

118TH CONGRESS
1ST SESSION

H. R. 6201

To establish and authorize funding for an Iranian Sanctions Enforcement Fund to enforce United States sanctions with respect to Iran and its proxies and pay off the United States public debt and to codify the Export Enforcement Coordination Center.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 2, 2023

Mr. PFLUGER (for himself and Mr. PANETTA) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish and authorize funding for an Iranian Sanctions Enforcement Fund to enforce United States sanctions with respect to Iran and its proxies and pay off the United States public debt and to codify the Export Enforcement Coordination Center.

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 “Iranian Sanctions En-
5 forcement Act of 2023”.

1 **SEC. 2. IRAN SANCTIONS ENFORCEMENT FUND.**

2 (a) IN GENERAL.—Not later than 15 days after the
3 date of the enactment of this Act, there shall be estab-
4 lished in the Treasury of the United States a fund, to be
5 known as the “Iran Sanctions Enforcement Fund” (in this
6 section referred to as the “Fund”), to pay expenses relat-
7 ing to seizures and forfeitures of property made with re-
8 spect to violations by Iran or a covered Iranian proxy of
9 sanctions imposed by the United States.

10 (b) DESIGNATION OF ADMINISTRATOR.—Not later
11 than 15 days after the date of the enactment of this Act,
12 the Secretary of Homeland Security, in consultation with
13 the Secretary of the Treasury, shall appoint an adminis-
14 trator for the Fund (in this section referred to as the “Ad-
15 ministrator”).

16 (c) EXPENDITURES FROM THE FUND.—

17 (1) IN GENERAL.—The Administrator may au-
18 thorize amounts from the Fund to be used, without
19 further appropriation or fiscal year limitation, for
20 payment of all proper expenses relating to a covered
21 seizure or forfeiture, including the following:

22 (A) Investigative costs incurred by a law
23 enforcement agency of the Department of
24 Homeland Security or the Department of Jus-
25 tice.

1 (B) Expenses of detention, inventory, secu-
2 rity, maintenance, advertisement, or disposal of
3 the property seized or forfeited, and if con-
4 demned by a court and a bond for such costs
5 was not given, the costs as taxed by the court.

6 (C) Costs of—

7 (i) contract services relating to a cov-
8 ered seizure or forfeiture;

9 (ii) the employment of outside con-
10 tractors to operate and manage properties
11 seized or forfeited or to provide other spe-
12 cialized services necessary to dispose of
13 such properties in an effort to maximize
14 the return from such properties; and

15 (iii) reimbursing any Federal, State,
16 or local agency for any expenditures made
17 to perform the functions described in this
18 subparagraph.

19 (D) Payments to reimburse any covered
20 Federal agency for investigative costs incurred
21 leading to a covered seizure or forfeiture.

22 (E) Payments for contracting for the serv-
23 ices of experts and consultants needed by the
24 Department of Homeland Security or the De-

1 partment of Justice to assist in carrying out
2 duties related to a covered seizure or forfeiture.

3 (F) Awards of compensation to informers
4 for assistance provided with respect to a viola-
5 tion by Iran or a covered Iranian proxy of sanc-
6 tions imposed by the United States that leads
7 to a covered seizure or forfeiture.

8 (G) Equitable sharing payments made to
9 other Federal agencies, State and local law en-
10 forcement agencies, and foreign governments
11 for expenses incurred with respect to a covered
12 seizure or forfeiture.

13 (H) Payment of overtime pay, salaries,
14 travel, fuel, training, equipment, and other
15 similar expenses of State or local law enforce-
16 ment officers that are incurred in joint law en-
17 forcement operations with a covered Federal
18 agency relating to covered seizure or forfeiture.

19 (2) AUTHORIZATION OF USE OF FUND FOR AD-
20 DITIONAL PURPOSES.—The Secretary of Homeland
21 Security may direct the Administrator to authorize
22 the use of amounts in the Fund for the following:

23 (A) Payment of awards for information or
24 assistance leading to a civil or criminal for-
25 feiture made with respect to a violation by Iran

1 or a covered Iranian proxy of sanctions imposed
2 by the United States and involving any covered
3 Federal agency.

