

CLIENT ALERT

OCTOBER 13, 2026

The Lindsay Graham Sanctioning Russia and Iran Act of 2026 & its Impact on the Scope of the Executive's Authority

On September 18, 2026, President Trump signed into law the Lindsay Graham Sanctioning Russia and Iran Act of 2026 ("the Act"). The Act was passed rather quickly, largely bypassing the usual methods of review by specialized committees in Congress.¹ This Client Alert highlights key considerations for certain Russian and foreign persons who may be sanctioned or tarified under the Act.

General Overview: the President's Sanction Authority under the Act

The Act bestows on the President the authority to impose sanctions on any persons determined by the President to fall under the categories defined under the Act.² Although the title of the Act includes Iran, the primary focus of this Act is to authorize sanctions and tariffs on persons who are determined to have supported the Government of the Russian Federation, including by participating in or supporting certain sectors of the Russian Federation economy. The Act's impact on Iranian sanctions is limited to extending the expiration date of the Iran Sanctions Act of 1996 from 2026 to 2031.³

Persons described in the Act as potentially sanctionable by the President include but are not limited to officials of the Government of the Russian Federation, and any foreign person the President determines to have knowingly engaged in activities that support the defense industrial base of the Russian Federation, including by knowingly facilitating deceptive transactions to support the defense industrial base, or knowingly engaging directly or indirectly in activities that undermine the territorial integrity of Ukraine or the Government of Ukraine.⁴

Also, the President is authorized to sanction businessmen (oligarchs) who have not demonstrated opposition to the Russian Federation's war on Ukraine or who continue to benefit from its association with the Government of the Russian Federation.⁵ Although the President already had the expansive authority to designate oligarchs who have operated in certain sectors of the economy, or who have engaged or attempted to engage in certain activities for the benefit of the Government of the Russian Federation pursuant to Executive Order 14024, it appears that the Act expands the President's authority to

¹ See Press Release, "Meeks Delivers Remarks During Rules Committee Hearing Opposing Senate Russia Sanctions/Tariffs Bill" (Sept. 15, 2026), available at: <https://democrats-foreignaffairs.house.gov/press-releases?ID=CCE5951A-AE0F-496F-A59E-4D732A9317EC>.

² Section 102(a) of the Lindsay Graham Sanctioning Russia and Iran Act of 2026.

³ Section 201 of the Lindsay Graham Sanctioning Russia and Iran Act of 2026.

⁴ Section 102 of the Lindsay Graham Sanctioning Russia and Iran Act of 2026.

⁵ Section 102(b)(2)(F) of the Lindsay Graham Sanctioning Russia and Iran Act of 2026.

designate oligarchs just by nature of being an oligarch in the Russian Federation or who have not explicitly denounced the Russian Federation's actions with respect to Ukraine.

Furthermore, the Act calls on the President to impose sanctions against the financial institutions affiliated with the Government of the Russian Federation, including Sberbank, VTB Bank, Gazprombank, and any other financial institution organized under the laws of the Russian Federation and owned in whole or in part by the Government of the Russian Federation; any subsidiary or successor entity to any of those financial institutions; and any financial institution that engages in significant transactions with those financial institutions subject to sanctions.⁶ Sberbank, VTB Bank, and Gazprombank have already been sanctioned under the Russian Harmful Foreign Activities Sanctions program and the Ukraine/Russia-related Sanctions program ("the Russian Sanctions programs").

Of note, the Act authorizes the President to impose sanctions on persons determined to predominantly engage in the business of providing global financial messaging services and who have knowingly circumvented sanctions imposed under the Act.⁷ Companies that provide global financial messaging services may be exempted from potential sanctions under the Act if they provide significant financial messaging services to U.S. financial institutions.

Finally, with regards to uranium-related sanctions, Section 111 of the Act authorizes the President to impose sanctions on any leaders, officials, senior executive officers, or members of the board of directors of, or principal shareholders with a controlling or majority interest in, Rosatom State Atomic Energy Corporation ("Rosatom"), or any subsidiary or successor entity of Rosatom.

