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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R.

To impose sanctions with respect to foreign persons dealing in crude oil
or petroleum products of Russian Federation origin.

IN THE HOUSE OF REPRESENTATIVES

Mr. McCaul introduced the following bill; which was referred to the
Committee on _____

A BILL

To impose sanctions with respect to foreign persons dealing
in crude oil or petroleum products of Russian Federation
origin.

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 “Decreasing Russian
5 Oil Profits Act of 2026”.

1 **SEC. 2. IMPOSITION OF SANCTIONS WITH RESPECT TO**
2 **TRADE IN RUSSIAN ORIGIN PETROLEUM**
3 **PRODUCTS.**

4 (a) IN GENERAL.—Beginning on the date that is 90
5 days after the date of the enactment of this Act, the Presi-
6 dent shall impose the sanctions described in subsection (b)
7 with respect to any foreign person that the Secretary of
8 the Treasury, in consultation with the Secretary of State,
9 determines—

10 (1) is responsible for or complicit in, or has di-
11 rectly or indirectly engaged or attempted to engage
12 in, the purchase or importation into any country of
13 crude oil or petroleum products of Russian Federa-
14 tion origin;

15 (2) has knowingly facilitated financial trans-
16 actions related to an activity described in paragraph
17 (1);

18 (3) has materially assisted, sponsored, or pro-
19 vided material support for any activity described in
20 paragraph (1) or (2) by any person with respect to
21 which sanctions have been imposed under paragraph
22 (1) or (2); or

23 (4) is or has been a chief executive officer or
24 member of the board of directors of any entity de-
25 scribed in any of paragraphs (1) through (3).

1 (b) SANCTIONS DESCRIBED.—The sanctions de-
2 scribed in this subsection are the exercise all of the powers
3 granted to the President by the International Emergency
4 Economic Powers Act (50 U.S.C. 1701 et seq.) to the
5 extent necessary to block and prohibit all transactions in
6 property and interests in property of a foreign person if
7 such property and interests in property are in the United
8 States, come within the United States, or are or come
9 within the possession or control of a United States person.

10 (c) PERMISSIBLE EXCEPTION FRAMEWORKS.—

15 (2) EXCEPTIONS DESCRIBED.—

16 (A) EXCEPTION FOR COUNTRIES THAT
17 ISOLATE RUSSIAN FUNDS AND REDUCE PUR-
18 CHASES.—

19 (i) IN GENERAL.—The President may
20 apply an exception to the application of
21 sanctions under subsection (a) with respect
22 to the purchase or importation into a coun-
23 try of crude oil or petroleum products of
24 Russian Federation origin if the President
25 determines and certifies in writing to the

1 appropriate congressional committees
2 that—

3 (I) any funds owed by the gov-
4 ernment of that country or persons of
5 that country to the Russian Federa-
6 tion or to the sellers of crude oil or
7 petroleum products of Russian Fed-
8 eration origin as a result of the pur-
9 chase or importation will be—

10 (aa) credited to an account
11 located in that country; and

12 (bb) used only to facilitate
13 transactions in agricultural com-
14 modities, food, medicine, or med-
15 ical devices between the Russian

3 (I) the country has significantly
4 reduced its volume of purchases of
5 crude oil and petroleum products of
6 Russian Federation origin during the
7 preceding 180-day period; or

8 (II) the price and supply of crude
9 oil and petroleum products produced
10 in countries other than the Russian
11 Federation is not sufficient to permit
12 purchasers of crude oil and petroleum
13 products of Russian Federation origin
14 to reduce significantly in volume their
15 purchases from the Russian Federa-
16 tion.

1 Russian Federation and the country in
2 which the account is located shall be sub-
3 ject to the sanctions described in sub-
4 section (b).

5 (B) EXCEPTION FOR DEPOSITS INTO AC-
6 COUNT TO SUPPORT UKRAINE.—

7 (i) IN GENERAL.—The President may
8 apply an exception to the application of
9 sanctions under subsection (a) with respect
10 to the purchase or importation into a coun-
11 try of crude oil or petroleum products of
12 Russian Federation origin if a payment
13 per barrel of such crude oil or petroleum
14 products has been deposited into an ac-
15 count that the President has established
16 for the benefit of Ukraine.

17 (ii) GUIDANCE.—The President may
18 issue guidance and develop implementation
19 tools that assist private sector entities in
20 verifying that the payments described in
21 clause (i) corresponding to specific pur-
22 chases have been deposited in the account
23 described in that clause.

24 (iii) USE OF FUNDS.—

1 (I) IN GENERAL.—The funds in
2 an account established as described in
3 clause (i) shall be available only for—

4 (aa) the purposes specified
5 in section 104(f) of the Rebuild-
6 ing Economic Prosperity and Op-
7 portunity for Ukrainians Act (di-
8 vision F of Public Law 118–50;
9 22 U.S.C. 9521 note); and

10 (bb) funding the purchase
11 by the Government of Ukraine of
12 defense articles for Ukraine to
13 employ in response to Russian
14 Federation aggression.

15 (II) TIMELY DISBURSEMENT.—A
16 significant proportion of funds in an
17 account established as described in
18 clause (i) shall be disbursed not less
19 frequently than every 90 days for the
20 purposes described in subclause (I).

