

114TH CONGRESS  
1ST SESSION

# H. R. 4312

To provide for more effective sanctions against Iran’s Revolutionary Guard Corps or any of its officials, agents, or affiliates to counter support for international terrorism and assistance to the Assad regime in Syria.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 18, 2015

Mr. SHERMAN (for himself, Mr. ROYCE, Ms. MENG, Ms. ROS-LEHTINEN, Mr. ROSKAM, and Mr. WEBER of Texas) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, Ways and Means, Oversight and Government Reform, and the Judiciary, 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 provide for more effective sanctions against Iran’s Revolutionary Guard Corps or any of its officials, agents, or affiliates to counter support for international terrorism and assistance to the Assad regime in Syria.

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’s Revolutionary  
5 Guard Corps Sanctions Implementation and Review Act”.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) Iran's Revolutionary Guard Corps (IRGC)  
4 has helped to train and equip proxy groups and  
5 Iraqi Shiite insurgents, and elements of the Taliban,  
6 which have targeted and killed United States and  
7 other allied forces in Iraq and Afghanistan.

8 (2) The IRGC has provided Hezbollah, Hamas,  
9 and the Palestinian Islamic Jihad with funding,  
10 training, and other material support to conduct their  
11 terrorist activities and missile attacks against Israel,  
12 in an effort to cause civilian casualties and disrupt  
13 efforts for peace between Israel and its neighbors,  
14 and to destabilize Lebanon.

15 (3) Iran has repeatedly been identified as the  
16 most active state sponsor of terrorism by the De-  
17 partment of State, and the IRGC, often operating  
18 through its Qods Force, is the principal instrument  
19 for Iranian support for terror.

20 (4) The Government of Iran continues to en-  
21 gage in serious, systematic, and ongoing violations of  
22 human rights, including suppression of freedom of  
23 expression and religious freedom, illegitimate deten-  
24 tion, torture, and executions, without affording any-  
25 thing resembling adequate due process.

1           (5) The IRGC plays a significant role in many  
2 of Iran's human rights abuses.

3           (6) The IRGC currently dominates many sec-  
4 tors of the Iranian economy, with a significant pres-  
5 ence in Iran's financial and commercial sectors and  
6 extensive economic interests in the defense produc-  
7 tion, construction, and oil industries, controlling bil-  
8 lions of dollars in corporate business.

9           (7) The IRGC operates through affiliated firms,  
10 front companies, and foundations in order to serve  
11 its economic interests and exert control over large  
12 segments of Iran's economy.

13           (8) Many of the IRGC's personnel have been  
14 enriched through control of these affiliated busi-  
15 nesses and foundations, and through corruption in  
16 the operation of the businesses and their dealings  
17 with the Government of Iran.

18           (9) The IRGC has assisted the regime of Syrian  
19 President Bashar al Assad by training, equipping,  
20 and aiding the regime's security and military forces,  
21 through military advice, provision of weapons, and  
22 funding.

23           (10) The United States Government designated  
24 the IRGC in 2007 under Executive Order 13382 for  
25 proliferation concerns and, separately, the Qods

1 Force under Executive Order 13224, for its support  
2 for terrorist organizations.

3 (11) Section 104 of the Comprehensive Iran  
4 Sanctions, Accountability, and Divestment Act of  
5 2010 provided for secondary sanctions against any  
6 financial institution that handles a significant trans-  
7 action for designated Iranian entities, including the  
8 IRGC, its Qods Force, and other related entities.

9 (12) Title III of the Iran Threat Reduction and  
10 Syrian Human Rights Act of 2012 provided for ad-  
11 ditional secondary sanctions against firms that con-  
12 duct business of any kind with the IRGC or related  
13 entities, and provided for the designation of addi-  
14 tional Iranians' entities related to the IRGC.

15 (13) The Joint Comprehensive Plan of Action  
16 concerning Iran's nuclear program does not require  
17 the United States to lift or waive the sanctions  
18 against the IRGC or related entities.

19 (14) On September 15, 2015, then Acting Un-  
20 dersecretary of the Treasury for Terrorism and Fi-  
21 nancial Intelligence, Adam Szubin, stated that "we  
22 are not providing any sanctions relief to the IRGC,  
23 or to its Qods Force, or any of its officials or sub-  
24 sidiaries" and "we will continue our campaign  
25 against the IRGC and the Qods Force".

1           (15) Strengthening sanctions against the IRGC,  
2           ensuring that the United States Government identify  
3           and designate more of the affiliated entities through  
4           which the IRGC operates, and providing for addi-  
5           tional secondary sanctions on firms that assist the  
6           IRGC, will help deprive the IRGC of resources need-  
7           ed to carry out its nefarious activities.

8 **SEC. 3. MODIFICATION OF IMPOSITION OF SANCTIONS**  
9                           **WITH RESPECT TO PERSONS THAT SUPPORT**  
10                           **OR CONDUCT CERTAIN TRANSACTIONS WITH**  
11                           **IRAN'S REVOLUTIONARY GUARD CORPS OR**  
12                           **OTHER SANCTIONED PERSONS.**

13           (a) MODIFICATION OF IMPOSITION OF SANCTIONS.—  
14           Subsection (b) of section 302 of the Iran Threat Reduc-  
15           tion and Syrian Human Rights Act of 2012 (22 U.S.C.  
16           8742) is amended by striking “the President—” and all  
17           that follows and inserting “the President shall block and  
18           prohibit all transactions in property and interests in prop-  
19           erty with respect to such foreign person if such property  
20           and interests in property are in the United States, come  
21           within the United States, or are or come within the posses-  
22           sion or control of a United States person.”.

