March 14, 2022

Memorandum

To: Members, Committee on Financial Services
From: FSC Majority Staff
Subject: Thursday, March 17, 2022, Full Committee Markup

The full Committee will convene to mark up the following measures, in an order to be determined by the Chairwoman at 10:00 A.M. on Thursday, March 17, 2022, and subsequent days if necessary, in a hybrid format in room 2128 of the Rayburn House Office Building as well as on the WebEx platform.

Background

On February 24, 2022, Russian President Vladimir Putin launched an unprovoked, illegal invasion of Ukraine.1 Russian troops and armaments crossed into Ukraine on three fronts—eastern Ukraine along the shared Russian border, from Belarus in the north, and from Russia-annexed Crimea to the south—firing missiles on major population centers across the country, including the Ukrainian capital, Kyiv.2

Since February 24th Russian forces have continued their assault on the capital, Kyiv, as well as major cities throughout the country, with reports of forces targeting civilians, communications, and public infrastructure.3 While Russian forces have faced unexpected setbacks in their assault on Ukraine, including issues with maintaining adequate supply lines and fierce resistance from Ukrainian citizens, Russian forces are considerably larger than those of Ukraine and they continue to make slow progress in encircling major population centers. In the first two weeks of the invasion, an estimated 1,200 Ukrainian civilians were killed, in addition to an estimated 2,000-4,000 Ukrainian troop and 5,000-6,000 Russian troop casualties.4 The United Nations High Commissioner for Refugees (UNHCR) reports that since February 24th, over 2.8 million Ukrainians have fled the country and estimates up to 4 million people total may flee as the conflict continues to unfold.5 Ukraine’s top economic advisor estimates that invading Russian forces have caused at least $100 billion dollars’ worth of damage to infrastructure, buildings, and other physical assets in the country.6

Global Response To-Date

In response to reports in late 2021 and early 2022 of major Russian military build-up along Ukraine’s borders, the U.S. and its allies had warned the Russian government that they were prepared to impose severe sanctions if Russia launched a new invasion of Ukraine.7 These sanctions would go beyond those imposed on Russia in 2014 following its invasion and annexation of Crimea in southern Ukraine and partial occupation of the Donbas region in eastern Ukraine. In the lead-up to the invasion, however, the North Atlantic Treaty Organization (NATO) joined the U.S. in stating it would not deploy forces to

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1 T. Lister et. al., Heres what we know about how Russia’s invasion of Ukraine unfolded, CNN (Feb. 24, 2022).
2 Ibid.
3 K. Liptak and B. Klien, Biden stops short of accusing Russia of war crimes as his UN ambassador says banned weapons are being moved into Ukraine, CNN (Mar. 2, 2022).
4 Up to 6,000 Russians may have been killed in Ukraine so far, U.S. official estimates, CNN (Mar. 10, 2022).
6 D. Lawder, Ukraine war damage tops $100 billion so far, economic adviser says, Reuters (Mar. 10, 2022).
7 U.S. Department of State, G7 Foreign Ministers’ Statement on Russia and Ukraine, (Feb. 19, 2022).
defend Ukraine, which is not a NATO member. NATO has, however, enhanced its defensive force posture in the eastern part of the alliance and reiterated its solidarity with Ukraine.

The global response to Russia’s unprovoked attack on Ukraine has been one of swift and near universal condemnation. On March 2, 2022, the U.N. General Assembly voted 141-5 to demand Russia “immediately, completely and unconditionally withdraw” from Ukraine. Large multinational companies—including payment processors Visa and Mastercard, mobile payment services GooglePay, ApplePay, and PayPal, oil and gas firms Shell and British Petroleum (BP), shipping firm Maersk, and Goldman Sachs—have voluntarily suspended or withdrawn from operations in Russia. Additionally, the U.S. and allies, including the European Union (EU), EU members, and the United Kingdom (UK), have provided or pledged new military assistance to Ukraine.