[Maintenance of Russia-Related Sanctions Previously Imposed under Executive Order 14024](#)

Separately, Section 102(d) of the Act provides that the sanctions and other measures imposed under any Executive Order issued to address the national emergency with respect to specified harmful foreign activities of the Government of the Russian Federation, as in effect on the day before the Act's enactment, shall remain in effect.⁸

Section 102(d) does not restate those Executive Order sanctions as statutory text, incorporate the underlying Executive Orders by reference, or re-impose them as sanctions. Rather, it preserves them as measures deriving from their original executive

⁶ Section 103(a)(1)(B) of the Lindsay Graham Sanctioning Russia and Iran Act of 2026.

⁷ Section 110 of the Lindsay Graham Sanctioning Russia and Iran Act of 2026.

⁸ Section 102(d) of the Lindsay Graham Sanctioning Russia and Iran Act of 2026.

authority while imposing a freestanding statutory command on the President and the Executive Branch to maintain them.

The President's Tariff Authority under the Act

The Act significantly expands the President's power to impose tariffs on goods imported from the Russian Federation. Specifically, Section 112(a) authorizes the President to increase the tariff for all goods imported from the Russian Federation to a rate of up to 500% ad valorem. These tariffs are permitted to be charged in addition to any other duty, fee, tax, exaction, or charge applicable to the good and imposed pursuant to other authorities, such as the Tariff Act of 1930, the Trade Act of 1974, or the Trade Expansion Act of 1962. Furthermore, Section 113 of the Act authorizes the President to impose a higher tariff for all goods imported into the United States from certain foreign countries that purchase Russian-origin crude oil or natural gas, or are known to facilitate Russian oil sanctions evasions in the 12-month period preceding the date of the Act's enactment. The Act provides for certain exceptions to this tariff authority, and therefore foreign countries who fall under these categories may seek to consult with counsel to determine whether they qualify under Section 113's exceptions, or can take any actions to qualify under the exception to prevent being charged a duty.

Implications on the President's Authority under the Act

While the authority is expansive under the Act, this authority granted to the President with regards to sanctions maps closely to the President's already-existing authority to sanction such persons under existing Executive Orders that were enacted as part of the Russian Sanctions programs.

An area in which the Act expands the President's authority is the waiver under Section 115 of the Act. This section permits the President to waive the application of any sanctions provision or duty pursuant to the Act where (1) the President certifies in writing to Congress that the waiver is necessary for the national interests of the United States; and (2) provides an unclassified report explaining the basis for the waiver. However, such a report is not required where the President seeks to modify the rate of duty pursuant to Section 113(b) of the Act. In theory, the President could indefinitely waive the application of a sanctions provision by renewing this waiver for an indefinite period of time, thereby expanding the President's authority in this regard.

There is also a termination section provided for in the Act (Section 117). This section requires a high bar for the President to officially terminate the application of any sanction or tariff under the Act. In particular, termination of a sanction or tariff with respect to a Russian person or the Russian Federation requires that the President submits a report certifying that (a) the Russian Federation has signed a peace agreement accepted by the

Government of Ukraine; and (b) the Russian Federation has ceased all military and any other activities meant to overthrow or subvert the Government of Ukraine.

For the termination of sanctions or tariffs with regards to foreign persons or foreign countries, the President must submit a report certifying that (a) the foreign person or foreign government is no longer engaging in the activity that served as the basis of the sanction or tariff; (b) the President received reliable assurances that the foreign person or government will not knowingly engage in such activities subject to sanctions or tariffs in the future; and (c) where sanctions are sought to be terminated, the report must include a determination of whether the termination is intended to significantly alter the foreign policy of the United States with regards to the Russian Federation.

Considerations and Practical Implications

One key purpose of the Act's expansive grant of authority to the President to enact sanctions and tariffs is to increase the United States' leverage in negotiations with the Russian Federation to "bring about a peaceful end to the Russia-Ukraine war."⁹ With this as a priority, clients should expect an increase in sanctions pursuant to the Act and the existing authorities that comprise the Russia Sanctions programs.