21 (iv) LIMITATIONS ON TRANSFERS AND
22 EXPENDITURES OF FUNDS.—

23 (I) NOTIFICATION OF TRANS-
24 FERS.—

1 (aa) IN GENERAL.—The
2 Secretary of State shall notify
3 the appropriate congressional
4 committees not fewer than 15
5 days before transferring any
6 funds from an account estab-
7 lished as described in clause (i)
8 to any other account for the pur-
9 poses described in clause (iii) or
10 otherwise expending any of such
11 funds for such purposes.

12 (bb) ELEMENTS.—A notifi-
13 cation under item (aa) shall
14 specify—

15 (AA) the amount of
16 funds to be transferred or
17 expended;

18 (BB) the specific pur-
19 pose for which the funds are
20 transferred or expended; and

21 (CC) the recipient of
22 those funds.

23 (II) CERTIFICATION OF TRANS-
24 PARENCE AND ACCOUNTABILITY.—No
25 funds may be transferred or otherwise

1 expended from an account established
2 as described in clause (i) unless the
3 President submits to the appropriate
4 congressional committees in writing a
5 certification that a plan exists to en-
6 sure transparency and accountability
7 for all funds transferred into and ex-
8 pended from any account receiving the
9 funds.

10 (III) JOINT RESOLUTION OF DIS-
11 APPROVAL.—No funds may be trans-
12 ferred or expended pursuant to this
13 clause if, within 15 days of receipt of
14 the notification under subclause (I), a
15 joint resolution is enacted into law
16 prohibiting such transfer.

17 (C) EXCEPTION FOR COUNTRIES SUP-
18 PORTING UKRAINE.—

19 (i) IN GENERAL.—The President may
20 apply an exception to the application of
21 sanctions under subsection (a) with respect
22 to the purchase or importation into any
23 country of crude oil or petroleum products
24 of Russian Federation origin if the Presi-
25 dent determines and certifies in writing to

1 the appropriate congressional committees
2 that the government of that country is pro-
3 viding significant economic or military sup-
4 port to the Government of Ukraine.

15 (D) TEMPORARY PORT-SPECIFIC EXCEPTIONS.—
16

17 (i) IN GENERAL.—During the period
18 beginning on the date of the enactment of
19 this Act and ending on the date that is
20 270 days after such date of enactment, the
21 President may apply an exception to the
22 application of sanctions under subsection
23 (a) for the purchase or the importation
24 into any country of crude oil or petroleum
25 products of Russian Federation exported

1 from specific Russian Federation ports if
2 the President submits to the appropriate
3 congressional committees a report pro-
4 viding a justification for the exception.

5 (ii) LIMITATION.—An exception ap-
6 plied under clause (i) may not cover, at
7 any time, ports that are estimated to have
8 cumulatively accounted for more than half
9 of the oil export capacity of the Russian
10 Federation in 2024.

11 (3) SANCTIONS RELATED TO CRUDE OIL AND
12 PETROLEUM PRODUCTS SOLD ABOVE PRICE CAP
13 WITHOUT REGARD TO GROUP OF 7 NEXUS.—

14 (A) IN GENERAL.—Any exception de-
15 scribed in paragraph (2) that the President ap-
16 plies to the requirement to impose sanctions
17 under subsection (a) shall not apply with re-
18 spect to an activity described in subparagraph
19 (B) if the activity facilitates the maritime
20 transport of crude oil or petroleum products of
21 Russian Federation origin purchased for an
22 amount greater than the relevant price cap de-
23 termined by the Secretary of the Treasury for
24 crude oil or petroleum products of Russian Fed-
25 eration origin.

1 (B) ACTIVITIES DESCRIBED.—The activi-
2 ties described in this subparagraph are trans-
3 porting, trading or commodities brokering, fi-
4 nancing, shipping, insuring, flagging, or cus-
5 toms brokering related to the purchase or im-
6 portation of crude oil or petroleum products of
7 Russian Federation origin.

8 (C) APPLICABILITY TO SERVICE PRO-
9 VIDERS BASED OUTSIDE OF GROUP OF 7 COUN-
10 TRIES.—Subparagraph (A) applies without re-
11 gard to whether the person engaging in an ac-
12 tivity described in subparagraph (B) is orga-
13 nized under the laws of or otherwise subject to
14 the jurisdiction of a country that is a member
15 of the Group of 7.

16 (d) SUNSET.—The provisions of this section, and any
17 sanctions imposed under this section, shall terminate on
18 the date that is 5 years after the date of the enactment
19 of this Act.

20 (e) DEFINITIONS.—In this section:

4 (A) the Committee on Banking, Housing,
5 and Urban Affairs and the Committee on For-
6 eign Relations of the Senate; and

10 (3) DEFENSE ARTICLE.—The term “defense ar-
11 ticle” has the meaning given that term in section 47
12 of the Arms Export Control Act (22 U.S.C. 2794).

10 (B) an entity organized under the laws of
11 the United States or any jurisdiction within the
12 United States, including a foreign branch of
13 such an entity; or

14 (C) any person located in the United
15 States.