U.S. Sanctions

Between February 21-March 11, 2022, the U.S. imposed the following sanctions, prohibitions, restrictions, and bans on Russia and Belarus:

- Restrictions on transactions with Russia’s central bank, limiting its ability to draw on dollar-denominated foreign reserves, and transactions with Russia’s Ministry of Finance and National Wealth Fund
- Restrictions on transactions by U.S. financial institutions, including correspondent and payable-through accounts, with Sberbank, Russia’s largest financial institution and one of Russia’s five largest companies
- Full blocking sanctions, including restrictions on transactions and access to U.S.-based assets, on VTB Bank (Russia’s second-largest financial institution) and four other Russian financial institutions, including two operating in Russia’s defense sector
- VEB, a major state development bank that “provides financing for large-scale projects to develop the country’s infrastructure and industrial production” (with the above-mentioned exceptions)
- Russian Direct Investment Fund, one of Russia’s sovereign wealth funds, and its CEO
- Nord Stream 2 AG, the parent company of Russia’s Nord Stream 2 natural gas pipeline project, and its CEO
- Several defense-related entities
- Russian President Vladimir Putin, Foreign Minister Sergei Lavrov, Defense Minister Sergei Shoigu, and Chief of the General Staff Valery Gerasimov

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9 North Atlantic Treaty Organization (NATO), *NATO Secretary General: this is the most dangerous moment in European security for a generation*, (Feb. 22, 2022).
10 United Nations, *General Assembly resolution demands end to Russian offensive in Ukraine*, (Mar. 2, 2022). Note: 34 countries, including China and India, abstained from the vote.
11 Here are the companies pulling back from Russia, CNN (Mar. 3, 2022) See also: Visa Suspends All Russia Operations, Business Wire (Mar. 5, 2022); Mastercard Statement on Suspension of Russian Operations, Business Wire (Mar. 5, 2022); and Goldman Sachs becomes first U.S. bank to quit Russia, Reuters (Mar. 3, 2022).
13 Note: In response to Russia’s recognition of two Russia-occupied regions in eastern Ukraine as independent states, the U.S. and allies imposed an initial round of sanctions on February 21-23, 2022, ahead of the February 24th invasion of Ukraine.
Certain Russian oligarchs and their family members
- Certain Russian disinformation operations
- Belarusian entities, officials, and elites in response to Belarus’s support for Russia’s invasion.\(^\text{16}\)

- Restrictions against new equity investment and financing for 13 top Russian companies, including
  - Gazprom, Russia’s largest state-owned energy company
  - Alrosa, the world’s largest diamond-mining firm
  - Sovcomflot, Russia’s largest maritime and freight shipping firm
  - Russian Railways
  - Alfa Bank, Russia’s largest private bank.\(^\text{17}\)

- Prohibitions against U.S. trade or investment in Russia-occupied regions of eastern Ukraine and sanctions against those who operate in those regions.\(^\text{18}\)

- Ban on Russian aircraft entering or using U.S. airspace\(^\text{19}\)

- Restrictions against secondary-market transactions by U.S. financial institutions in Russian sovereign debt previous in addition to previous restrictions applied to transactions in the primary market.\(^\text{20}\)

- Restrictions on U.S. import of Russian fish, seafood, alcohol, and non-industrial diamonds as well as restrictions on export of U.S. luxury goods to persons located in Russia.\(^\text{21}\)

**Export Controls**

On February 24, 2022, the Department of Commerce issued a new rule expanding export controls on Russia for oil and gas extraction equipment and imposing new restrictions on “sensitive U.S. technologies produced in foreign countries using U.S.- origin software, technology, or equipment.”\(^\text{22}\) These controls are intended to restrict the ability of many foreign manufacturers to export to Russia “semiconductors, telecommunication, encryption security, lasers, sensors, navigation, avionics and maritime technologies.”\(^\text{23}\) On March 2, 2022, these export controls were expanded to include Belarus in response to their participation in the invasion of Ukraine.\(^\text{24}\)

**Task Force KleptoCapture**

At the direction of President Biden, on March 2, 2022, U.S. Attorney General Merrick Garland announced the creation of an interagency law enforcement team, Task Force KleptoCapture, to coordinate prosecutors and other federal investigators to enforce sanctions imposed against Russian officials and.

