

118TH CONGRESS  
1ST SESSION

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

To impose a fee on certain remittance transfers to fund border security.

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IN THE SENATE OF THE UNITED STATES

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

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**A BILL**

To impose a fee on certain remittance transfers to fund border security.

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. REMITTANCE TRANSFER FEE.**

4 (a) IN GENERAL.—Section 920 of the Electronic  
5 Fund Transfer Act (relating to remittance transfers) (15  
6 U.S.C. 1693o–1) is amended—

7 (1) by redesignating subsection (g) as sub-  
8 section (h);

9 (2) by inserting after subsection (f) the fol-  
10 lowing:

11 “(g) REMITTANCE TRANSFER FEE.—

1           “(1) IN GENERAL.—If the designated recipient  
2 of a remittance transfer is located outside of the  
3 United States, a remittance transfer provider shall  
4 collect from the sender of such remittance transfer  
5 a remittance transfer fee equal to 10 percent of the  
6 United States dollar amount to be transferred.

7           “(2) TRANSFER OF FUNDS.—Not later than 90  
8 days after the date of the enactment of this sub-  
9 section, the Secretary of the Treasury, in consulta-  
10 tion with the Bureau and remittance transfer pro-  
11 viders, shall develop and make available a system for  
12 remittance transfer providers to submit the remit-  
13 tance transfer fees collected in accordance with para-  
14 graph (1) to the Secretary for transfer to the Border  
15 Enforcement Trust Fund in accordance with section  
16 3344(b) of title 31, United States Code.

17           “(3) PENALTIES.—

18           “(A) IN GENERAL.—Whoever, with the in-  
19 tent to evade a remittance transfer fee to be  
20 collected in accordance with this subsection,  
21 and who has knowledge that, at the time of  
22 such remittance transfer, the value of the funds  
23 involved in the transfer will be further trans-  
24 ferred to a recipient located outside of the  
25 United States, requests or facilitates such re-

1           mittance transfer to a recipient located outside  
2           of the United States—

3                   “(i) shall be subject to a penalty of  
4                   not more than the greater of—

5                           “(I) \$500,000; or

6                           “(II) twice the value of the funds  
7                   involved in such remittance transfer;

8                   “(ii) imprisonment for not more than  
9                   20 years; or

10                   “(iii) both penalties set forth in  
11                   clauses (i) and (ii).

12                   “(B) AIDING OR HARBORING AN INDI-  
13                   VIDUAL CONSPIRING TO AVOID THE FEE.—Any  
14                   foreign country that, in the joint determination  
15                   of the Secretary of Homeland Security, the Sec-  
16                   retary of the Treasury, and the Secretary of  
17                   State, aids or harbors an individual conspiring  
18                   to avoid the fee collected in accordance with  
19                   this subsection shall be ineligible, in the discre-  
20                   tion of the Secretaries described in this sub-  
21                   paragraph—

22                           “(i) to receive United States foreign  
23                   assistance; or

24                           “(ii) to participate in the visa waiver  
25                   program under section 217 of the Immi-

1                   gration and Nationality Act (8 U.S.C.  
2                   1187) or any other immigration pro-  
3                   gram.”; and

4                   (3) in subsection (h)(2), as redesignated—

5                   (A) in subparagraph (A), by striking  
6                   “and” at the end;

7                   (B) in subparagraph (B), by inserting  
8                   “and”; and

9                   (C) by adding at the end the following:

10                   “(C) for purposes of applying the fee re-  
11                   quired under subsection (g)(1), does not include  
12                   payments for valuable consideration.”.

13                   (b) REFUNDABLE INCOME TAX CREDIT ALLOWED  
14 TO CITIZENS OF THE UNITED STATES FOR REMITTANCE  
15 TRANSFER FEES.—

16                   (1) IN GENERAL.—Subpart C of part IV of sub-  
17                   chapter A of chapter 1 of the Internal Revenue Code  
18                   of 1986 is amended by adding at the end the fol-  
19                   lowing:

20                   **“SEC. 36C. REMITTANCE TRANSFER FEES OF UNITED**  
21                   **STATES CITIZENS.**

22                   “**In the case of any individual who is a citizen of the**  
23 **United States, there shall be allowed as a credit against**  
24 **the tax imposed by this subtitle for any taxable year an**  
25 **amount equal to the aggregate amount of remittance**

1 transfer fees paid by such individual under section 920(g)  
2 of the Electronic Fund Transfer Act (15 U.S.C. 1693o-  
3 1(g)) during such taxable year.”.