4 (B) Purchases of evidence or information
5 by a covered Federal agency with respect to a
6 violation by Iran or a covered Iranian proxy of
7 sanctions imposed by the United States that
8 leads to a covered seizure or forfeiture.

9 (C) Payment for equipment for any vessel,
10 vehicle, or aircraft available for official use by
11 a covered Federal agency to enable the vessel,
12 vehicle, or aircraft to assist in law enforcement
13 functions relating to a covered seizure or for-
14 feiture, and for other equipment directly related
15 to a covered seizure or forfeiture, including lab-
16 oratory equipment, protective equipment, com-
17 munications equipment, and the operation and
18 maintenance costs of such equipment.

19 (D) Payment for equipment for any vessel,
20 vehicle, or aircraft for official use by a State or
21 local law enforcement agency to enable the ves-
22 sel, vehicle, or aircraft to assist in law enforce-
23 ment functions relating to a covered seizure or
24 forfeiture if the vessel, vehicle, or aircraft will

1 be used in joint law enforcement operations
2 with a covered Federal agency.

3 (E) Reimbursement of individuals or orga-
4 nizations for expenses incurred by such individ-
5 uals or organizations in cooperating with a cov-
6 ered Federal agency in investigations and un-
7 dercover law enforcement operations relating to
8 a covered seizure or forfeiture.

9 (3) PRIORITIZATION OF ACTIVITIES WITHIN
10 THE FUND.—In allocating amounts from the Fund
11 for the purposes described in paragraphs (1) and
12 (2), the Administrator shall prioritize activities that
13 result in the seizure and forfeiture of oil or petro-
14 leum products or other commodities or methods of
15 exchange that fund the efforts of Iran or covered
16 Iranian proxies to carry out acts of international ter-
17 rorism or otherwise kill United States citizens.

18 (d) MANAGEMENT OF FUND.—The Fund shall be
19 managed and invested in the same manner as a trust fund
20 is managed and invested under section 9602 of the Inter-
21 nal Revenue Code of 1986.

22 (e) FUNDING.—

23 (1) INITIAL FUNDING.—

24 (A) AUTHORIZATION OF APPROPRIA-
25 TIONS.—There is authorized to be appropriated

1 to the Fund \$150,000,000 for fiscal year 2024,
2 to remain available until expended.

3 (B) REPAYMENT OF INITIAL FUNDING.—

4 (i) IN GENERAL.—Not later than Sep-
5 tember 30, 2034, the Administrator shall
6 transfer from the Fund into the general
7 fund of the Treasury an amount equal to
8 \$150,000,000, as adjusted pursuant to
9 paragraph (4).

10 (ii) RULE OF CONSTRUCTION.—The
11 repayment of amounts under clause (i)
12 shall not be construed as a termination of
13 the authority for operation of the Fund.

14 (2) CONTINUED OPERATION AND FUNDING.—

15 (A) IN GENERAL.—Subject to subpara-
16 graph (B), the net proceeds from the sale of
17 property, forfeited or paid to the United States,
18 arising from a violation by Iran or a covered
19 Iranian proxy of sanctions imposed by the
20 United States, shall be deposited or transferred
21 into the Fund.

22 (B) TRANSFER OF PROCEEDS AFTER DE-
23 POSITS INTO THE JUSTICE FOR UNITED STATES
24 VICTIMS OF STATE SPONSORED TERRORISM
25 ACT.—The deposit or transfer of any net pro-

1 ceeds to the Fund under subparagraph (A)
2 shall occur after the deposit or transfer of net
3 proceeds into the United States Victims of
4 State Sponsored Terrorism Fund as required by
5 subsection (e)(2)(A)(ii) of the Justice for
6 United States Victims of State Sponsored Ter-
7 rorism Act (34 U.S.C. 20144).

8 (3) MAXIMUM END-OF-YEAR BALANCE.—

9 (A) IN GENERAL.—If, at the end of a fis-
10 cal year, the amount in the Fund exceeds the
11 amount specified in subparagraph (B), the Ad-
12 ministrators shall transfer the amount in excess
13 of the amount specified in subparagraph (B) to
14 the general fund of the Treasury for the pay-
15 ment of the public debt of the United States.