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\(^\text{23}\) Ibid.

oligarchs in response to the invasion of Ukraine. This unit, which includes Treasury, will pursue asset forfeiture of illegally derived oligarch and other sanctioned person’s assets, such as yachts and mansions.

**Ban on Import of Russian Oil, Gas, and Coal**

On March 8, 2022, President Biden announced an Executive Order banning the import of Russian oil, natural gas, and coal to the U.S., new U.S. investment in Russia’s energy sector, and prohibitions on U.S. financing or enabling of foreign companies to invest in energy production in Russia.

**SWIFT Sanctions**

SWIFT (Society of Worldwide Interbank Financial Telecommunication) is the main international financial messaging system used by financial institutions globally to send payment instructions to other banks in order to process financial transactions, such as which accounts to debit or credit, and other cross-border payments. On February 26, 2022, the European Commission along with France, Germany, Italy, the United Kingdom, Canada, and the U.S. announced that key Russian financial institutions would be removed from SWIFT, making it extremely difficult for Russian banks to process cross-border payments.

**Allied Sanctions**

The European Union, the United Kingdom, other non-EU European countries, Switzerland, Canada, Australia, New Zealand, Japan, South Korea, Singapore, and Taiwan, among others, have imposed or announced sanctions, export controls, or both in response to Russia's invasion of Ukraine. Many sanctions imposed by U.S. allies are identical or similar to U.S. sanctions, including restricting transactions with Russia’s central bank, and were the result of close coordination of sanctions policy between the U.S. and its allies.

**Nord Stream 2 Cancellation**

On February 22, 2022, Germany announced its decision to effectively cancel the Nord Stream 2 natural gas pipeline project, owned a subsidiary of Russia’s state-owned Gazprom. An abrupt change from its earlier stance, Germany’s action to end this project significantly limits German access to Russia’s large resources of natural gas, while restricting new and anticipated sources of Russian funds. Subsequent to this action, the company operating the pipeline is reported to have fired all of its employees.

**World Bank and International Monetary Fund Response**

On March 2, 2022, the World Bank issued a statement noting that it had stopped all its programs in Russia and Belarus with “immediate effect” and had not approved any loans or investments in Russia since 2014 nor in Belarus since mid-2020. The day prior, the International Monetary Fund (IMF) and the World Bank issued a joint statement noting that both institutions are working to support Ukraine directly, as well as to “assess the economic and financial impact of the conflict and refugees on other countries in the region and the world” and “provide enhanced policy, technical, and financial support to neighboring countries as needed.” The IMF extended through 2022 an existing $5 billion loan for

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31 Wall Street Journal, *Nord Stream 2 Gas Pipeline Lays Off All Employees - WSJ*
Ukraine with $2.2 billion available through this loan program between now and the end of June.\textsuperscript{34} The World Bank is preparing a $3 billion package of support, starting with a fast-disbursing budget support operation for at least $350 million.\textsuperscript{35} The Ukrainian Central Bank has asked the IMF and the G-7 major economies to limit the participation of Russian and Belorussian representatives in their activities.\textsuperscript{36}