23           (b) SPECIAL LICENSING AUTHORITY.—Such section,  
24           as so amended, is further amended by striking subsection  
25           (f) and inserting the following:

1 “(f) SPECIAL LICENSING AUTHORITY.—

2 “(1) IN GENERAL.—The President is author-  
3 ized to issue licenses to United States persons to en-  
4 gage in transactions in property and interests in  
5 property with respect to a foreign person that is  
6 subject to imposition of sanctions under subsection  
7 (b) notwithstanding the imposition of such sanctions  
8 with respect to the foreign person.

9 “(2) REGULATIONS.—Not later than 90 days  
10 after the date of the enactment of this subsection,  
11 the President shall issue regulations to implement  
12 this subsection.”.

13 **SEC. 4. REPORT BY COMPTROLLER GENERAL OF THE**  
14 **UNITED STATES.**

15 (a) IN GENERAL.—Not later than 180 days after the  
16 date of the enactment of this Act, and annually thereafter,  
17 the Comptroller General of the United States shall submit  
18 to the President and the appropriate congressional com-  
19 mittees a report—

20 (1) identifying foreign persons not currently  
21 subject to sanctions under subsection (b) of section  
22 302 of the Iran Threat Reduction and Syrian  
23 Human Rights Act of 2012 (22 U.S.C. 8742) (as  
24 amended by section 3 of this Act), for knowingly en-  
25 gaging in an activity described in subsection (a)(1)

1 of such section that, within the preceding three  
2 years, have been reported to have conducted trans-  
3 actions or have provided material support to Iran’s  
4 Revolutionary Guard Corps or any blocked entity  
5 that has been designated as a front, agent, or affil-  
6 iate of Iran’s Revolutionary Guard Corps, or other-  
7 wise is designated on the list of specially designated  
8 nationals and blocked persons maintained by the Of-  
9 fice of Foreign Assets Control of the Department of  
10 the Treasury with the identifier “IRGC”; and

11 (2) identifying foreign persons not currently on  
12 the list of specially designated nationals and blocked  
13 persons maintained by the Office of Foreign Assets  
14 Control of the Department of the Treasury that,  
15 within the preceding three years, are reported to be  
16 under the ownership and control of Iran’s Revolu-  
17 tionary Guard Corps, or are reported to be a front,  
18 agent, or affiliate of Iran’s Revolutionary Guard  
19 Corps, including foreign persons whose officers, offi-  
20 cials, or those directing activity of the persons are  
21 reportedly officers, officials, or other persons acting  
22 on behalf of Iran’s Revolutionary Guard Corps or its  
23 designated fronts, agents, or affiliates.

24 (b) SOURCES FOR REPORT.—The Comptroller Gen-  
25 eral of the United States shall utilize any credible publica-

1 tion, database, web-based resource and any credible infor-  
2 mation compiled by any government agency, non-govern-  
3 mental organization, or other entity provided to or made  
4 available to the Comptroller General, including informa-  
5 tion from foreign persons identified in the report.

6 **SEC. 5. REVIEW, SANCTIONS, AND REPORT BY PRESIDENT.**

7 (a) REVIEW.—Not later than 180 days after the date  
8 on which the report is submitted to the President and the  
9 appropriate congressional committees under section 4, the  
10 President shall conduct and complete a review of the for-  
11 eign persons identified in the report to determine, using  
12 all sources available, whether there is sufficient evidence  
13 to impose sanctions against any of the foreign persons.

14 (b) SANCTIONS.—Unless the President determines  
15 under subsection (a) that there is insufficient evidence to  
16 impose sanctions against a foreign person identified in the  
17 report submitted to the President and the appropriate con-  
18 gressional committees under section 4, the President shall  
19 include the foreign person on the list of specially des-  
20 ignated nationals and blocked persons maintained by the  
21 Office of Foreign Assets Control of the Department of the  
22 Treasury, impose sanctions against the foreign persons  
23 under subsection (b) of section 302 of the Iran Threat  
24 Reduction and Syrian Human Rights Act of 2012 (22  
25 U.S.C. 8742) (as amended by section 3 of this Act), or



1 impose sanctions against the foreign person under any  
2 other provision of law, as applicable.

3 (c) REPORT.—The President shall submit to the ap-  
4 propriate congressional committees a report that contains  
5 the results of the review under subsection (a) and the im-  
6 position of sanctions under subsection (b) (if any). The  
7 report should be submitted in unclassified form, but may  
8 contain a classified annex.

9 **SEC. 6. SECURITIES AND EXCHANGE FILING REQUIRE-**  
10 **MENTS.**

11 (a) IN GENERAL.—Section 13(r)(1)(D) of the Securi-  
12 ties Exchange Act of 1934 (15 U.S.C. 78m(r)(1)(D)) is  
13 amended—

14 (1) in clause (ii), by striking “or” at the end;

15 (2) in clause (iii), by striking the period at the  
16 end and inserting “; or”; and

17 (3) by adding at the end the following:

18 “(iv) any foreign person identified in  
19 the most recent report of the Comptroller  
20 General of the United States submitted  
21 under section 4 of the Iran’s Revolutionary  
22 Guard Corps Sanctions Implementation  
23 and Review Act prior to the commence-  
24 ment of the transaction or dealing.”.

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 180 days after the date of  
5 the enactment of this Act.

6 **SEC. 7. APPROPRIATE CONGRESSIONAL COMMITTEES DE-**  
7 **FINED.**

8           In this Act, the term “appropriate congressional com-  
9 mittees” means—

10           (1) the Committee on Foreign Affairs of the  
11 House of Representatives; and

12           (2) the Committee on Foreign Relations of the  
13 Senate.

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