

Congress of the United States
Washington, DC 20515

May 31, 2024

The Honorable Janet L. Yellen
Secretary
U.S. Department of Treasury
1500 Pennsylvania Avenue, N.W.
Washington, DC

The Honorable Antony J. Blinken
Secretary
U.S. Department of State
2201 C Street, N.W.
Washington, DC

Dear Secretary Yellen and Secretary Blinken:

We are writing to commend the Administration for its March 14th statement at the Kyiv Polytechnical Institute committing the Administration to seizing all Russian sovereign assets in the United States to help Ukraine as authorized by the bipartisan Rebuilding Prosperity and Opportunity for Ukrainians Act (REPO Act, Public Law 118-50). We also applaud Secretary Blinken's statement to work with our G7 allies to ensure that all Russian assets worldwide are seized to maximize the amount of funds used as the initial payment to Ukraine for damages inflicted by Russia's illegal aggression under international law in 2014 and again in 2022.

We have been sponsors and champions of this legislation since it was first introduced. With your assistance, we want to see it swiftly and fully implemented by the President in order to maximize the Russian sovereign assets that the United States can provide to Ukraine for its reconstruction and recovery. The REPO Act provides the President with statutory authority to seize, confiscate, vest, and then transfer Russian sovereign assets as effectively and efficiently as possible to help bolster Ukraine's economy and infrastructure. Moreover, this will help to ensure Ukraine's continued existence as a free democracy and sovereign nation. In this respect, the economic war facing Ukraine from Russia is as critical to win as the military campaign in which they now have been engaged for more than ten years after Russia's first illegal act of aggression in 2014.

As part of our Constitutional responsibility to oversee the Executive branch of our government, we are writing to inform you that we intend to exercise our authority to hear from you and other senior Administration witnesses in order to maximize the chances for success in Ukraine. We look forward to receiving and reviewing the required reports, notifications, and Presidential certifications as required by the new law.

We urge you to work promptly and directly with the President to launch the first required reporting requirements required under the law through an Executive Order or other means under the new law. Specifically, we believe it is crucial to get timely, accurate, and actionable information on the amounts and sources of all Russian sovereign assets as defined in Section

2(6) that are within the jurisdiction and reach of the United States. As you know, this definition includes not only assets of the Russian Central Bank, National Wealth Fund, and Ministry of Finance, but also any other funds or property of the Russian government, including any subdivision, agency, or instrumentality.

We wish to stress that the definition in the new law includes all Russian sovereign assets held in U.S. financial institutions and other financial institutions defined in the new law, including all correspondent banking accounts and offshore partnerships maintained by U.S. financial institutions. As you know, once fully implemented by the Administration, the new law requires all covered financial institutions to report to the Treasury Department any Russian sovereign asset in their accounts that are subject to sanctions. U.S. institutions are necessarily involved in the management of Russian sovereign assets in the form of U.S. dollars produced by coupons on securities or dollars deposited when U.S. securities matured. Whether already segregated or commingled with other funds for management on behalf of a foreign financial institution, the U.S. institution must work with its foreign partners to identify and report on these holdings that are subject to sanctions, both for reasons of prudential risk management as well as compliance with the new law. The U.S. institutions must also segregate such holdings for the full range of possible actions contemplated in Section 104. Properly implemented, this new law bolsters the U.S. ability to exert its full and complete authority over overseas Russian assets that interact with the jurisdiction of the United States. Any action by U.S. or foreign banks to conceal Russian sovereign assets covered by this law could be a form of criminal sanctions evasion.

As you draft the required orders, licenses, and/or regulations that will be issued to comply with Section 104(a) and Section 106 of the new law and meet the 90-day reporting deadline, if not sooner, we urge you to ensure that the reporting requirements issued by the Administration cover all possible Russian sovereign assets subject to our jurisdiction. This includes not just the Russian Central Bank reserves, estimated by the Administration at various times to be in the range of \$5 to 8 billion, but also all other Russian sovereign assets as enumerated in the law and described above.

Swift action to launch the new reporting requirements will also help further our common objective of clearly identifying and reporting all available assets as a first step toward their transfer, seizure, or confiscation to vest in the new Ukraine Support Fund. By proceeding in this manner deliberately and quickly, we also ensure that the U.S. Government is protecting U.S. taxpayer interests by using Russian money first to compensate Ukraine for the damages Russian President Vladimir Putin has and continues to inflict upon Ukraine due to Russian illegal aggression. We also hope that you will use your good offices with the President to accelerate these reporting requirements so you are in a position to provide us with the required reports well in advance of the 90-day requirement, which is July 23, 2024.

Further, your swift action—already applauded by many policy makers in Europe—will spur the EU and member states to also act swiftly. The overwhelmingly unanimous vote on April 16 by the Parliamentary Assembly of the Council of Europe to adopt a resolution calling for frozen Russian assets to be used for Ukraine's benefit, as well as the recent introduction of a similar measure to the REPO Act in the UK House of Commons, provide that full indication. Given that

the great majority of Russian sovereign assets are held in Europe, effective diplomacy is absolutely essential for aiding Ukraine. Acting in coordination with our European counterparts also protects our economy and financial system here at home.

Thank you for your consideration of our views. We look forward to working closely with you as Congress begins its oversight of the Administration's implementation of the REPO for Ukrainians Act in ways that will optimize the benefits for our citizens as well as the people of Ukraine.

Sincerely,



French Hill
Member of Congress



Maxine Waters
Member of Congress



Gregory W. Meeks
Member of Congress

CC: Mr. Jake Sullivan, National Security Advisor, National Security Council

Ms. Penny Pritzker, Special Representative for Ukraine's Economic Recovery, U.S.
Department of State