\textit{International Trade Relations}

On March 11, 2022, President Biden announced, in coordination with other G-7 countries, his intent to revoke Russia’s Permanent Normal Trade Relations (PNTR) status.\textsuperscript{37} PNTR status is a non-discriminatory trade policy intended to equalize trade treatment for tariffs and other in trade agreements between all countries of the World Trade Organization (WTO), of which both Russia and the U.S. are members.\textsuperscript{38} Removing Russia’s PNTR status would substantially increase import duties on U.S. imports from Russia, which account for approximately 1% of all U.S. imports.\textsuperscript{39} An act of Congress is required for the U.S. to formally revoke Russia’s PNTR status, though there is bicameral, bipartisan interest in introducing legislation to revoke Russia’s PNTR status and suspend Russia and Belarus’ membership at the WTO.\textsuperscript{40}

\textbf{Legislation}

- \textbf{Amendment in the Nature of a Substitute to H.R. 7066, the “Russia and Belarus Financial Sanctions Act” (Rep. Sherman)}

\textbf{Summary:} This bill would clarify that U.S. financial institutions that are obligated to comply with various sanctions against Russia and Belarus, must take all necessary and available actions to ensure that any entity it owns or controls, including any foreign subsidiaries, comply with the sanctions.

\textbf{Background:} Many economic sanctions that apply to Russia and Belarus typically require a “U.S. person,” including U.S. financial institutions, to comply with the mandate. However, there is ambiguity regarding the extent to which foreign subsidiaries of U.S. financial institutions are required to comply with the sanctions. This bill is intended to clarify and ensure all aspects of U.S. financial institutions implement the relevant sanctions against Russia and Belarus.

\textbf{Section-by-Section:} \textit{See Appendix A.}

- \textbf{Amendment in the Nature of a Substitute to H.R. 7081, the “Ukraine Comprehensive Debt Repayment Relief Act of 2022” (Rep. C. Garcia)}

\textbf{Summary:} This legislation would direct the Department of Treasury to use the voice, vote, and influence of the U.S. at the International Monetary Fund (IMF), the World Bank and other relevant multilateral development banks to advocate for the immediate suspension all debt service payments owed to these institutions by Ukraine. It also directs the Secretary of Treasury, in coordination with the Secretary of

\textsuperscript{34} Ibid.
\textsuperscript{35} Ibid.
\textsuperscript{36} Ibid.
\textsuperscript{37} R. Partington, \textit{G7 nations strip Russia of ’most favoured nation’ status}, The Guardian (Mar. 11, 2022). Note: the designation Most Favored Nation (MFN) was changed to Permanent Normal Trade Relations (PNTF) by the Internal Revenue Service Restructuring and Reform Act of 1998.
\textsuperscript{38} M. Gordon, \textit{EXPLAINER: Russia is not a ’most favored nation.’ What now?}, The Washington Post (Mar. 11, 2022).
\textsuperscript{39} Congressional Research Service, \textit{Invasion of Ukraine: Russia’s Trade Status, Tariffs, and WTO Issues}, (Mar. 10, 2022) (IN11881).
\textsuperscript{40} Ibid.
State, to commence immediate efforts with other official bilateral creditors and commercial creditor
groups to pursue similar comprehensive debt payment relief for Ukraine.

**Background:** Ukraine is facing significant external debt obligations, which total in the billions in annual
debt service payments to multilateral development banks, bilateral creditors, commercial creditor groups. These debt obligations inhibit the ability of the Ukrainian government to reallocate resources towards defending against the Russian invasion and providing much-needed humanitarian assistance to its internally displaced citizens. Ukraine currently owes $21.7 billion to multilateral institutions, such as the International Monetary Fund (IMF) and the World Bank, $6.5 billion to other bilateral creditors, and another $3.5 billion to external commercial creditors.41 This bill directs the Treasury to advocate for the immediate suspension of all debt service payments to the IMF, World Bank, and other relevant multilateral development banks and similar comprehensive debt payment relief for Ukraine from bilateral creditors and commercial creditor groups. This legislation would seek to eliminate $4.6 billion in Ukrainian debt service payments in 2022 alone.

