

Union Calendar No. 277

119TH CONGRESS
1ST SESSION

H. R. 4346

[Report No. 119–324]

To secure a peaceful resolution to the Russia-Ukraine conflict by requiring the Secretary of the Treasury to prohibit, or impose strict conditions on, the opening or maintaining in the United States of a correspondent account or a payable-through account by certain foreign financial institutions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 10, 2025

Mr. NUNN of Iowa (for himself and Mr. GOTTHEIMER) introduced the following bill; which was referred to the Committee on Financial Services

OCTOBER 3, 2025

Additional sponsors: Mr. BARRETT, Mr. CONAWAY, and Mr. SUOZZI

OCTOBER 3, 2025

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on July 10, 2025]

A BILL

To secure a peaceful resolution to the Russia-Ukraine conflict by requiring the Secretary of the Treasury to prohibit, or impose strict conditions on, the opening or maintaining in the United States of a correspondent account or a payable-through account by certain foreign financial institutions, 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 “Preventing the Esca-*
5 *lation of Armed Conflict in Europe Act of 2025” or the*
6 *“PEACE Act of 2025”.*

7 **SEC. 2. FINDINGS.**

8 *Congress finds the following:*

9 *(1) During the night of March 6-7, 2025, only*
10 *one week after the President called for peace between*
11 *Russia and Ukraine, the Russian military bombarded*
12 *Ukrainian energy infrastructure and civilian resi-*
13 *dences.*

14 *(2) DTEK, a Ukrainian gas producer, noted that*
15 *the assault represented the sixth Russian attack on its*
16 *Odesa facilities in just the preceding two and a half*
17 *weeks.*

18 *(3) On March 7, 2025, the President published*
19 *the following statement: “Based on the fact that Rus-*
20 *sia is absolutely ‘pounding’ Ukraine on the battlefield*
21 *right now, I am strongly considering large scale*
22 *Banking Sanctions, Sanctions, and Tariffs on Russia*
23 *until a Cease Fire and FINAL SETTLEMENT*
24 *AGREEMENT ON PEACE IS REACHED. To Rus-*

1 *sia and Ukraine, get to the table right now, before it*
2 *is too late.”.*

3 *(4) Despite the President’s calls for a peace set-*
4 *tlement, Russia has continued to assault Ukraine, in-*
5 *cluding an April 4 missile attack on Kryvyi Rih that*
6 *killed 20 people and an April 13 strike on Sumy re-*
7 *sulting in 35 deaths.*

8 *(5) On May 25, 2025, Russia launched its larg-*
9 *est aerial attack of the war, deploying hundreds of*
10 *drones and ballistic missiles throughout Ukrainian*
11 *territory.*

12 *(6) On May 27, 2025, the President posted on so-*
13 *cial media with reference to Russian leader Vladimir*
14 *Putin: “He’s playing with fire!”.*

15 *(7) Hours after a July 3, 2025 call between the*
16 *President and Putin, Russia carried out its largest-*
17 *yet aerial assault of the war against Kyiv. Less than*
18 *one week later, following remarks by the President at*
19 *a Cabinet meeting criticizing Putin, Russia launched*
20 *an even more expansive drone strike against Ukrain-*
21 *ian targets.*

22 *(8) On July 14, 2025, the President reiterated*
23 *his displeasure with Putin and Moscow’s obstruction*
24 *of the peace process. “I speak to [Putin] a lot about*
25 *getting this thing done,” said the President while an-*

9 (a) *IN GENERAL.*—Not later than 180 days after the
10 date of the enactment of this Act, the Secretary of the Treas-
11 ury shall prescribe regulations to prohibit, or impose strict
12 conditions on, the opening or maintaining in the United
13 States of a correspondent account or a payable-through ac-
14 count by a foreign financial institution that knowingly pro-
15 vides significant financial services to—

19 (A) *Executive Order 14024; or*

(2) a foreign financial institution subject to the prohibitions of Directive 2 under Executive Order 14024;

1 (3) *an entity listed in Annex 1 of Directive 3*
 2 *under Executive Order 14024; or*

3 (4) *any foreign person that the Secretary finds*
 4 *operates in the energy sector of the Russian Federa-*
 5 *tion.*

6 (b) *PENALTIES.—*

7 (1) *CIVIL PENALTY.—A person who violates, at-*
 8 *tempts to violate, conspires to violate, or causes a vio-*
 9 *lation of regulations prescribed under this subsection*
 10 *shall be subject to a civil penalty in an amount not*
 11 *to exceed the greater of—*

12 (A) *\$377,700; or*

13 (B) *an amount that is twice the amount of*
 14 *the transaction that is the basis of the violation*
 15 *with respect to which the penalty is imposed.*

