scribed in clause (i) through a system de-  
21 scribed in that clause; and

22 (B) a detailed assessment of the status of  
23 efforts by the Secretary to prevent the conduct  
24 of transactions described in subparagraph  
25 (A)(i) through systems described in that sub-  
26 paragraph.

1           (2) FORM OF REPORT.—Each report submitted  
2 under paragraph (1) shall be submitted in unclassi-  
3 fied form but may contain a classified annex.

4           (b) IMPOSITION OF SANCTIONS.—

5           (1) IN GENERAL.—The President shall, in ac-  
6 cordance with the International Emergency Eco-  
7 nomic Powers Act (50 U.S.C. 1701 et seq.), block  
8 and prohibit all transactions in all property and in-  
9 terests in property of any financial institution speci-  
10 fied in the most recent list submitted under sub-  
11 section (a)(1)(A) if such property and interests in  
12 property are in the United States, come within the  
13 United States, or are or come within the possession  
14 or control of a United States person.

15           (2) ADDITIONAL SANCTIONS.—The President  
16 may impose additional sanctions under the Inter-  
17 national Emergency Economic Powers Act (50  
18 U.S.C. 1701 et seq.) with respect to a financial in-  
19 stitution that is subject to sanctions under para-  
20 graph (1).

21           (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-  
22 FINED.—In this section, the term “appropriate congres-  
23 sional committees” has the meaning given that term in  
24 section 14 of the Iran Sanctions Act of 1996 (Public Law  
25 104–172; 50 U.S.C. 1701 note).

1 **SEC. 4. CLARIFICATION THAT FREEZING OF ASSETS OF**  
2 **IRANIAN FINANCIAL INSTITUTIONS IN-**  
3 **CLUDES ASSETS IN POSSESSION OR CON-**  
4 **TROL OF A UNITED STATES PERSON PURSU-**  
5 **ANT TO A U-TURN TRANSACTION.**

6 Section 1245(e) of the National Defense Authoriza-  
7 tion Act for Fiscal Year 2012 (22 U.S.C. 8513a) is  
8 amended—

9 (1) by striking “The President” and inserting  
10 “(1) IN GENERAL.—The President”; and

11 (2) by adding at the end the following:

12 “(2) TREATMENT OF CERTAIN TRANS-  
13 ACTIONS.—

14 “(A) U-TURN TRANSACTIONS.—Property  
15 that comes within the possession or control of  
16 a United States person pursuant to a transfer  
17 of funds that arises from, and is ordinarily inci-  
18 dent and necessary to give effect to, an under-  
19 lying transaction shall be considered to come  
20 within the possession or control of that person  
21 for purposes of paragraph (1).

22 “(B) BOOK TRANSFERS.—A transfer of  
23 funds or other property for the benefit of an  
24 Iranian financial institution that is made be-  
25 tween accounts of the same financial institution  
26 shall be considered property or interests in

1 property of that Iranian financial institution for  
2 purposes of paragraph (1) even if that Iranian  
3 financial institution is not the direct recipient  
4 of the transfer.”.

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