**Section-by-Section:** *See Appendix B.*

- **Amendment in the Nature of a Substitute to H.R. 7080, the “Nowhere to Hide Oligarchs’ Assets” (Waters)**

**Summary:** This bill would assist the Financial Crimes Enforcement Network (FinCEN), the nation’s Financial Intelligence Unit, by removing the geographic limitation to its Geographic Targeting Order (GTO) authority and expanding the agency’s inquiries about foreign financial agencies to include foreign nonfinancial trades or businesses.

**Background:** Currently, FinCEN can impose recordkeeping and reporting requirements on domestic financial institutions and non-financial trades or businesses “in a geographic area” in order to better understand money laundering and other illicit finance.42 This GTO authority is a temporary tool (limited to 180 days, unless re-issued), and it is critical in generating narrowly targeted Bank Secrecy Act-related information for law enforcement and the intelligence community and for FinCEN to support potential rulemaking processes. This bill would remove the geographic limitation to FinCEN’s GTO authority, allowing FinCEN to request information nationwide – for example, to better understand how Russia and its oligarchs are working to hide and launder money and, as the sanctions pile up against oligarchs, their family members, and their entities, evade sanctions. Although this tool is typically deployed on a confidential basis – thus preventing targets from taking steps to avoid scrutiny – one might project that it could be used to learn more about transactions related to yachts or high-value art, wherever located in the U.S.

Current law also gives FinCEN the authority to impose certain recordkeeping and reporting requirements by persons in the U.S. involving transactions or relationships with foreign financial agencies.43 This bill would expand the coverage of that authority to include foreign nonfinancial trades or businesses, allowing FinCEN to obtain necessary information concerning other foreign entities involved in illicit financial activities. For example, foreign shell companies or other foreign legal entities employed by Russian oligarchs to conceal their wealth or otherwise engage in illicit financial activity may not fit the definition

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43 31 U.S. Code § 5314, *Records and reports on foreign financial agency transactions*
of a “foreign financial agency,” but it is essential to understand their financial relationships if FinCEN, OFAC, or other interagency partners are to effectively piece together and target financial facilitators and networks of assets. Such information would support the newly-formed interagency Task Force KleptoCapture, which is designed to ensure the enforcement of Russian-related sanctions, in part through the identification and seizure of assets associated with sanctioned individuals and entities.

Section-by-Section: See Appendix C.

- Amendment in the Nature of a Substitute to H.R. 6891, the “Isolate Russian Government Officials Act of 2022” (Wagner)

Summary: This bill would make it the policy of the United States to seek to exclude government officials of the Russian Federation, to the maximum extent practicable, from participating in meetings, proceedings, and other activities of the Group of 20 (G-20), Bank for International Settlements (BIS), Basel Committee for Banking Standards (BCBS), Financial Stability Board (FSB), International Association of Insurance Supervisors (IAIS), and International Organization of Securities Commissions (IOSCO). This bill sunsets on the earlier of 5 years after enactment, or 30 days after the President certifies Russia has ceased its destabilizing activities with respect to the sovereignty and territorial integrity of Ukraine. Additionally, the President may waive the law’s application if doing so is in the national interest of the United States.

Background: Russia is a member of a variety of international financial organizations and coordinating bodies, including the G-20, BIS, BCBS, FSB, IAIS, and IOSCO. These organizations, among other things, help to coordinate and formulate consistent standards, guidelines, and best practices in various aspects of financial regulation, as well as to help identify and make recommendations to mitigate various threats to global financial stability. However, in light of the ongoing nature of Russia’s unprovoked invasion of Ukraine, and the response by U.S. and other countries to impose a variety of sanctions in response, ongoing cooperation with Russia in these bodies would be challenges if not counterproductive to the mission of these organizations. Moreover, some organizations have begun to suspend or otherwise restrict Russia’s participation in these bodies. For example, the Bank for International Settlements has suspended Russia’s central bank from using its banking services that it provides to a wide range of central banks around the world.

