

118TH CONGRESS
1ST SESSION

H. R. 5370

To declare the Russian Federation an Aggressor State and provide for the transfer of blocked assets of such country to the United States to be used for the reconstruction of Ukraine, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 8, 2023

Mr. HILL introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To declare the Russian Federation an Aggressor State and provide for the transfer of blocked assets of such country to the United States to be used for the reconstruction of Ukraine, 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 “Ukraine Reconstruc-
5 tion Act of 2023”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) The Russian Federation, aided and abetted
2 by Belarus, has engaged in egregious and illegal be-
3 havior by invading Ukraine in violation of estab-
4 lished norms of international law and the United
5 Nations Charter.

6 (2) As recognized by the General Assembly of
7 the United Nations, the Group of Seven, the North
8 Atlantic Parliamentary Assembly, and customary
9 international law, the Russian Federation, joined by
10 Belarus, has committed, and continues to commit,
11 violations of international law and the United Na-
12 tions Charter through its acts of aggression against
13 the civil society of Ukraine, its violation of the civil
14 rights of the Ukrainian peoples, and its unlawful de-
15 struction of Ukraine’s infrastructure and agri-
16 culture.

17 (3) These actions by the Russian Federation
18 and Belarus constitute an unusual and extraordinary
19 threat to the national security and foreign policy of
20 the United States and to the civilized world.

21 **SEC. 3. DEFINITIONS OF AGGRESSOR STATE AND AFFILI-**
22 **ATED AGGRESSOR STATE.**

23 (a) **AGGRESSOR STATE.**—The President shall des-
24 ignate the Russian Federation as an “Aggressor State”
25 for purposes of this Act because of its violations of inter-

1 national law and the United Nations Charter with respect
2 to Ukraine.

3 (b) **AFFILIATED AGGRESSOR STATE.**—The President
4 shall designate Belarus as an “Affiliated Aggressor State”
5 for purposes of this Act and each other state the Govern-
6 ment of which the President determines is providing mate-
7 rial assistance to an Aggressor State.

8 **SEC. 4. ESTABLISHMENT OF FUND FOR RECONSTRUCTION**
9 **ACTIVITIES.**

10 As a consequence of the unwarranted and illegal ac-
11 tions of the Aggressor State against Ukraine beginning
12 in 2014, the President shall—

13 (1) exercise all powers granted to the President
14 by the International Emergency Economic Powers
15 Act (50 U.S.C. 1701 et seq.) to the extent necessary
16 to block and prohibit all transactions in property
17 and interests in sovereign property of the Aggressor
18 State, including any property owned by state-owned
19 enterprises of such Aggressor State, if such property
20 and interests in property are in the United States,
21 come within the United States, or are or come with-
22 in the possession or control of a United States per-
23 son (except that the authority provided by this para-
24 graph shall not include the authority to block any

1 property subject to Article 22 of the Vienna Conven-
2 tion on Diplomatic Relations);

3 (2) acting through the Secretary of the Treas-
4 ury—

5 (A) order the transfer of all assets blocked
6 pursuant to paragraph (1) into such accounts
7 as the Secretary of the Treasury determines ap-
8 propriate to carry out the purposes of this Act;

9 (B) transfer title to blocked assets from
10 the Aggressor State to the United States and
11 subsequently transfer such assets to such ac-
12 counts as the Secretary of Treasury may deter-
13 mine appropriate for such purposes;

14 (C) establish an international fund to hold
15 assets donated by the United States and by
16 other countries implementing similar sanctions
17 with respect to the Aggressor State, to be used
18 for the reconstruction of Ukraine; and

19 (D) transfer assets described in subpara-
20 graph (A) and (B) to the international fund in
21 such amounts and at such times as the Sec-
22 retary of the Treasury, in consultation with the
23 Secretary of State, may direct;

24 (3) acting through the Secretary of State—

1 (A) work in cooperation with other foreign
2 countries to establish an international com-
3 pensation tribunal to adjudicate, in accordance
4 with established judicial norms and inter-
5 national accounting principles, claims presented
6 by Ukraine on behalf of its individuals, entities,
7 and governmental entities, or directly by
8 Ukrainian individuals and entities, against the
9 Aggressor State and Affiliated Aggressor
10 States; and

11 (B) take such steps, in cooperation with
12 other foreign countries, as may be necessary
13 to—

14 (i) ensure that such tribunal is
15 staffed, operated, and administered in ac-
16 cordance with established legal and ac-
17 counting rules and governance procedures;

18 (ii) make available amounts from the
19 fund described in paragraph (2)(C) for the
20 payment of reasonable expenses for the
21 governance and operation of the tribunal
22 and awards made by the tribunal;

23 (iii) verify that the tribunal is oper-
24 ated transparently with respect to all

1 awards or other fund transfers, filings, and
2 decisions; and

3 (iv) ensure that such tribunal is au-
4 dited on a regular basis by an independent
5 auditor, in accordance with standards set
6 by the United States Financial Accounting
7 Standards Board and International Ac-
8 counting Standards Board, with the results
9 of such audits made publicly available; and

10 (4) in the case that an appropriate tribunal de-
11 scribed in paragraph (3) is not timely established—

12 (A) in consultation with the Secretary of
13 the Treasury, establish a United States Fund
14 for the Reconstruction of Ukraine;

15 (B) transfer to such Fund assets of the
16 Aggressor State blocked in accordance with
17 paragraph (2)(B); and

18 (C) in consultation with the Secretary of
19 State, distribute these funds for the reconstruc-
20 tion of Ukraine in accordance with established
21 practices and accounting procedures.

