

118TH CONGRESS
2D SESSION

S. 4086

To authorize the confiscation and repurposing of blocked assets of the Central Bank of the Russian Federation.

IN THE SENATE OF THE UNITED STATES

APRIL 9, 2024

Mr. DAINES (for himself and Mr. CRAMER) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To authorize the confiscation and repurposing of blocked assets of the Central Bank of the Russian Federation.

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. RECOGNITION OF NATIONAL EMERGENCY;**

4 **FINDINGS.**

5 Congress recognizes the national emergency declared
6 and expanded under the covered Executive orders and
7 makes the following findings:

8 (1) On February 24, 2022, the Government of
9 the Russian Federation violated the sovereignty and

1 territorial integrity of Ukraine by engaging in a pre-
2 meditated, second illegal invasion of Ukraine.

3 (2) The international community has con-
4 demned the illegal invasions of Ukraine by the Rus-
5 sian Federation, as well as the commission of war
6 crimes by the Russian Federation, including through
7 the deliberate targeting of civilians and civilian in-
8 frastructure and the commission of sexual violence.

9 (3) As described in the statement of the leaders
10 of the Group of Seven on the invasion of Ukraine by
11 armed forces of the Russian Federation, issued on
12 February 24, 2022, the Russian Federation’s
13 “unprovoked and completely unjustified attack on
14 the democratic state of Ukraine” represents a “seri-
15 ous violation of international law and a grave breach
16 of the United Nations Charter and all commitments
17 Russia entered in the Helsinki Final Act and the
18 Charter of Paris and its commitments in the Buda-
19 pest Memorandum”.

20 (4) The total of the efforts of the international
21 community, including sanctions, price caps, and
22 asset seizures, and the combined contributions of
23 more than \$90,000,000,000 worth of military sup-
24 port to Ukraine, have not deterred the Russian Fed-

1 eration from instigating and continuing international
2 aggression.

3 (5) On March 2, 2022, the United Nations
4 General Assembly adopted Resolution ES–11/1, enti-
5 tled “Aggression against Ukraine”, by a vote of 141
6 to 5. That resolution “deplore[d] in the strongest
7 terms the aggression by the Russian Federation
8 against Ukraine in violation of Article 2(4) of the
9 [United Nations] Charter” and demanded that the
10 Russian Federation “immediately cease its use of
11 force against Ukraine” and “immediately, completely
12 and unconditionally withdraw all of its military
13 forces from the territory of Ukraine within its inter-
14 nationally recognized borders”.

15 (6) On November 14, 2022, the United Nations
16 General Assembly adopted Resolution ES–11/5—

17 (A) recognizing that the Russian Federa-
18 tion “must bear the legal consequences of all of
19 its internationally wrongful acts, including mak-
20 ing reparation for the injury, including any
21 damage, caused by such acts”;

22 (B) recognizing “the need for the estab-
23 lishment . . . of an international mechanism
24 for reparation for damage, loss or injury”

1 caused by the Russian Federation in Ukraine;
2 and

3 (C) recommending “the creation . . . of an
4 international register” of such damage, loss, or
5 injury.

6 (7) On March 17, 2023, the International
7 Criminal Court issued a warrant for the arrest of
8 Russian President Vladimir Putin relating to the fol-
9 lowing war crimes:

10 (A) Unlawful deportation of population
11 (children) in violation of article 8(2)(a)(vii) of
12 the Rome Statute.

13 (B) Unlawful transfer of population (chil-
14 dren) from occupied areas of Ukraine to the
15 Russian Federation in violation of article
16 8(2)(a)(vii) of the Rome Statute.

17 **SEC. 2. AUTHORITY TO CONFISCATE BLOCKED ASSETS OF**
18 **THE CENTRAL BANK OF THE RUSSIAN FED-**
19 **ERATION.**

20 (a) SENSE OF CONGRESS.—It is the sense of Con-
21 gress that—

22 (1) efforts to repurpose assets of the Govern-
23 ment of the Russian Federation are not being taken
24 lightly;

1 (2) policies of the United States in effect before
2 the date of the enactment of this Act have failed to
3 persuade the Government of the Russian Federation
4 to cease hostilities; and

5 (3) the facts set forth in subsection (b) justify
6 the authorization provided by this Act to confiscate
7 and repurpose assets of the Government of the Rus-
8 sian Federation.

9 (b) FINDINGS.—Congress makes the following find-
10 ings:

11 (1) The Government of the Russian Federation
12 is committing acts of international aggression that
13 directly or indirectly threaten the national security
14 of the United States and other members of the
15 North Atlantic Treaty Organization.