16 (B) AMOUNT SPECIFIED.—The amount
17 specified in this subparagraph is—

18 (i) in fiscal year 2024, \$500,000,000;

19 and

20 (ii) in any fiscal year thereafter,
21 \$500,000,000, as adjusted pursuant to
22 paragraph (4).

23 (4) ADJUSTMENTS FOR INFLATION.—

24 (A) IN GENERAL.—The amounts described
25 in paragraphs (1)(B)(i) and (3)(B)(ii) shall be

1 adjusted, at the beginning of each of fiscal
2 years 2025 through 2034, to reflect the per-
3 centage (if any) of the increase in the average
4 of the Consumer Price Index for the preceding
5 12-month period compared to the Consumer
6 Price Index for fiscal year 2023.

7 (B) CONSUMER PRICE INDEX DEFINED.—
8 In this paragraph, the term “Consumer Price
9 Index” means the Consumer Price Index for All
10 Urban Consumers published by the Bureau of
11 Labor Statistics of the Department of Labor.

12 (f) PROHIBITION ON TRANSFER OF FUNDS.—

13 (1) IN GENERAL.—Any expenditure of amounts
14 in the Fund, or transfer of amounts from the Fund,
15 not authorized by this section is prohibited.

16 (2) ACTS BY CONGRESS.—Any Act of Congress
17 to remove money from the Fund shall be reported in
18 the Federal Register not later than 10 days after
19 the enactment of the Act.

20 (g) REPORT.—Not later than September 1, 2024,
21 and annually thereafter through September 1, 2034, the
22 Secretary of Homeland Security, with the concurrence of
23 the Secretary of the Treasury, shall submit to the appro-
24 priate congressional committees a report on—

1 (1) all activities supported by the Fund during
2 the fiscal year during which the report is submitted
3 and the preceding fiscal year;

4 (2) a list of each covered seizure or forfeiture
5 supported by the Fund during those fiscal years
6 and, with respect to each such seizure or for-
7 feiture—

8 (A) the goods seized;

9 (B) the current status of the forfeiture of
10 the goods;

11 (C) an assessment of the impact on the na-
12 tional security of the United States of the sei-
13 zure or forfeiture, including the estimated loss
14 of revenue to the person from which the goods
15 were seized; and

16 (D) any anticipated response or outcome of
17 the seizure or forfeiture;

18 (3) the financial health and financial data of
19 the Fund as of the date of the report;

20 (4) the amount transferred to the general fund
21 of the Treasury under subsection (e) or (h);

22 (5)(A) the amount paid to informants for infor-
23 mation or evidence under subsection (e);

24 (B) whether the information or evidence led to
25 a seizure; and

1 (C) if so, the cost of the goods seized;

2 (6) the amount remaining to be transferred
3 under subsection (e)(3) and an estimated timeline
4 for transferring the full amount required by that
5 subsection; and

6 (7)(A) any instances during the fiscal years
7 covered by the report of a covered seizure or for-
8 feiture if, after amounts were expended from the
9 Fund to support the seizure or forfeiture, the seizure
10 or forfeiture did not occur as a result of a policy de-
11 cision made by the Secretary of Homeland Security,
12 the President, or any other official of the United
13 States; and

14 (B) a description of the costs incurred and rea-
15 sons the seizure or forfeiture did not occur.

16 (h) FAILURE TO REPORT OR UTILIZE THE FUND.—

17 (1) EFFECT OF FAILURE TO SUBMIT RE-
18 PORT.—If a report required by subsection (g) is not
19 submitted to the appropriate congressional commit-
20 tees by the date that is 180 days after the report is
21 due under subsection (g), the Administrator shall
22 transfer an amount equal to 5 percent of the
23 amounts in the Fund to the general fund of the
24 Treasury for the payment of the public debt of the
25 United States. For each 90-day period thereafter

1 during which the report is not submitted, the Ad-
2 ministrator shall transfer an additional amount,
3 equal to 5 percent of the amounts in the Fund, to
4 the general fund of the Treasury for that purpose.

