

117TH CONGRESS
2D SESSION

H. R. 6953

To prohibit the importation of crude oil and petroleum products from the Russian Federation, to impose sanctions with respect to persons involved in the importation of such crude oil and petroleum products who have engaged in acts of corruption or who are responsible for serious human rights abuses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 2022

Mr. KHANNA (for himself and Ms. MACE) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Energy and Commerce, Ways and Means, Oversight and Reform, Financial Services, 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

A BILL

To prohibit the importation of crude oil and petroleum products from the Russian Federation, to impose sanctions with respect to persons involved in the importation of such crude oil and petroleum products who have engaged in acts of corruption or who are responsible for serious human rights abuses, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Severing Putin’s Im-
3 mense Gains from Oil Transfers Act of 2022” or the
4 “SPIGOT Act of 2022”.

5 **SEC. 2. FINDINGS.**

6 Congress makes the following findings:

7 (1) In February 2022, the Russian Federation
8 launched a large scale invasion of Ukraine that vio-
9 lated Ukraine’s sovereignty and territorial integrity.

10 (2) In 2021, the Russian Federation became
11 the second-largest exporter of crude oil and petro-
12 leum products to the United States, after Canada.

13 (3) In 2020, 7 percent of all petroleum imports
14 to the United States came from the Russian Federa-
15 tion, which is more than was imported from the
16 Kingdom of Saudi Arabia.

17 (4) The United States private sector imported
18 848,000 barrels of oil from the Russian Federation
19 per day in June 2021.

20 (5) From January through December 2021, the
21 United States imported 245,194,000 barrels of oil
22 from the Russian Federation, which at an annual
23 average of \$71 per barrel equals approximately
24 \$17,400,000,000 in oil imports.

25 (6) As of February 2022, oil prices have risen
26 to \$92 per barrel.

1 (7) According to the Ministry of Finance of the
2 Russian Federation, 36 percent of all revenue of the
3 Government of the Russian Federation came from
4 the oil and gas sector in 2021. In 2019 and 2020,
5 the overall percentage of revenue of that Govern-
6 ment that came from the oil and gas sector reached
7 39 and 28 percent, respectively.

8 (8) The President of the Russian Federation,
9 Vladimir Putin, relies on a network of government
10 officials, heads of state-owned enterprises, and busi-
11 ness leaders to maintain his grasp on power.

12 (9) Russian-owned energy entities that have ties
13 to individuals aligned with Putin see benefits from
14 reliance by the United States on imports of crude oil
15 and petroleum products from the Russian Federa-
16 tion.

17 (10) In early 2021, political prisoner Alexei
18 Navalny's Anti-Corruption Foundation outlined
19 some of the corrupt linkages between Russian oil
20 giant Rosneft, with key Putin ally Igor Sechin as its
21 head, and Vladimir Putin himself.

22 (11) The United States Government has al-
23 ready taken action against individuals with links to
24 the energy sector of the Russian Federation, such as
25 Igor Sechin, Boris and Arkady Rotenberg, Kirill

1 Shamalov, Viktor Vekselberg, and Sergey Frusenko,
2 under—

3 (A) the Global Magnitsky Human Rights
4 Accountability Act (subtitle F of title XII of
5 Public Law 114–328; 22 U.S.C. 2656 note);

6 (B) Executive Orders 13661 and 13662
7 (50 U.S.C. 1701 note; relating to blocking
8 property of additional persons contributing to
9 the situation in Ukraine), codified by section
10 222 of the Countering America’s Adversaries
11 Through Sanctions Act (22 U.S.C. 9522); and

12 (C) Executive Order 13582 (50 U.S.C.
13 1701 note; relating to blocking property of the
14 Government of Syria and prohibiting certain
15 transactions with respect to Syria).

16 (12) While sanctions imposed by the United
17 States in response to the Russian Federation’s war
18 of aggression against Ukraine have largely exempted
19 the energy sector, on February 24, 2022, the United
20 States Government announced action against the fol-
21 lowing 2 additional individuals with links to that sec-
22 tor:

23 (A) Ivan Sechin, son of Igor Sechin, and
24 reportedly a deputy head of a department at
25 Rosneft.

