

# BILL SUMMARY

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March 2018

## The Iranian Revolutionary Guard Corps Economic Exclusion Act (H.R. 5132)

**The Iranian Revolutionary Guard Corps [IRGC] Economic Exclusion Act seeks to increase economic pressure on the principal instrument of Iran's regional aggression. The legislation—authored by Reps. Ed Royce (R-CA) and Eliot Engel (D-NY)—provides for sanctions on entities owned or controlled by the IRGC, including major Iranian financial institutions, companies on the Tehran Stock Exchange, and entities of which the IRGC controls a minority stake.**

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### Key Provisions:

- Extends current sanctions to entities “owned or controlled” by the IRGC.
  - Increases penalties on persons and companies providing material support to the IRGC, including a complete ban on transactions in the United States or with U.S. persons.
  - Mandates a report on entities of which there is a reasonable basis to determine the IRGC owns at least 33 percent, and authorizes the administration to go below 50 percent with respect to ownership of an IRGC-related entity.
  - Requires the president to determine if key Iranian companies are owned or controlled by the IRGC, including: companies listed on the Tehran Stock Exchange, companies with a value in excess of \$100 million, and the other key economic actors in Iran.
  - Requires the president to determine if major Iranian financial institutions are owned or controlled by the IRGC, or knowingly facilitate significant transactions on its behalf.
  - Requires a report analyzing the foreign and domestic supply chains that significantly facilitate, support, or otherwise aid the IRGC.
  - Cuts in half the value threshold for sensitive IRGC transactions that are prioritized for sanctions investigation. Also prioritizes for investigation IRGC transactions involving Iranian banks and transactions to support for terrorism and to the government of Syria.
  - Requires a report on support Iranian state-owned entities provide to terrorist entities—including the IRGC-linked airline Mahan Air.
  - Declares U.S. policy is to work to prevent Iran's membership in the World Trade Organization and other similar international bodies.
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