5 (2) EFFECT OF FAILURE TO USE FUND.—If a
6 report submitted under subsection (g) indicates that
7 amounts in the Fund have not been used for any
8 seizure or forfeiture activity during the fiscal years
9 covered by the report, the Fund shall be terminated
10 and any amounts in the Fund shall transferred to
11 the general fund of the Treasury for the payment of
12 the public debt of the United States.

13 (3) WAIVER OF TERMINATION OF FUND FOR
14 NATIONAL SECURITY PURPOSES.—

15 (A) IN GENERAL.—If the President deter-
16 mines that it is in the national security inter-
17 ests of the United States not to terminate the
18 Fund as required by paragraph (2), the Presi-
19 dent may waive the requirement to terminate
20 the Fund.

21 (B) REPORT REQUIRED.—If the President
22 exercises the waiver authority under subpara-
23 graph (A), the President shall submit to the ap-
24 propriate congressional committees a report de-
25 scribing the factors considered in determining

1 that it is in the national security interests of
2 the United States not to terminate the Fund.

3 (C) FORM.—The report required by sub-
4 paragraph (B) shall be submitted in unclassi-
5 fied form, but may include a classified annex.

6 (i) RULE OF CONSTRUCTION.—Nothing in this sec-
7 tion may be construed to affect the requirements of sub-
8 section (e) of the Justice for United States Victims of
9 State Sponsored Terrorism Act (34 U.S.C. 20144(e)) or
10 the operation of the United States Victims of State Spon-
11 sored Terrorism Fund under that subsection.

12 (j) DEFINITIONS.—In this section:

13 (1) APPROPRIATE CONGRESSIONAL COMMIT-
14 TEES.—The term “appropriate congressional com-
15 mittees” means—

16 (A) the Committee on Banking, Housing,
17 and Urban Affairs and the Committee on
18 Homeland Security and Governmental Affairs
19 of the Senate; and

20 (B) the Committee on Financial Services
21 and the Committee on Homeland Security of
22 the House of Representatives.

23 (2) COVERED FEDERAL AGENCY.—The term
24 “covered Federal agency” means any Federal agency
25 specified in section 3(b).

1 (3) COVERED IRANIAN PROXY.—The term “cov-
2 ered Iranian proxy” means a violent extremist orga-
3 nization or other organization that works on behalf
4 of or receives financial or material support from
5 Iran, including—

6 (A) the Iranian Revolutionary Guard
7 Corps–Quds Force;

8 (B) Hamas;

9 (C) Palestinian Islamic Jihad;

10 (D) Hezbollah;

11 (E) Ansar Allah (the Houthis); and

12 (F) Iranian-sponsored militias in Iraq and
13 Syria.

14 (4) COVERED SEIZURE OR FORFEITURE.—The
15 term “covered seizure or forfeiture” means a seizure
16 or forfeiture of property made with respect to a vio-
17 lation by Iran or a covered Iranian proxy of sanc-
18 tions imposed by the United States.

19 **SEC. 3. ESTABLISHMENT OF EXPORT ENFORCEMENT CO-**
20 **ORDINATION CENTER.**

21 (a) ESTABLISHMENT.—The Secretary of Homeland
22 Security shall operate and maintain, within Homeland Se-
23 curity Investigations, the Export Enforcement Coordina-
24 tion Center, as established by Executive Order 13558 (50

1 U.S.C. 4601 note) (in this section referred to as the “Center”).
2

3 (b) PURPOSES.—The Center shall serve as the primary
4 center for Federal Government export enforcement
5 efforts among the following agencies:

6 (1) The Department of State.

7 (2) The Department of the Treasury.

8 (3) The Department of Defense.

9 (4) The Department of Justice.

10 (5) The Department of Commerce.

11 (6) The Department of Energy.

12 (7) The Department of Homeland Security.

13 (8) The Office of the Director of National Intelligence.
14

15 (9) Such other agencies as the President may
16 designate.

