

The Iran Sanctions Enforcement Act

February 26, 2024

The Iran Sanctions Enforcement Act (H.R. 6201 and S. 3197) provides a vital new tool to increase the economic pressure on Iran. The bill establishes a new funding mechanism to aid the seizure of Iranian assets — including illicit Iranian oil shipments.

The bill creates an Iran Sanctions Enforcement Fund to pay for investigations and seizures by the Departments of Justice and Homeland Security of property involved in Iranian sanctions violations.

The legislation is authored in the House by Reps. August Pfluger (R-TX) and Jimmy Panetta (D-CA), and in the Senate by Sens. Joni Ernst (R-IA) and Richard Blumenthal (D-CT).



The Iran Sanctions Enforcement Act provides a new funding stream to aid in the seizure of Iranian oil exported in violation of U.S. sanctions. (AP Photo/ Thanassis Stavrakis)

Key provisions:

- Establishes an Iran Sanctions Enforcement Fund within the U.S. government to to:
 - Pay expenses relating to seizures and forfeitures of property involved in violations of U.S. sanctions on Iran and its terrorist proxies.
 - Pay rewards to informers who provide information on sanctions violations.
- Authorizes an initial \$150 million for the Fund and requires this amount be paid back to the general fund of the U.S. Treasury by 2034.
- Amounts from the Fund shall be prioritized for activities that result in the seizure and forfeiture of Iranian oil or funds used by Iran to support international terrorism.
- Proceeds from the sale of forfeited property will be split:
 - 75% will go to the United States Victims of State Sponsored Terrorism Fund, an existing fund that uses fines imposed on sanction violators to compensate U.S. victims of state-sponsored terrorism.
 - The remaining 25% will go back into the Iran Sanctions Enforcement Fund to aid in additional seizures.
- Any balance in the Fund in excess of \$500 million at the end of a year will be returned to the U.S. Treasury.
- Establishes an “Export Enforcement Coordination Center” to coordinate the exchange of information across the U.S. government related to violations of U.S. export controls.