

118TH CONGRESS  
1ST SESSION

# S. 3197

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.

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 1, 2023

Ms. ERNST (for herself and Mr. BLUMENTHAL) introduced the following bill;  
which was read twice and referred to the Committee on the Judiciary

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## 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 ministrator 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 ter”).

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, governmentwide statis-  
11 tical 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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