

117TH CONGRESS
2D SESSION

H. R. 7991

To prohibit contracting with persons that have business operations with the Government of the Russian Federation or the Russian energy sector, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 2022

Mr. WALTZ (for himself, Mr. CROW, Ms. KAPTUR, Mr. BACON, Mr. GARAMENDI, Miss GONZÁLEZ-COLÓN, Ms. NORTON, Mrs. KIM of California, and Mr. FITZPATRICK) introduced the following bill; which was referred to the Committee on Oversight and Reform

A BILL

To prohibit contracting with persons that have business operations with the Government of the Russian Federation or the Russian energy sector, 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 “Keeping Russia’s En-
5 ergy and Military Liable for Invading its Neighbors Act”
6 or the “KREMLIN Act”.

1 **SEC. 2. PROHIBITION ON CONTRACTING WITH PERSONS**
2 **THAT HAVE BUSINESS OPERATIONS WITH**
3 **THE GOVERNMENT OF THE RUSSIAN FED-**
4 **ERATION OR THE RUSSIAN ENERGY SECTOR.**

5 (a) PROHIBITION.—Except as provided under sub-
6 sections (b), (c), and (d), the head of an executive agency
7 may not enter into a contract for the procurement of
8 goods or services with any person that has business oper-
9 ations with—

10 (1) an authority of the Government of the Rus-
11 sian Federation; or

12 (2) a fossil fuel company that operates in the
13 Russian Federation, except if the fossil fuel company
14 transports oil or gas—

15 (A) through the Russian Federation for
16 sale outside of the Russian Federation; and

17 (B) that was extracted from a country
18 other than the Russian Federation with respect
19 to the energy sector of which the President has
20 not imposed sanctions as of the date on which
21 the contract is awarded.

22 (b) EXCEPTIONS.—

23 (1) IN GENERAL.—The prohibition under sub-
24 section (a) does not apply to a contract that the
25 head of an executive agency and the Secretary of
26 State jointly determine—

1 (A) is necessary—

2 (i) for purposes of providing humani-
3 tarian assistance to the people of Russia;

4 or

5 (ii) for purposes of providing disaster
6 relief and other urgent life-saving meas-
7 ures; or

8 (B) is vital to the national security inter-
9 ests of the United States.

10 (2) NOTIFICATION REQUIREMENT.—The head
11 of an executive agency shall notify the appropriate
12 congressional committees of any contract entered
13 into on the basis of an exception provided for under
14 paragraph (1).

15 (3) OFFICE OF FOREIGN ASSETS CONTROL LI-
16 CENSES.—The prohibition in subsection (a) shall not
17 apply to a person or entity that has a valid license
18 to operate in Russia issued by the Office of Foreign
19 Assets Control of the Department of the Treasury or
20 is otherwise authorized to operate notwithstanding
21 the imposition of sanctions.

22 (4) AMERICAN DIPLOMATIC MISSION IN RUS-
23 SIA.—The prohibition in subsection (a) shall not
24 apply to contracts related to the operation and main-

1 tenance of the United States Government’s consular
2 offices and diplomatic posts in Russia.

3 (c) APPLICABILITY.—This section shall take effect on
4 the date of the enactment of this Act and apply with re-
5 spect to any contract entered into on or after such effec-
6 tive date.

7 (d) SUNSET.—This section shall terminate on the
8 date on which the President submits to the appropriate
9 congressional committees a certification in writing that
10 contains a determination of the President that the Russian
11 Federation—

12 (1) has reached an agreement relating to the
13 withdrawal of Russian forces and cessation of mili-
14 tary hostilities that is accepted by the free and inde-
15 pendent Government of Ukraine;

16 (2) poses no immediate military threat of ag-
17 gression to any North Atlantic Treaty Organization
18 member; and

19 (3) recognizes the right of the people of
20 Ukraine to independently and freely choose their
21 own government.

22 (e) DEFINITIONS.—In this section:

23 (1) APPROPRIATE CONGRESSIONAL COMMIT-
24 TEES.—The term “appropriate congressional com-
25 mittees” means—

1 (A) the Committee on Oversight and Re-
2 form, the Committee on Armed Services, and
3 the Committee on Foreign Affairs of the House
4 of Representatives; and

5 (B) the Committee on Homeland Security
6 and Governmental Affairs, the Committee on
7 Armed Services, and the Committee on Foreign
8 Relations of the Senate.

9 (2) BUSINESS OPERATIONS.—The term “busi-
10 ness operations” means engaging in commerce in
11 any form, including acquiring, developing, maintain-
12 ing, owning, selling, possessing, leasing, or operating
13 equipment, facilities, personnel, products, services,
14 personal property, real property, or any other appa-
15 ratus of business or commerce.

16 (3) EXECUTIVE AGENCY.—The term “executive
17 agency” has the meaning given the term in section
18 133 of title 41, United States Code.

19 (4) FOSSIL FUEL COMPANY.—The term “fossil
20 fuel company” means a person that—

21 (A) carries out oil, gas, or coal exploration,
22 development, or production activities;

23 (B) processes or refines oil, gas, or coal; or

24 (C) transports, or constructs facilities for
25 the transportation of, Russian oil, gas, or coal.

1 (5) GOVERNMENT OF THE RUSSIAN FEDERA-
2 TION.—The term “Government of the Russian Fed-
3 eration” includes the government of any political
4 subdivision of Russia, and any agency or instrumen-
5 tality of the Government of the Russian Federation.
6 For purposes of this paragraph, the term “agency or
7 instrumentality of the Government of the Russian
8 Federation” means an agency or instrumentality of
9 a foreign state as defined in section 1603(b) of title
10 28, United States Code, with each reference in such
11 section to “a foreign state” deemed to be a reference
12 to “Russia”.

13 (6) PERSON.—The term “person” means—

14 (A) a natural person, corporation, com-
15 pany, business association, partnership, society,
16 trust, or any other nongovernmental entity, or-
17 ganization, or group;

18 (B) any governmental entity or instrumen-
19 tality of a government, including a multilateral
20 development institution (as defined in section
21 1701(c)(3) of the International Financial Insti-
22 tutions Act (22 U.S.C. 262r(c)(3))); and

23 (C) any successor, subunit, parent entity,
24 or subsidiary of, or any entity under common

- 1 ownership or control with, any entity described
- 2 in subparagraph (A) or (B).