16 (2) *CRIMINAL PENALTY.—A person who willfully*
 17 *commits, willfully attempts to commit, or willfully*
 18 *conspires to commit, or aids or abets in the commis-*
 19 *sion of, a violation of regulations prescribed under*
 20 *this subsection shall, upon conviction, be fined not*
 21 *more than \$1,000,000, or if a natural person, may be*
 22 *imprisoned for not more than 20 years, or both.*

23 **SEC. 4. DETERMINATION REQUIRED.**

24 *Not later than 90 days after the date of enactment of*
 25 *this Act, the Secretary of the Treasury shall submit a report*

1 *to the Committee on Financial Services of the House of Rep-*
 2 *resentatives and the Committee on Banking, Housing, and*
 3 *Urban Affairs of the Senate determining whether the fol-*
 4 *lowing are foreign persons described under section 3(a)(4):*

5 *(1) Gazprom.*

6 *(2) Rosneft.*

7 *(3) Lukoil.*

8 **SEC. 5. WAIVER.**

9 *With respect to a foreign financial institution, the*
 10 *President may waive the requirements of section 3(a) for*
 11 *not more than 180 days at a time upon reporting to Con-*
 12 *gress that—*

13 *(1) the waiver advances the objective of resolving*
 14 *the national emergency described in the Executive*
 15 *Order listed under section 3(a)(1); or*

16 *(2) the waiver is important to the national in-*
 17 *terest of the United States, provided that the Presi-*
 18 *dent includes a detailed explanation of the reasons*
 19 *therefor.*

20 **SEC. 6. TRANSFER OF CERTAIN RUSSIAN ASSETS HELD BY**
 21 **UNITED STATES FINANCIAL INSTITUTIONS.**

22 *(a) TRANSFER FROM UNITED STATES FINANCIAL IN-*
 23 *STITUTIONS.—*

1 (1) *IN GENERAL.*—Not later than 90 days fol-
2 lowing the date of the enactment of this Act, the Sec-
3 retary of the Treasury shall—

4 (A) seize, confiscate, transfer, or vest any
5 covered Russian resources, in whole or in part,
6 and including any interest or interests in such
7 assets, held by a United States financial institu-
8 tion; and

9 (B) deposit the resulting funds into the
10 Ukraine Support Fund established under sub-
11 section 104(d) of the *REPO for Ukrainians Act*
12 (22 U.S.C. 9521 note), which may be used for the
13 purposes specified in section 104(f) of such Act
14 or for the purchase of defense articles for the
15 Government of Ukraine.

16 (2) *AUTHORITIES.*—The Secretary of the Treas-
17 ury shall have the same authority under this sub-
18 section with respect to covered Russian resources as
19 are provided to the President under section 104(b) of
20 the *REPO for Ukrainians Act* (22 U.S.C. 9521 note)
21 with respect to Russian aggressor state sovereign as-
22 sets.

23 (b) *WAIVER.*—The President may waive the require-
24 ments of subsection (a) for up to 180 days at a time, for

1 *a cumulative period not to exceed 1 year, upon reporting*
 2 *to Congress in writing that—*

3 *(1) the Government of the Russian Federation is*
 4 *taking meaningful steps to cease its destabilizing ac-*
 5 *tivities with respect to the sovereignty and territorial*
 6 *integrity of Ukraine; or*

7 *(2) the waiver is important to the national in-*
 8 *terest of the United States.*

9 *(c) DEFINITIONS.—In this section:*

10 *(1) COVERED RUSSIAN RESOURCES.—The term*
 11 *“covered Russian resources” means funds and other*
 12 *property of the Central Bank of the Russian Federa-*
 13 *tion, the Russian National Wealth Fund, or the Min-*
 14 *istry of Finance of the Russian Federation that—*

15 *(A) are included in a report pursuant to—*

16 *(i) directive 4 of Executive Order*
 17 *14024; or*

18 *(ii) section 104(a) of the REPO for*
 19 *Ukrainians Act (22 U.S.C. 9521 note); and*

20 *(B) are located in the United States.*

21 *(2) UNITED STATES FINANCIAL INSTITUTION.—*
 22 *The term “United States financial institution”*
 23 *means—*

24 *(A) a financial institution specified in sub-*
 25 *paragraph (A), (B), (C), (D), (E), (F), (G), (H),*

1 *(I), (J), (M), or (AA) section 5312(a)(2) of title*
2 *31, United States Code, as amended by the Wil-*
3 *liam M. (Mac) Thornberry National Defense Au-*
4 *thorization Act for Fiscal Year 2021; and*

5 *(B) such other persons or entities as the*
6 *Secretary of the Treasury determines appro-*
7 *priate.*

8 **SEC. 7. TERMINATION.**

9 *This Act shall have no force or effect on the earlier*
10 *of—*

11 *(1) 30 days after the date that the President re-*
12 *ports to Congress that the Russian Federation has*
13 *ceased destabilizing activities with respect to the sov-*
14 *ereignty and territorial integrity of Ukraine; or*

15 *(2) the date that is 5 years after the date of the*
16 *enactment of this Act.*

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