17 (c) COORDINATION AUTHORITY.—The Center shall—

18 (1) serve as a conduit between Federal law enforcement
19 agencies and the intelligence community
20 (as defined in section 3(4) of the National Security
21 Act of 1947 (50 U.S.C. 3003(4))) for the exchange
22 of information related to potential violations of
23 United States export controls;

1 (2) serve as a primary point of contact between
2 enforcement authorities and agencies engaged in ex-
3 port licensing;

4 (3) coordinate law enforcement public outreach
5 activities related to United States export controls;

6 (4) serve as the primary deconfliction and sup-
7 port center to assist law enforcement agencies to co-
8 ordinate and enhance investigations with respect to
9 export control violations;

10 (5) establish integrated, Government-wide sta-
11 tistical tracking and targeting capabilities to support
12 export enforcement; and

13 (6) carry out additional duties as assigned by
14 the Secretary of Homeland Security regarding the
15 enforcement of United States export control laws.

16 (d) ADMINISTRATION.—The Executive Associate Di-
17 rector of Homeland Security Investigations shall—

18 (1) serve as the administrator of the Center;
19 and

20 (2) maintain documentation that describes the
21 participants in, funding of, core functions of, and
22 personnel assigned to, the Center.

23 (e) DIRECTOR; DEPUTY DIRECTORS.—

24 (1) DIRECTOR.—The Center shall have a Direc-
25 tor, who shall be—

1 (A) a member of the Senior Executive
2 Service (as defined in section 2101a of title 5,
3 United States Code) and a special agent within
4 Homeland Security Investigations; and

5 (B) designated by the Secretary of Home-
6 land Security.

7 (2) DEPUTY DIRECTORS.—The Center shall
8 have 2 Deputy Directors, as follows:

9 (A) One Deputy Director, who shall be—

10 (i) a full-time employee of the Depart-
11 ment of Commerce; and

12 (ii) appointed by the Secretary of
13 Commerce.

14 (B) One Deputy Director, who shall be—

15 (i) a full-time employee of the Depart-
16 ment of Justice; and

17 (ii) appointed by the Attorney Gen-
18 eral.

19 (f) LIAISONS FROM OTHER AGENCIES.—

20 (1) INTELLIGENCE COMMUNITY LIAISON.—An
21 intelligence community liaison shall be detailed to
22 the Center. The liaison shall be—

23 (A) a full-time employee of an element of
24 the intelligence community; and

1 (B) designated by the Director of National
2 Intelligence.

3 (2) LIAISONS FROM OTHER AGENCIES.—

4 (A) IN GENERAL.—A liaison shall be de-
5 tailed to the Center by each agency specified in
6 subparagraph (B). Such liaisons shall be special
7 agents, officers, intelligence analysts, or intel-
8 ligence officers, as appropriate.

9 (B) AGENCIES SPECIFIED.—The agencies
10 specified in this subparagraph are the following:

11 (i) Homeland Security Investigations.

12 (ii) U.S. Customs and Border Protec-
13 tion.

14 (iii) The Office of Export Enforce-
15 ment of the Bureau of Industry and Secu-
16 rity of the Department of Commerce.

17 (iv) The Federal Bureau of Investiga-
18 tion.

19 (v) The Defense Criminal Investiga-
20 tive Service.

21 (vi) The Bureau of Alcohol, Tobacco,
22 Firearms, and Explosives.

23 (vii) The National Counterintelligence
24 and Security Center of the Office of the
25 Director of National Intelligence.

1 (viii) The Department of Energy.

2 (ix) The Office of Foreign Assets Con-
3 trol of the Department of the Treasury.

4 (x) The Directorate of Defense Trade
5 Controls of the Department of State.

6 (xi) The Office of Export Administra-
7 tion of the Bureau of Industry and Secu-
8 rity.

9 (xii) The Office of Enforcement Anal-
10 ysis of the Bureau of Industry and Secu-
11 rity.

12 (xiii) The Office of Special Investiga-
13 tions of the Air Force.

14 (xiv) The Criminal Investigation Divi-
15 sion of the Army.

16 (xv) The Naval Criminal Investigative
17 Service.

18 (xvi) The Defense Intelligence Agency.

19 (xvii) The Defense Counterintelligence
20 and Security Agency.

21 (xviii) Any other agency, at the re-
22 quest of the Secretary of Homeland Secu-
23 rity.

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