

**Statement of the Honorable Jerrold Nadler
Ranking Member, House Judiciary Committee
H.R. 9563, the “Protecting Americans from Russian Litigation Act
of 2024”
September 25, 2024**

Mr. Chairman, H.R. 9563, the “Protecting Americans from Russian Litigation Act of 2024,” is targeted legislation to eliminate a loophole in U.S. law that could allow Russian companies to take advantage of Americans in the U.S. federal court system.

On February 24th, 2022, Russian troops crossed the border into its sovereign neighbor, Ukraine, beginning a campaign of terror that is ongoing today. Two and a half years after Russian aggression in Ukraine began, over one million people have been killed or injured, over ten million Ukrainians have been displaced, and over one-hundred thousand war crimes have been reported by Ukrainian authorities.

I am proud that the United States responded swiftly to this unjustified attack on a sovereign nation-state, and I am even more proud that I [supported](#) emergency funding to Ukraine when it last came up for a vote in April of this year. But we have not just given Ukraine crucial financial backing.

Under the Biden-Harris administration, the United States has sanctioned thousands of Russians and Russian entities. Agencies across our government, including but not limited to the U.S. Treasury, the Department of Commerce, and the Bureau of Foreign Assets Control have worked to make foreign aggression unaffordable for the “Russian war machine.”

Sanctioned Russian entities, for the most part, have little recourse. A Russian company, for example, cannot physically force U.S. software companies to license platforms or provide them with IT services.

In some limited situations, however, sanctioned Russian entities could bring suit in the U.S. federal court system. The legislation before us today would close that loophole.

H.R. 9563 amends Title 28 of the United States Code to ensure that U.S. individuals cannot be sued for good faith efforts to comply with U.S. sanctions and export controls. Good faith compliance can include refusal to perform on a purchase contract, the revocation of software credentials, or freezing funds of a sanctioned entity, to name a few. For example, under this provision, a Russian diamond mine could not sue an American company in federal court for refusing to honor an importation contract, because the U.S. issued diamond sanctions in March of 2022.

Our businesses here at home should not be open to liability for complying with the law. But that is exactly what happened to J.P. Morgan earlier this year. Throughout 2024, J.P. Morgan has been embroiled in U.S. and Russian lawsuits with Russian bank VTB for complying with U.S. sanctions related to the Russian war in Ukraine.

While this case is complex and ongoing, the moral of the story is clear: Russian companies should not be able to use U.S. federal law to punish U.S. entities for cooperation with American sanctions.

I recognize there are some in this country who have praised Russia for its aggression, who have suggested that we should no longer provide aid to our ally Ukraine. As we near the third year of Russia's war, it is important we remember that Russia's aggression is a destabilizing force in the region. An emboldened Russia, bolstered by North Korean military aid, represents a clear threat to United States interests abroad and our NATO allies.

Because of the ongoing threat posed by Russia, U.S. sanctions are as important today as they were when the war began in more than two years ago. Making compliance easier on American companies is an important way to ensure the U.S. remains strong in its resolve to defend and support Ukraine.

I want to thank Congressman Hunt for working with me to ensure this legislation is narrowly drafted and does not interfere with our strong U.S. court system. With his collaboration, we were able to get the text where it is today, and I am glad to join Congressman Hunt, Congressman Ivey, and my other Judiciary colleagues as a cosponsor of this legislation.

I urge all Members to support the bill, and I yield back the balance of my time.