Other considerations and implications of the Act:

New investments in Russia – the Act prohibits new investments in the Russian Federation by U.S. persons, wherever located, and also prohibits the exportation, sale, or supply of any category of services identified by the Secretary of Treasury to any person located in the Russian Federation. This prohibition is consistent with, and runs alongside, the pre-existing restrictions on new investment in the Russian Federation by U.S. persons previously imposed by Executive Orders, which Section 102(d) of the Act requires the President to maintain in effect notwithstanding the Act's enactment. Therefore, all new transactions involving U.S. persons or the supply of certain services to a person located in the Russian Federation should be evaluated to ensure that the transaction does not violate Section 107 of the Act, or any new-investment prohibition still in effect under these prior Executive Orders.

Companies providing financial messaging services – entities who engage in the business of providing international financial messaging services must be vigilant to ensure their businesses are not engaging significantly with U.S.-sanctioned financial institutions.

⁹ Press Release, "Senator Darline Graham Applauds Senate Passage of The Lindsey O. Graham Sanctioning Russia and Iran Act of 2026," available at: <https://www.dgraham.senate.gov/press-releases/senator-darline-graham-applauds-senate-passage-of-the-lindsey-o-graham-sanctioning-russia-and-iran-act-of-2026/> (last visited Sept. 28, 2026).

Russian oligarchs – Russian oligarchs may be subject to sanctions pursuant to this Act based solely on their status as oligarchs in the Russian Federation. These potential designations would then create a sanctions ripple effect by blocking property 50 percent or more owned, directly or indirectly, by these oligarchs.

“Russian person” – currently unclear in the legislation is whether “Russian person” is defined to include foreign subsidiaries of Russian entities as, depending on certain circumstances, such foreign subsidiaries could be seen as being “otherwise subject to the jurisdiction of the Government of the Russian Federation.”¹⁰ This broad catch-all language should be noted when clients are seeking to understand whether they may fall under the purview of the Act.

Foreign vessels – owners of foreign vessels who may not believe that their vessels are subject to sanctions pursuant to the terms listed in the Act should note that their vessels may still be subject to U.S. sanctions, as the Act permits the President to use as prima facie evidence the sanctions imposed by the United Kingdom, the European Union, the Group of 7, or a member of the Five Eyes intelligence alliance to designate a foreign vessel pursuant to the Act.¹¹ Therefore, foreign vessels subject to sanctions in the above-listed countries may lead to sanctions in the United States under the Act.

About Curtis

Curtis, Mallet-Prevost, Colt & Mosle LLP is a leading international law firm. Headquartered in New York, Curtis has 19 offices in the United States, Latin America, Europe, the Middle East and Asia. Curtis represents a wide range of clients, including multinational corporations and financial institutions, governments and state-owned companies, money managers, sovereign wealth funds, family-owned businesses, individuals and entrepreneurs.

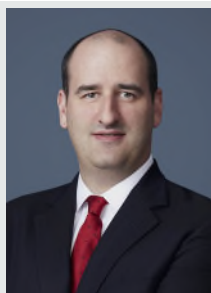
For more information about Curtis, please visit www.curtis.com.

Attorney advertising. The material contained in this Client Alert is only a general review of the subjects covered and does not constitute legal advice. No legal or business decision should be based on its contents.

¹⁰ See Section 101(10) of the Lindsay Graham Sanctioning Russia and Iran Act of 2026.

¹¹ See Section 102(b)(3) of the Lindsay Graham Sanctioning Russia and Iran Act of 2026.

Please feel free to contact any of the persons listed below if you have any questions on this important development:



Kevin A. Meehan

Partner
kmeehan@curtis.com
New York: +1 212 696 6197



Mikhail Bychikhin

Counsel
mbychikhin@curtis.com
Dubai: +971 4 382 6100



Olivia Wang

Associate
owang@curtis.com
New York: +1 212 696 6039