Section-by-Section: See Appendix D.

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44 31 CFR § 1010.100, General definitions. “(v) Foreign financial agency. A person acting outside the U.S. for a person (except for a country, a monetary or financial authority acting as a monetary or financial authority, or an international financial institution of which the U.S. Government is a member) as a financial institution, bailee, depository trustee, or agent, or acting in a similar way related to money, credit, securities, gold, or a transaction in money, credit, securities, or gold.”


• **Amendment in the Nature of a Substitute to H.R. 6899, the “Russia and Belarus SDR Exchange Prohibition Act of 2022” (Hill)**

**Summary:** The bill would prohibit the Secretary of the Treasury from providing U.S. dollars in exchange for any Special Drawing Rights held by the Russian Federation or Belarus. It also mandates that the Secretary of the Treasury vigorously advocate that other governments which hold freely usable currencies similarly refuse to convert any Special Drawing Rights held by the Russian Federation or Belarus into a hard currency. The legislation also mandates the Secretary of the Treasury to instruct the United States representative at each international financial institution (such as the International Monetary Fund and the World Bank) to oppose the provision of financial assistance from the respective institution to the Russian Federation and Belarus, except to address the basic human needs of the civilian population.

These mandates would terminate on the earlier of the date that is 5 years after the date of enactment of the bill or 30 days after the President certifies that the governments of the Russian Federation and Belarus have ceased destabilizing activities with respect to the sovereignty and territorial integrity of Ukraine. The bill provides the President the authority to waive any provisions of the bill if the President certifies that doing so would be in the national interest of the United States.

**Background:** Special Drawing Rights (SDRs) are a special reserve asset of the International Monetary Fund (IMF) distributed to each member country in proportion to its shareholding in the Fund. Countries can hold their SDRs as part of their precautionary reserve balances or convert them for hard currency to finance balance of payments needs, pay for imports, adjust the composition of their reserves, or pay back IMF loans. In August 2021, the IMF approved a $650 billion allocation of SDRs, of which $275 billion went to emerging market and developing countries to help transform the global pandemic crisis into a fair and resilient economic recovery.

One concern of those opposed to such an allocation was that it would provide unconditional liquidity to countries who act against U.S. interests, including Russia and Belarus. The Department of Treasury has noted that it has the right to refuse to exchange SDRs for any nation whose policies the U.S. opposes, and that while Russia and Belarus did receive their legal share of the recent SDR allocation, they will not be able to use them. In fact, to date, Belarus has not used any of its new SDR holdings, and Russia continues to hold virtually all of its recently acquired SDRs as well. Given the recent G7 sanctions against transactions with Russia’s central bank, and the raft of new sanctions against Belarus, it would be difficult for any country to convert the SDRs of either country without running afoul of international sanctions.

**Section-by-Section:** See Appendix E.

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56 Atlantic Council, IMF delivers fiscal firepower (August 23, 2021)
57 Bloomberg, U.S. Defends Support for IMF Reserves After GOP Criticism, April 1, 2021
Appendix A: Section by Section for ANS to H.R. 7066, the “Russia and Belarus Financial Sanctions Act” (Sherman)

Section 1. Short title.

- This section establishes the short title of the bill as the “Russia and Belarus Financial Sanctions Act of 2022”.

Section 2. Requirements.

- This section stipulates a U.S. financial institution, as that term is defined in the Code of Federal Regulations under section 561.309 of title 31, must take all necessary and available actions to ensure any entity owned or controlled by the financial institution complies with relevant sanctions against Russia and Belarus pursuant to another statute, regulation or order. Such sanctions may include, for example, limitations or prohibitions on transactions, deposits, loans, securities, or providing any other good or service.
Appendix B: Section by Section for ANS to H.R. ####, the “Ukraine Comprehensive Debt Payment Relief Act.” (C. Garcia)

Section 1. Short title.

