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COMMITTEE ON FINANCIAL SERVICES

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Congress of the United States
House of Representatives

Washington, DC 20515

June 8, 2022

The Honorable Janet Yellen
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Ave. NW
Washington, D.C. 20220

Dear Secretary Yellen:

During your April 6 testimony before the Committee on Financial Services, you and I discussed options to alter the Putin regime's behavior in Ukraine by depriving Russia of hard currency. I appreciated your openness toward my proposal, as laid out in the *No Energy Revenues for Russian Hostilities Act* (H.R. 6894), which would end OFAC licensing for Russia's energy-related transactions unless revenues were held in escrow and used for authorized purposes. Supported by 60 cosponsors, this bill reflects earlier Treasury actions against Iran; it is designed to be administratively feasible while avoiding unnecessary disruptions to energy markets. "I think something along those lines is a constructive suggestion," you testified, "and I think it's an approach that is worth exploring."

Given the June 24 sunset of OFAC's General License No. 8B, it is vital for the U.S. to lead by walling off Russia's energy revenues until it ends its aggression against Ukraine. While I am pleased to see our European allies announce new restrictions on Russian oil imports, these measures are partial in nature and delay tough action for months – time that Ukrainians cannot afford to lose. These EU actions would also leave Russian oil flowing to other regions, and they fail to address export earnings from gas.

I therefore urge you to keep energy-related transactions away from the U.S. financial system by letting OFAC's authorization expire this month and sanctioning additional Russian financial institutions. Otherwise, we must ensure that these revenues cannot fund Putin's war machine until Russia withdraws from Ukraine.

Sincerely,

A handwritten signature in blue ink that reads "Andy Barr".

ANDY BARR
Ranking Member
Subcommittee on National Security,
International Development, and
Monetary Policy