1 (B) Andrey Patrushev, a leader of
2 Gazprom Neft, and son of Nikolai Platonovich
3 Patrushev, the Secretary of the Russian Secu-
4 rity Council.

5 (13) Despite ongoing United States imports of
6 crude oil and petroleum products from the Russian
7 Federation and existing laws and policies against
8 supporting human rights abuses, there has been no
9 United States Government-led analysis of the link-
10 ages between the energy sector of the Russian Fed-
11 eration and corruption or human rights abuses.

12 (14) Oil imported from the Russian Federation
13 contributes to the overall United States carbon foot-
14 print, which makes up nearly 15 percent of all global
15 greenhouse gas emissions.

16 (15) On January 27, 2021, President Joseph
17 R. Biden issued Executive Order 14008 (86 Fed.
18 Reg. 7619; relating to tackling the climate crisis at
19 home and abroad), which identifies climate change
20 as an essential element of the foreign policy and na-
21 tional security strategy of the United States.

22 (16) The Department of Defense cites climate
23 change as a national security threat, noting that 100
24 percent of geographic combatant commands were af-
25 fected by climate-related impacts in 2019, and more

1 than 1,700 military installations continue to be
2 threatened by sea-level rise. Extreme weather events
3 have caused more than \$796,100,000,000 in damage
4 in the United States during the 5 years before the
5 date of the enactment of this Act alone.

6 (17) President Biden has set an economy-wide
7 target for the United States to reduce its net green-
8 house gas emissions by 50 to 52 percent below 2005
9 levels by 2030, which will require decarbonization in
10 the energy, buildings, and transportation sectors.

11 **SEC. 3. SENSE OF CONGRESS.**

12 It is a sense of Congress that—

13 (1) the reliance of the United States on oil im-
14 ported from the Russian Federation presents a na-
15 tional security liability;

16 (2) a prohibition on imports of oil from the
17 Russian Federation could deprive the Russian Fed-
18 eration upwards of \$20,000,000,000 or more rev-
19 enue from the United States in 2022;

20 (3) Russian energy entities are controlled by
21 Russian executives and oligarchs with close ties to
22 Vladimir Putin, and profits from the energy sector
23 may be implicated in corruption and in fueling
24 human rights abuses globally and in the Russian
25 Federation;

1 (4) the United States Government must—

2 (A) investigate the links described in para-
3 graph (2) to avoid funding activities tied to
4 human rights abuses and corruption through
5 the purchase of oil imported from the Russian
6 Federation;

7 (B) develop a comprehensive strategy to
8 replace oil imported from the Russian Federa-
9 tion with domestic carbon-free energy sources;
10 and

11 (C) invest in renewable energy alternatives
12 to replace foreign carbon-intensive energy im-
13 ports; and

14 (5) actively decarbonizing the United States en-
15 ergy economy is of vital strategic interest to the na-
16 tional security and climate change reduction targets
17 of the United States.

18 **SEC. 4. APPROPRIATE CONGRESSIONAL COMMITTEES DE-**
19 **FINED.**

20 In this Act, the term “appropriate congressional com-
21 mittees” means—

22 (1) the Committee on Finance, the Committee
23 on Foreign Relations, the Committee on Banking,
24 Housing, and Urban Affairs, and the Committee on
25 Energy and Natural Resources of the Senate; and

1 (2) the Committee on Ways and Means, the
2 Committee on Foreign Affairs, the Committee on Fi-
3 nancial Services, and the Committee on Energy and
4 Commerce of the House of Representatives.

5 **SEC. 5. REPORT ON LINKS BETWEEN RUSSIAN ENERGY EN-**
6 **TITIES, HUMAN RIGHTS VIOLATIONS, AND**
7 **CORRUPTION.**

8 (a) IN GENERAL.—Not later than 90 days after the
9 date of the enactment of this Act, and annually thereafter,
10 the Secretary of State, in coordination with the Secretary
11 of Energy, the Secretary of the Treasury, the Secretary
12 of Defense, the Secretary of Commerce, and the Director
13 of National Intelligence, shall submit to the appropriate
14 congressional committees a report—

15 (1) identifying which Russian, United States,
16 and international entities are involved with the im-
17 portation of crude oil and petroleum products from
18 the Russian Federation into the United States;

