

118TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To require the imposition of sanctions with respect to financial institutions of countries of concern that clear, verify, or settle transactions with other financial institutions of such countries.

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IN THE SENATE OF THE UNITED STATES

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Mr. RUBIO introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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## A BILL

To require the imposition of sanctions with respect to financial institutions of countries of concern that clear, verify, or settle transactions with other financial institutions of such countries.

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 “Sanctions Evasion Pre-  
5 vention and Mitigation Act of 2024” or the “SEPAM Act  
6 of 2024”.

1 **SEC. 2. IMPOSITION OF SANCTIONS WITH RESPECT TO CER-**  
2 **TAIN FINANCIAL INSTITUTIONS OF COUN-**  
3 **TRIES OF CONCERN.**

4 (a) **IN GENERAL.**—The President shall impose one  
5 or more of the sanctions described in subsection (b) with  
6 respect to each covered financial institution that uses the  
7 Cross-Border Interbank Payment System (commonly re-  
8 ferred to as “CIPS”), the System for Transfer of Finan-  
9 cial Messages (commonly referred to as “SPFS”), or the  
10 System for Electronic Payment Messaging (commonly re-  
11 ferred to as “SEPAM”) to clear, verify, settle, or other-  
12 wise conduct transactions with any other covered financial  
13 institution.

14 (b) **SANCTIONS DESCRIBED.**—The sanctions de-  
15 scribed in this subsection are the following:

16 (1) **PROPERTY BLOCKING.**—The exercise of ex-  
17 ercise all of the powers granted by the International  
18 Emergency Economic Powers Act (50 U.S.C. 1701  
19 et seq.) to the extent necessary to block and prohibit  
20 all transactions in all property and interests in prop-  
21 erty of a covered financial institution subject to sub-  
22 section (a) if such property and interests in property  
23 are in the United States, come within the United  
24 States, or are or come within the possession or con-  
25 trol of a United States person.

1           (2) RESTRICTIONS ON CORRESPONDENT AND  
2 PAYABLE-THROUGH ACCOUNTS.—A prohibition on  
3 the opening or maintaining in the United States of  
4 a correspondent account or a payable-through ac-  
5 count by a covered financial institution subject to  
6 subsection (a).

7           (3) EXECUTIVE OFFICERS INADMISSIBLE FOR  
8 VISAS, ADMISSION, OR PAROLE.—

9           (A) VISAS, ADMISSION, OR PAROLE.—An  
10 executive officer of a covered financial institu-  
11 tion subject to subsection (a) who is an alien  
12 is—

13                   (i) inadmissible to the United States;

14                   (ii) ineligible to receive a visa or other  
15 documentation to enter the United States;  
16 and

17                   (iii) otherwise ineligible to be admitted  
18 or paroled into the United States or to re-  
19 ceive any other benefit under the Immigra-  
20 tion and Nationality Act (8 U.S.C. 1101 et  
21 seq.).

22           (B) CURRENT VISAS REVOKED.—

23                   (i) IN GENERAL.—The visa or other  
24 entry documentation of an alien described  
25 in subparagraph (A) shall be revoked, re-

1                   gardless of when such visa or other entry  
2                   documentation was issued.

3                   (ii) IMMEDIATE EFFECT.—A revoca-  
4                   tion under clause (i) shall—

5                               (I) take effect immediately; and

6                               (II) automatically cancel any  
7                   other valid visa or entry documenta-  
8                   tion that is in the alien's possession.

9                   (c) EXCEPTIONS.—

10                   (1) EXCEPTION FOR INTELLIGENCE ACTIVI-  
11                   TIES.—This section shall not apply with respect to  
12                   activities subject to the reporting requirements  
13                   under title V of the National Security Act of 1947  
14                   (50 U.S.C. 3091 et seq.) or any authorized intel-  
15                   ligence activities of the United States.

16                   (2) COMPLIANCE WITH UNITED NATIONS HEAD-  
17                   QUARTERS AGREEMENT.—Subsection (b)(3) shall  
18                   not apply with respect to the admission of an alien  
19                   to the United States if such admission is necessary  
20                   to permit the United States to comply with the  
21                   Agreement regarding the Headquarters of the  
22                   United Nations, signed at Lake Success, June 26,  
23                   1947, and entered into force, November 21, 1947,  
24                   between the United Nations and the United States.

1           (3) EXCEPTION RELATING TO IMPORTATION OF  
2           GOODS.—

3           (A) IN GENERAL.—The authority to block  
4           and prohibit all transactions in all property and  
5           interests in property under subsection (b)(1)  
6           shall not include the authority or a requirement  
7           to impose sanctions on the importation of  
8           goods.

9           (B) GOOD.—In this paragraph, the term  
10          “good” means any article, natural or manmade  
11          substance, material, supply or manufactured  
12          product, including inspection and test equip-  
13          ment, and excluding technical data.

14          (d) IMPLEMENTATION; PENALTIES.—

15          (1) IMPLEMENTATION.—The President may ex-  
16          ercise all authorities provided under sections 203  
17          and 205 of the International Emergency Economic  
18          Powers Act (50 U.S.C. 1702 and 1704) to carry out  
19          this section.