16 (2) The Government of the Russian Federation
17 is actively conducting activities that undermine the
18 peace, security, political stability, and territorial in-
19 tegrity of the United States or allies or partners of
20 the United States.

21 (3) The Government of the Russian Federation
22 is pursuing deceptive or structured transactions or
23 dealings to circumvent sanctions imposed by the
24 United States, including through the use of digital
25 currencies or assets or the use of physical assets.

1 (4) The International Criminal Court has
2 issued a warrant for the arrest of the President of
3 the Russian Federation.

4 (5) The United Nations General Assembly has
5 adopted a resolution demanding for the cessation of
6 hostilities by the Russian Federation against the
7 sovereign state of Ukraine.

8 (6) President Joseph R. Biden has declared a
9 national emergency and issued not less than 4 Exec-
10 utive orders to deter aggression against Ukraine by
11 the Russian Federation.

12 (c) AUTHORIZATION OF CONFISCATION.—

13 (1) IN GENERAL.—The President may con-
14 fiscate, through instructions or licenses or in such
15 other manner as the President determines appro-
16 priate, funds of the Central Bank of the Russian
17 Federation that are subject to the jurisdiction of the
18 United States and are blocked pursuant to a covered
19 Executive order.

20 (2) VESTING.—All right, title, and interest in
21 funds confiscated under paragraph (1) shall vest in
22 the Government of the United States.

23 (3) DEPOSITS.—The President shall deposit
24 funds confiscated under paragraph (1) into the fund
25 established under section 3.

1 **SEC. 3. INTERNATIONAL RESPONSE FUND.**

2 (a) ESTABLISHMENT.—The President shall establish
3 a non-interest-bearing account, to be known as the “Inter-
4 national Response Fund” (in this section referred to as
5 the “Fund”), to consist of—

6 (1) amounts deposited into the account under
7 section 2(c); or

8 (2) amounts contributed by countries that are
9 allies or partners of the United States.

10 (b) AVAILABILITY AND USE OF FUNDS.—Amounts in
11 the Fund shall be available, to the agencies and in the
12 amounts provided in appropriations Acts making supple-
13 mental appropriations for assistance and activities related
14 to Ukraine—

15 (1) to finance the provision of materials to
16 Ukraine that have direct application to ongoing ter-
17 ritorial defense of Ukraine by Ukrainian and inter-
18 national forces; or

19 (2) to compensate such agencies for materials
20 described in paragraph (1) provided to Ukraine be-
21 fore the date of the enactment of this Act.

22 (c) REPORTS REQUIRED.—

23 (1) IN GENERAL.—Not later than 90 days after
24 the date of the enactment of this Act, and every 90
25 days thereafter, the President shall submit to Con-
26 gress a report—

1 (A) specifying the amounts in the Fund
2 obligated during the 90-day period preceding
3 submission of the report; and

4 (B) describing the materials procured
5 using such amounts.

6 (2) FORM.—Each report required by paragraph
7 (1) shall be submitted in unclassified form but may
8 include a classified annex.

9 **SEC. 4. RULES OF CONSTRUCTION.**

10 Nothing in this Act may be construed—

11 (1) to affect the authorities of the President
12 under the International Emergency Economic Pow-
13 ers Act (50 U.S.C. 1701 et seq.); or

14 (2) to authorize the provisions of funds to
15 Ukraine to repay loans made to Ukraine by other
16 countries.

17 **SEC. 5. DEFINITION OF COVERED EXECUTIVE ORDER.**

18 In this Act, the term “covered Executive order”
19 means any of the following:

20 (1) Executive Order 14024 (50 U.S.C. 1701
21 note; relating to blocking property with respect to
22 specified harmful foreign activities of the Govern-
23 ment of the Russian Federation).

24 (2) Executive Order 14065 (50 U.S.C. 1701
25 note; relating to blocking property of certain persons

1 and prohibiting certain transactions with respect to
2 continued Russian efforts to undermine the sov-
3 ereignty and territorial integrity of Ukraine).

4 (3) Executive Order 14068 (50 U.S.C. 1701
5 note; relating to prohibiting certain imports, exports,
6 and new investment with respect to continued Rus-
7 sian Federation aggression).

8 (4) Executive Order 14071 (50 U.S.C. 1701
9 note; relating to prohibiting new investment in and
10 certain services to the Russian Federation in re-
11 sponse to continued Russian Federation aggression).

○