4 (2) CONFORMING AMENDMENTS.—

5 (A) Section 6211(b)(4)(A) of the Internal  
6 Revenue Code of 1986 is amended by inserting  
7 “36C,” after “36B,”.

8 (B) Section 1324(b)(2\_\_ of title 31,  
9 United States Code, is amended by inserting  
10 “36C,” after “36B,”.

11 (C) The table of sections for subpart C of  
12 part IV of subchapter A of chapter 1 of the In-  
13 ternal Revenue Code of 1986 is amended by in-  
14 serting after the item relating to section 36B  
15 the following new item:

“Sec. 36C. Remittance transfer fees of United States citizens.”.

16 (3) EFFECTIVE DATE.—The amendments made  
17 by this subsection shall apply to taxable years end-  
18 ing after the date of the enactment of this Act.

19 (c) REPORT REGARDING AMOUNT OF REMITTANCE  
20 TRANSFERS TO EACH FOREIGN COUNTRY.—The Commis-  
21 sioner of U.S. Customs and Border Protection shall sub-  
22 mit an annual report to the Committee on Banking, Hous-  
23 ing, and Urban Affairs of the Senate, the Committee on  
24 Homeland Security and Governmental Affairs of the Sen-  
25 ate, the Committee on Financial Services of the House of

1 Representatives, and the Committee on Homeland Secu-  
2 rity of the House of Representatives that describes the ag-  
3 gregate amount of remittance transfers made to each for-  
4 eign country during the year to which such report relates.

5 **SEC. 2. BORDER ENFORCEMENT TRUST FUND.**

6 (a) ESTABLISHMENT.—Subchapter III of chapter 33  
7 of title 31, United States Code, is amended by adding at  
8 the end the following:

9 **“§ 3344. Border Enforcement Trust Fund.**

10 “(a) ESTABLISHMENT OF TRUST FUND.—Not later  
11 than 60 days after the date of the enactment of this sec-  
12 tion, the Secretary of the Treasury shall establish an ac-  
13 count in the Treasury of the United States, which shall  
14 be known as the ‘Border Enforcement Trust Fund’ (re-  
15 ferred to in this section as the ‘Trust Fund’).

16 “(b) TRANSFERS TO TRUST FUND.—

17 “(1) IN GENERAL.—There shall be deposited  
18 into the Trust Fund, from amounts collected as re-  
19 mittance transfer fees under section 920(g) of the  
20 Electronic Fund Transfer Act (15 U.S.C. 1693o-  
21 1(g)), an amount equal to the difference between—

22 “(A) the amount of such remittance trans-  
23 fer fees collected after the establishment of the  
24 Trust Fund; and

1           “(B) the amount of credits allowed under  
2           section 36C of the Internal Revenue Code of  
3           1986 with respect to such remittance transfer  
4           fees.

5           “(2) TIMING AND ESTIMATES.—Amounts de-  
6           scribed in paragraph (1) shall be deposited into the  
7           Trust Fund by the Secretary of the Treasury at  
8           least monthly from the general fund of the Treasury  
9           on the basis of estimates made by the Secretary of  
10          the Treasury. Proper adjustments shall be made in  
11          amounts subsequently transferred to the extent prior  
12          estimates were in excess of, or less than, the  
13          amounts required to be deposited pursuant to this  
14          subsection.

15          “(c) EXPENDITURES FROM TRUST FUND.—Amounts  
16          in the Trust Fund may only be used, consistent with ap-  
17          propriation Acts—

18                 “(1) to employ and train additional U.S. Bor-  
19                 der Patrol agents;

20                 “(2) to employ and train officers and support  
21                 staff employed in enforcement and removal oper-  
22                 ations of U.S. Immigration and Customs Enforce-  
23                 ment;

1           “(3) to plan, design, construct, improve, or  
2           maintain barriers along the international border be-  
3           tween the United States and Mexico; and

4           “(4) to plan, design, construct, improve, or  
5           maintain detention facilities for aliens residing in  
6           the United States without lawful immigration sta-  
7           tus.”.

8           (b) CLERICAL AMENDMENT.—The chapter analysis  
9           for chapter 33 of title 31, United States Code, is amended  
10          by inserting at the end the following:

“3344. Border Enforcement Trust Fund.”.