19 (2) describing the relationship of those entities,
20 and members of their executive boards, with Vladi-
21 mir Putin and other Russian persons subject to
22 sanctions imposed by the United States;

23 (3) identifying whether any individuals de-
24 scribed in paragraph (2) or entities described in
25 paragraph (1) have engaged in acts of corruption or

1 are responsible for or complicit in, or have directly
2 or indirectly engaged in, serious human rights
3 abuses;

4 (4) identifying the ways in which revenue gen-
5 erated from the exportation of crude oil and petro-
6 leum products to the United States and to other
7 countries has helped insulate the Russian economy
8 since the United States and international community
9 imposed sanctions in response to the Russian Fed-
10 eration's illegal war of aggression against Ukraine;

11 (5) identifying alternative suppliers for the im-
12 portation of crude oil and petroleum products, other
13 than from the Russian Federation, that minimize
14 risks to United States consumers;

15 (6) a comprehensive strategy to prioritize car-
16 bon-free energy sources and reduction of the demand
17 for fossil energy as alternatives to crude oil and pe-
18 troleum products imported from the Russian Fed-
19 eration; and

20 (7) assessing why United States entities are
21 choosing to do business with entities described in
22 paragraph (1) and what advantages doing business
23 with such entities presents.

1 (b) FORM OF REPORT.—The report required by sub-
2 section (a) shall be submitted in unclassified form but may
3 include a classified annex.

4 **SEC. 6. PROHIBITION ON IMPORTATION OF CRUDE OIL AND**
5 **PETROLEUM PRODUCTS FROM THE RUSSIAN**
6 **FEDERATION.**

7 (a) IN GENERAL.—Effective on the date that is 30
8 days after the date of the enactment of this Act, the im-
9 portation of crude oil and petroleum products from the
10 Russian Federation into the United States is prohibited.

11 (b) PRESIDENTIAL WAIVER.—

12 (1) IN GENERAL.—The President may waive
13 the prohibition under subsection (a) for a period of
14 not more than one year if—

15 (A) the report required by section 5 has
16 been submitted to the appropriate congressional
17 committees; and

18 (B) the President submits to the appro-
19 priate congressional committees a certification
20 that—

21 (i) the importation of crude oil and
22 petroleum products from the Russian Fed-
23 eration does not pose a significant risk to
24 the national security of the United States;
25 and

1 (ii) a prohibition on the importation
2 of crude oil and petroleum products from
3 the Russian Federation would unduly im-
4 pact energy prices for United States con-
5 sumers.

6 (2) RENEWAL.—The President may renew a
7 waiver issued under paragraph (1) on annual basis
8 if, before the termination date of the previous waiv-
9 er—

10 (A) the most recent report required by sec-
11 tion 5 has been submitted to the appropriate
12 congressional committees; and

13 (B) the President submits to the appro-
14 priate congressional committees a certification
15 described in paragraph (1)(B).

16 (3) FORM OF CERTIFICATION.—A certification
17 submitted under paragraph (1)(B) or (2)(B) shall be
18 submitted in unclassified form but may include a
19 classified annex.

20 **SEC. 7. IMPOSITION OF SANCTIONS.**

21 (a) IN GENERAL.—Upon receiving a report required
22 by section 5, the President shall use the authorities pro-
23 vided by the provisions of law specified in subsection (b)
24 to impose sanctions with respect to any foreign individual
25 or entity identified under section 5(a)(3) as having en-

1 gaged in acts of corruption or who are responsible for or
2 complicit in, or have directly or indirectly engaged in, seri-
3 ous human rights abuses.

4 (b) PROVISIONS OF LAW SPECIFIED.—The provisions
5 of law specified in this subsection are the following:

6 (1) The Global Magnitsky Human Rights Ac-
7 countability Act (subtitle F of title XII of Public
8 Law 114–328; 22 U.S.C. 2656 note).

9 (2) The Sergei Magnitsky Rule of Law Ac-
10 countability Act of 2012 (title IV of Public Law
11 112–208; 22 U.S.C. 5811 note).

12 (3) Title II of the Countering America’s Adver-
13 saries Through Sanctions Act (22 U.S.C. 9501 et
14 seq.).

15 (4) The International Emergency Economic
16 Powers Act (50 U.S.C. 1701 et seq.).

○