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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 SENATE OF THE UNITED STATES

Mr. Markey introduced the following bill; which was read twice and referred to the Committee on ________________

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.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Severing Putin’s Im-

mense Gains from Oil Transfers Act of 2022” or the

“SPIGOT Act of 2022”.

SEC. 2. FINDINGS.

Congress makes the following findings:

1. In February 2022, the Russian Federation launched a large scale invasion of Ukraine that violated Ukraine’s sovereignty and territorial integrity.

2. In 2021, the Russian Federation became the second-largest exporter of crude oil and petroleum products to the United States, after Canada.

3. In 2020, 7 percent of all petroleum imports to the United States came from the Russian Federation, which is more than was imported from the Kingdom of Saudi Arabia.

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

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

6. As of February 2022, oil prices have risen to $92 per barrel.

7. According to the Ministry of Finance of the Russian Federation, 36 percent of all revenue of the Government of the Russian Federation came from the oil and gas sector in 2021. In 2019 and 2020,
the overall percentage of revenue of that Government that came from the oil and gas sector reached 39 and 28 percent, respectively.

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

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

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

(11) The United States Government has already taken action against individuals with links to the energy sector of the Russian Federation, such as Igor Sechin, Boris and Arkady Rotenberg, Kirill Shamalov, Viktor Vekselberg, and Sergey Frusenko, under—
(A) the Global Magnitsky Human Rights Accountability Act (subtitle F of title XII of Public Law 114–328; 22 U.S.C. 2656 note);

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

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

(12) While sanctions imposed by the United States in response to the Russian Federation’s war of aggression against Ukraine have largely exempted the energy sector, on February 24, 2022, the United States Government announced action against the following 2 additional individuals with links to that sector:

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

(B) Andrey Patrushev, a leader of Gazprom Neft, and son of Nikolai Platonovich
Patrushev, the Secretary of the Russian Security Council.

(13) Despite ongoing United States imports of crude oil and petroleum products from the Russian Federation and existing laws and policies against supporting human rights abuses, there has been no United States Government-led analysis of the linkages between the energy sector of the Russian Federation and corruption or human rights abuses.

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


(16) The Department of Defense cites climate change as a national security threat, noting that 100 percent of geographic combatant commands were affected by climate-related impacts in 2019, and more than 1,700 military installations continue to be threatened by sea-level rise. Extreme weather events
have caused more than $796,100,000,000 in damage in the United States during the 5 years before the date of the enactment of this Act alone.

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

SEC. 3. SENSE OF CONGRESS.

It is a sense of Congress that—

(1) the reliance of the United States on oil imported from the Russian Federation presents a national security liability;

(2) a prohibition on imports of oil from the Russian Federation could deprive the Russian Federation upwards of $20,000,000,000 or more revenue from the United States in 2022;

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

(4) the United States Government must—
(A) investigate the links described in paragraph (2) to avoid funding activities tied to human rights abuses and corruption through the purchase of oil imported from the Russian Federation;

(B) issue a moratorium on the importation of oil from the Russian Federation until a thorough investigation is complete;

(C) develop a comprehensive strategy to replace oil imported from the Russian Federation with domestic carbon-free energy sources; and

(D) invest in renewable energy alternatives to replace foreign carbon-intensive energy imports; and

(5) actively decarbonizing the United States energy economy is of vital strategic interest to the national security and climate change reduction targets of the United States.

SEC. 4. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.

In this Act, the term “appropriate congressional committees” means—

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

(2) the Committee on Ways and Means, the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Energy and Commerce of the House of Representatives.

SEC. 5. REPORT ON LINKS BETWEEN RUSSIAN ENERGY ENTITIES, HUMAN RIGHTS VIOLATIONS, AND CORRUPTION.

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

(1) identifying which Russian, United States, and international entities are involved with the importation of crude oil and petroleum products from the Russian Federation into the United States;

(2) describing the relationship of those entities, and members of their executive boards, with Vladimir Putin and other Russian persons subject to sanctions imposed by the United States;
(3) identifying whether any individuals described in paragraph (2) or entities described in paragraph (1) have engaged in acts of corruption or are responsible for or complicit in, or have directly or indirectly engaged in, serious human rights abuses;

(4) identifying the ways in which revenue generated from the exportation of crude oil and petroleum products to the United States and to other countries has helped insulate the Russian economy since the United States and international community imposed sanctions in response to the Russian Federation’s illegal war of aggression against Ukraine;

(5) identifying alternative suppliers for the importation of crude oil and petroleum products, other than from the Russian Federation, that minimize risks to United States consumers;

(6) a comprehensive strategy to prioritize carbon-free energy sources and reduction of the demand for fossil energy as alternatives to crude oil and petroleum products imported from the Russian Federation; and

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

(b) FORM OF REPORT.—The report required by subsection (a) shall be submitted in unclassified form but may include a classified annex.

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

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

(b) PRESIDENTIAL WAIVER.—

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

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

(B) the President submits to the appropriate congressional committees a certification that—

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

(ii) a prohibition on the importation of crude oil and petroleum products from the Russian Federation would unduly impact energy prices for United States consumers.

(2) RENEWAL.—The President may renew a waiver issued under paragraph (1) on annual basis if, before the termination date of the previous waiver—

(A) the most recent report required by section 5 has been submitted to the appropriate congressional committees; and

(B) the President submits to the appropriate congressional committees a certification described in paragraph (1)(B).

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

SEC. 7. IMPOSITION OF SANCTIONS.

(a) IN GENERAL.—Upon receiving a report required by section 5, the President shall use the authorities provided by the provisions of law specified in subsection (b)
to impose sanctions with respect to any foreign individual or entity identified under section 5(a)(3) as having engaged in acts of corruption or who are responsible for or complicit in, or have directly or indirectly engaged in, serious human rights abuses.

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


(3) Title II of the Countering America’s Adversaries Through Sanctions Act (22 U.S.C. 9501 et seq.).