

117TH CONGRESS
2D SESSION

S. _____

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

_____ 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.

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

3 **SECTION 1. SHORT TITLE.**

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

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) In February 2022, the Russian Federation
4 launched a large scale invasion of Ukraine that vio-
5 lated Ukraine's sovereignty and territorial integrity.

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

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

13 (4) The United States private sector imported
14 848,000 barrels of oil from the Russian Federation
15 per day in June 2021.

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

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

23 (7) According to the Ministry of Finance of the
24 Russian Federation, 36 percent of all revenue of the
25 Government of the Russian Federation came from
26 the oil and gas sector in 2021. In 2019 and 2020,

1 the overall percentage of revenue of that Govern-
2 ment that came from the oil and gas sector reached
3 39 and 28 percent, respectively.

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

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

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

18 (11) The United States Government has al-
19 ready taken action against individuals with links to
20 the energy sector of the Russian Federation, such as
21 Igor Sechin, Boris and Arkady Rotenberg, Kirill
22 Shamalov, Viktor Vekselberg, and Sergey Frusenko,
23 under—

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

4 (B) Executive Orders 13661 and 13662
5 (50 U.S.C. 1701 note; relating to blocking
6 property of additional persons contributing to
7 the situation in Ukraine), codified by section
8 222 of the Countering America’s Adversaries
9 Through Sanctions Act (22 U.S.C. 9522); and

10 (C) Executive Order 13582 (50 U.S.C.
11 1701 note; relating to blocking property of the
12 Government of Syria and prohibiting certain
13 transactions with respect to Syria).

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

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

24 (B) Andrey Patrushev, a leader of
25 Gazprom Neft, and son of Nikolai Platonovich

1 Patrushev, the Secretary of the Russian Secu-
2 rity Council.

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

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

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

20 (16) The Department of Defense cites climate
21 change as a national security threat, noting that 100
22 percent of geographic combatant commands were af-
23 fected by climate-related impacts in 2019, and more
24 than 1,700 military installations continue to be
25 threatened by sea-level rise. Extreme weather events

1 have caused more than \$796,100,000,000 in damage
2 in the United States during the 5 years before the
3 date of the enactment of this Act alone.

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

9 **SEC. 3. SENSE OF CONGRESS.**

10 It is a sense of Congress that—

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

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

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

24 (4) the United States Government must—

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

6 (B) issue a moratorium on the importation
7 of oil from the Russian Federation until a thor-
8 ough investigation is complete;

9 (C) develop a comprehensive strategy to re-
10 place oil imported from the Russian Federation
11 with domestic carbon-free energy sources; and

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

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

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

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

23 (1) the Committee on Finance, the Committee
24 on Foreign Relations, the Committee on Banking,

1 Housing, and Urban Affairs, and the Committee on
2 Energy and Natural Resources of the Senate; and

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

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

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

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

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

1 (3) identifying whether any individuals de-
2 scribed in paragraph (2) or entities described in
3 paragraph (1) have engaged in acts of corruption or
4 are responsible for or complicit in, or have directly
5 or indirectly engaged in, serious human rights
6 abuses;

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

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

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

23 (7) assessing why United States entities are
24 choosing to do business with entities described in

1 paragraph (1) and what advantages doing business
2 with such entities presents.

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

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

9 (a) IN GENERAL.—Effective on the date of the enact-
10 ment of this Act, the importation of crude oil and petro-
11 leum products from the Russian Federation into the
12 United States is prohibited.

13 (b) PRESIDENTIAL WAIVER.—

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

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

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

23 (i) the importation of crude oil and
24 petroleum products from the Russian Fed-

1 eration does not pose a significant risk to
2 the national security of the United States;

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

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

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

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

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

22 **SEC. 7. IMPOSITION OF SANCTIONS.**

23 (a) IN GENERAL.—Upon receiving a report required
24 by section 5, the President shall use the authorities pro-
25 vided by the provisions of law specified in subsection (b)

1 to impose sanctions with respect to any foreign individual
2 or entity identified under section 5(a)(3) as having en-
3 gaged in acts of corruption or who are responsible for or
4 complicit in, or have directly or indirectly engaged in, seri-
5 ous human rights abuses.

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

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

11 (2) The Sergei Magnitsky Rule of Law Ac-
12 countability Act of 2012 (title IV of Public Law
13 112–208; 22 U.S.C. 5811 note).

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

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