22 **SEC. 5. IMPOSITION OF SANCTIONS WITH RESPECT TO AF-**
23 **FILIATED AGGRESSOR STATES.**

24 (a) IN GENERAL.—Notwithstanding any other provi-
25 sion of law, the President is authorized to exercise all pow-

1 ers granted to the President by the International Emer-
2 gency Economic Powers Act (50 U.S.C. 1701 et seq.) and
3 this Act over the sovereign property of any Affiliated Ag-
4 gressor State, including any property owned by state-
5 owned enterprises of such Affiliated Aggressor State, if
6 such property and interests in property are in the United
7 States, come within the United States, or are or come
8 within the possession or control of a United States person.

9 (b) AUTHORIZATION TO TRANSFER INTO FUND.—
10 The President is authorized to transfer and otherwise
11 treat any asset of an Affiliated Aggressor State blocked
12 pursuant to the authority provided by subsection (a) in
13 the same manner as assets of the Aggressor State blocked
14 pursuant to section 4(1) are treated as provided for in
15 section 4(2) and section 4(4).

16 (c) EXCEPTION.—The authority provided by this sec-
17 tion shall not include the authority to block any property
18 subject to Article 22 of the Vienna Convention on Diplo-
19 matic Relations.

20 **SEC. 6. REPORTS.**

21 (a) AUDIT OF RECONSTRUCTION FUNDS.—The
22 Comptroller General shall regularly review and submit to
23 the appropriate committees of Congress reports, which
24 shall also be made publicly available, on—

1 (1) the audits described in section 4(3)(B)(iv);
2 or

3 (2) if the tribunal referred to in such section is
4 not timely established, the results of regular audits
5 on all amounts distributed pursuant to section
6 4(4)(C).

7 (b) **JOINT REPORT ON ACTIVITIES.**—Not later than
8 180 days after the date of the enactment of this Act, and
9 every 180 days thereafter, the Secretary of State and the
10 Secretary of the Treasury shall jointly submit to the ap-
11 propriate committees of Congress a report on all activities
12 taken pursuant to this Act.

13 (c) **APPROPRIATE COMMITTEES OF CONGRESS.**—In
14 this section, the term “appropriate committees of Con-
15 gress” means—

16 (1) the Committee on Foreign Affairs and the
17 Committee on Financial Services of the House of
18 Representatives; and

19 (2) the Committee on Foreign Relations and
20 the Committee on Banking, Housing, and Urban Af-
21 fairs of the Senate.

22 **SEC. 7. ASSETS FREE FROM ATTACHMENT.**

23 Any and all assets subject to this Act shall be free
24 from attachment in any civil action.

1 **SEC. 8. NO CAUSES OF ACTION AGAINST THE UNITED**
2 **STATES.**

3 The President's actions, and any actions by those to
4 whom the President has delegated authority under this
5 Act, do not create any right or benefit, substantive or pro-
6 cedural, enforceable at law or in equity by any party, in-
7 cluding the Russian Federation, the Republic of Belarus,
8 and any other country designated under this Act, against
9 the United States, its departments, agencies, or entities,
10 its officers, employees, or agents, or any other person.

11 **SEC. 9. RELATION TO OTHER LAWS.**

12 The authorities granted by this Act do not abrogate,
13 displace, or otherwise modify any and all applicable au-
14 thorities which other provisions of law, including the Inter-
15 national Emergency Economic Powers Act (50 U.S.C.
16 1701 et seq.) may grant the President with respect to the
17 assets of Aggressor States or Affiliated Aggressor States
18 designated in accordance with this Act.

19 **SEC. 10. SUNSET.**

20 This Act and the authorities provided by this Act
21 shall expire at midnight on December 31, 2030, except
22 that such authorities may remain available to the extent
23 necessary to ensure that all operations carried out under
24 this Act are wound down in an orderly manner.

1 **SEC. 11. STATE-OWNED ENTERPRISE DEFINED.**

2 In this Act, the term “state-owned enterprise” with
3 respect to a country means an entity—

4 (1) organized under the laws of the country or
5 any jurisdiction within the country; and

6 (2) over which the government of the country
7 exercises ownership, either by virtue of the govern-
8 ment being the ultimate beneficial owner of the ma-
9 jority of voting shares or otherwise exercising an
10 equivalent degree of control over the activities of the
11 entity.

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