20          (2) PENALTIES.—A person that violates, at-  
21          tempts to violate, conspires to violate, or causes a  
22          violation of this section or any regulation, license, or  
23          order issued to carry out this section shall be subject  
24          to the penalties set forth in subsections (b) and (c)  
25          of section 206 of the International Emergency Eco-

1        nomic Powers Act (50 U.S.C. 1705) to the same ex-  
2        tent as a person that commits an unlawful act de-  
3        scribed in subsection (a) of that section.

4        (e) DELEGATION.—Not later than 90 days after the  
5        date of the enactment of this Act, the President shall—

6            (1) make a determination with respect to if and  
7        how the President will delegate the requirements  
8        and authorities under this section; and

9            (2) notify the appropriate congressional com-  
10       mittees of that determination.

11       (f) REGULATIONS.—Not later than 90 days after the  
12       date of the enactment of this Act, the President shall pre-  
13       scribe such regulations as are necessary to carry out this  
14       section.

15       (g) REPORT REQUIRED.—

16            (1) IN GENERAL.—Not later than 180 days  
17       after the date of the enactment of this Act, the  
18       President shall submit to the appropriate congress-  
19       sional committees a report—

20            (A) describing the scope and usage of  
21       CIPS, SPFS, or SEPAM around the world, in-  
22       cluding usage rates by country;

23            (B) assessing the risks that widespread  
24       adoption of CIPS, SPFS, or SEPAM poses to  
25       the national security of the United States;

1 (C) assessing the ability of CIPS, SPFS,  
2 and SEPAM in helping countries of concern  
3 circumvent United States and international  
4 sanctions; and

5 (D) making recommendations to further  
6 preserve and strengthen the influence of the  
7 United States in the global financial system.

8 (2) FORM.—Each report required by paragraph  
9 (1) shall be submitted in unclassified form but may  
10 include a classified annex.

11 (h) DEFINITIONS.—In this section:

12 (1) ACCOUNT; CORRESPONDENT ACCOUNT; PAY-  
13 ABLE-THROUGH ACCOUNT.—The terms “account”,  
14 “correspondent account”, and “payable-through ac-  
15 count” have the meanings given those terms in sec-  
16 tion 5318A of title 31, United States Code.

17 (2) ADMISSION; ADMITTED; ALIEN.—The terms  
18 “admission”, “admitted”, and “alien” have the  
19 meanings given those terms in section 101 of the  
20 Immigration and Nationality Act (8 U.S.C. 1101).

21 (3) APPROPRIATE CONGRESSIONAL COMMIT-  
22 TEES.—The term “appropriate congressional com-  
23 mittees” means—

24 (A) the Committee on Foreign Relations,  
25 the Committee on Banking, Housing, and

1 Urban Affairs, and the Select Committee on In-  
2 telligence of the Senate; and

3 (B) the Committee on Foreign Affairs, the  
4 Committee on Financial Services, and the Per-  
5 manent Select Committee on Intelligence of the  
6 House of Representatives.

7 (4) COVERED FINANCIAL INSTITUTION.—The  
8 term “covered financial institution” means a finan-  
9 cial institution—

10 (A) located in—

11 (i) a country of concern; or

12 (ii) territory controlled by an entity  
13 holding itself out to be the government of  
14 the Republic of South Ossetia, the State of  
15 Alania, the Donetsk People’s Republic, the  
16 Luhansk People’s Republic, the Republic  
17 of Abkhazia, or the Pridnestrovian  
18 Moldavian Republic;

19 (B) organized under the laws of a country  
20 of concern, any jurisdiction within a country of  
21 concern, or an entity described in subparagraph  
22 (A)(ii), including a foreign branch of such an  
23 institution;



1 (C) wherever located, owned or controlled  
2 by the government of a country of concern or  
3 an entity described in subparagraph (A)(ii); or

4 (D) wherever located, owned or controlled  
5 by a financial institution described in subpara-  
6 graph (A), (B), or (C).

7 (5) COUNTRY OF CONCERN.—The term “coun-  
8 try of concern”—

9 (A) has the meaning given the term “for-  
10 eign adversary” in section 8(c)(2) of the Secure  
11 and Trusted Communications Networks Act of  
12 2019 (47 U.S.C. 1607(c)(2)); and

13 (B) includes—

14 (i) the People’s Republic of China (in-  
15 cluding the Special Administrative Regions  
16 of China, including Hong Kong and  
17 Macau);

18 (ii) the Russian Federation;

19 (iii) Iran;

20 (iv) North Korea;

21 (v) Cuba; and

22 (vi) Venezuela under the regime of  
23 Nicolás Maduro.

24 (6) FINANCIAL INSTITUTION.—The term “fi-  
25 nancial institution” means a financial institution

1 specified in subparagraph (A), (B), (C), (D), (E),  
2 (F), (G), (H), (I), (J), (M), or (Y) of section  
3 5312(a)(2) of title 31, United States Code.