- This section establishes the short title of the bill as the “Ukraine Comprehensive Debt Payment Relief Act.”

Section 2. Suspension of Multilateral Debt Payments of Ukraine

- This section directs the Treasury Secretary to instruct each of the US Executive Directors at the international financial institutions to use their voice, vote and influence to advocate that each institution immediately suspend all debt service payments owed by Ukraine.
- This section also directs the Treasury Secretary, working with the Secretary of State, to work with government and commercial creditors, to pursue formal and informal debt payment relief for Ukraine.
- The Treasury Secretary shall also instruct each of the US Executive Directors at the international financial institutions to use their voice, vote and influence to advocate that each institution to support concessional financial assistance to Ukraine.

Section 3. Report to the Congress

- This section directs the President to submit a public report to the U.S. House Committees on Financial Services, on Appropriations and on Foreign Affairs and to the U.S. Senate Committees on Foreign Relations and on Appropriations on the activities undertaken under this Act.

Section 4. Waiver and Termination

- This section authorizes the Treasury Secretary to waive the requirements of this Act if it is in the national interest of the U.S.
- This section also terminates the provisions under this Act seven years after enactment.
Appendix C: Section by Section for ANS to H.R. ####, the “Nowhere to Hide Oligarchs’ Assets Act.”

(Waters)

Section 1. Short title.

- This section establishes the short title of the bill as the “Nowhere to Hide Oligarchs’ Assets Act.”

Section 2. Records of certain domestic transactions.

- This section strikes the phrase, “in a geographic area”, from the existing statute.

Section 3. Records and reports on foreign financial agency transactions and foreign nonfinancial trade or business transactions.

- This section inserts the phrase, “foreign nonfinancial trade or business transactions”, to the existing statute.
Appendix D: Section by Section for ANS to H.R. 6891, the Isolate Russian Government Officials Act of 2022 (Rep. Wagner)

Section 1. Short title.

- This section establishes the short title of the bill as the “Isolate Russian Government Officials Act.”

Section 2.

- This section would make it the policy of the United States to seek to exclude government officials of the Russian Federation, to the maximum extent practicable, from participating in meetings, proceedings, and other activities of the Group of 20 (G-20), Bank for International Settlements (BIS), Basel Committee for Banking Standards (BCBS), Financial Stability Board (FSB), International Association of Insurance Supervisors (IAIS), and International Organization of Securities Commissions (IOSCO).

- For the international organizations that they serve on, the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, and the Securities and Exchange Commission (SEC) are required to take all necessary steps, to the maximum extent practicable, to exclude government officials from the Russian Federation.

- This bill sunsets on the earlier of 5 years after enactment or 30 days after the President certifies that Russia has ceased its destabilizing activities with respect to the sovereignty and territorial integrity of Ukraine. Additionally, the President may waive the law’s application if doing so is in the national interest of the U.S.
Appendix E: Section by Section for ANS to H.R. ###, the “Russia and Belarus SDR Exchange Prohibition Act” (Rep. Hill)

Section 1. Short title.

- This section establishes the short title of the bill as the “Russia and Belarus SDR Exchange Prohibition Act.”

Section 2.

- This section prohibits the Treasury Secretary from participating in an exchange of Russian or Belarussian held Special Drawing Rights (SDRs), and directs the Treasury Secretary to vigorously advocate that member countries of the International Monetary Fund (IMF) also prohibit the exchange of such SDRs.
- This section also directs the Treasury Secretary to instruct the US Executive Directors at each of the International Financial Institutions to use their voice and vote to oppose any financial assistance to the Russian Federation and Belarus, except to address humanitarian needs.
- This section sunsets the bill on the earlier of 5 years after enactment or 30 days after the President certifies that Russia has ceased its destabilizing activities with respect to the sovereignty and territorial integrity of Ukraine.
- The bill also authorizes the President to waive the application of this section if it is in the national interest of the U.S.