

U.S. Department of Justice

Asset Forfeiture Program

FY 2027 PERFORMANCE BUDGET

Congressional Justification

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I. Overview

A. Introduction

The Asset Forfeiture Program (AFP or the Program) touches every Federal, state, tribal, and local law enforcement agency in the country and the related cases are handled by all 94 U.S. Attorney's Offices and the Department of Justice's (DOJ or the Department) Criminal Division. Through joint partnerships among law enforcement at all levels, domestically and internationally, the AFP's mission is to use asset forfeiture consistently and strategically to deter, disrupt, and dismantle criminal enterprises by depriving criminals of the fruits and instrumentalities of their illicit activity. Whenever possible, the Program seeks to restore property to innocent victims of crime.

For FY 2027 the Department estimates Program expenses totaling \$1,710,246,000 which includes \$104,352,000 and 38 direct FTEs assigned to the Justice Management Division's Asset Forfeiture Management Staff.

Electronic copies of the Department's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from: <http://www.justice.gov/cj>.

B. Explanation of the Assets Forfeiture Fund

The Assets Forfeiture Fund (AFF or the Fund) has a unique role and statutory authority in supporting and expanding the use of forfeiture throughout the Federal law enforcement community. The Comprehensive Crime Control Act of 1984 (P.L. 98-473), codified in 28 U.S.C. § 524(c), established the AFF as a special fund within the Treasury to receive the proceeds of forfeitures pursuant to any law enforced or administered by the Department. The law authorizes the Attorney General to use the Fund to finance expenses associated with the execution of asset forfeiture functions and, with specific limitations, certain general investigative costs. Prior to the Fund, forfeiture was widely recognized as a powerful law enforcement tool for disrupting and dismantling well-funded criminal enterprises, but many agencies were reluctant to commit scarce appropriated monies to an expensive and often uncertain forfeiture process, where achieving success in seizing assets also meant increased costs for storing, maintaining, and perfecting the Government's interest in the seized property. As a self-funded resource, the AFF ensured that law enforcement effectiveness remained the paramount consideration of agents and prosecutors in choosing to pursue forfeiture under a national program framework. Today, the resources provided by the AFF make the multibillion-dollar Asset Forfeiture Program possible.

The AFF uses its statutory authority to support a wide variety of law enforcement programs that would not exist but for the Fund. For instance, the AFF provides funding for state and local police operating as part of a joint law enforcement task force with Federal agencies. These state and local officers, often deputized as federal agents, function as a critical force multiplier in helping to achieve the law enforcement mission of our federal agencies. The AFF pays for officer overtime, and a variety of critical equipment needs, including life-saving ballistic shields and helmets necessary to ensure officer safety.

In addition to directly funding state and local participation in joint task forces, the Federal Government also invests in these same agencies through the Equitable Sharing Program. Equitable sharing payments to state and local law enforcement partners are strictly dependent on the level of participation they had in the joint law enforcement operations that resulted in

forfeitures. There are approximately 6,000 state and local law enforcement agencies that participate in the Equitable Sharing Program, which allows those agencies to reinvest in law enforcement training and equipment, including lifesaving equipment and rescue equipment.

In December 2024, the Justice Department announced that the Madoff Victim Fund (MVF) would make its 10th and final distribution of over \$131.4 million to victims of the Bernard L. Madoff fraud scheme. These funds were forfeited to the U.S. Government in connection with the Bernard L. Madoff Investment Securities LLC (BLMIS) fraud scheme. Through its 10 distributions, the MVF paid over \$4.3 billion from forfeited funds to 40,930 victims in 127 countries for losses they suffered from the collapse of BLMIS, bringing recovery for victims to nearly 94% of their fraud loss. According to court documents and information presented in related proceedings, for decades, Madoff used his position as chairman of Bernard L. Madoff Investment Securities LLC, the investment advisory business he founded in 1960, to steal billions from his clients. On March 12, 2009, Madoff pleaded guilty to 11 Federal felonies, admitting that he had turned his wealth management business into the world's largest Ponzi scheme, benefitting himself, his family, and select members of his inner circle. [Office of Public Affairs | Justice Department Announces Justice Department Surpasses \\$12 Billion in Compensation to Crime Victims Since 2000.](#)

The Fund has three types of spending authority:

The Mandatory Budget Authority is primarily used to help defray the costs of forfeiture-related activities, compensate victims and other innocent third parties, equitably share proceeds with state and local partners, and support state and local law enforcement participation in joint federal law enforcement operations.

The Discretionary Budget Authority is used to fund certain non-forfeiture-related activities. The funding available under this authority is established by annual appropriations and is funded by program receipts. These activities fall under three expense categories: Purchase of Evidence, Equipping of Conveyances, and Awards for Information.

Excess Unobligated Balances represent funds remaining from the prior fiscal year's operations that the Attorney General is authorized to use without fiscal year limitations, subject to Congressional notification, for any Federal law enforcement, litigation/prosecutive, and correctional activity, or any other authorized purpose of the Department of Justice.

C. Mission

The Asset Forfeiture Program has four primary goals:

- 1) To punish and deter criminal activity by depriving criminals of property used in or acquired through illegal activities.
- 2) To promote and enhance cooperation among Federal, state, local, tribal, and foreign law enforcement agencies.
- 3) To recover assets that may be used to compensate victims when authorized under Federal law.
- 4) To ensure the Program is administered professionally, lawfully, and in a manner consistent with sound public policy.

To achieve these goals, the Department of Justice fully uses asset forfeiture where possible to investigate, identify, seize, and forfeit the assets of criminals and their organizations while ensuring that the due process rights of all property owners are protected. Asset forfeiture plays a critical role in disrupting and dismantling illegal enterprises, depriving criminals of the proceeds of illegal activity, deterring crime, and restoring property to victims. The effective use of both criminal and civil asset forfeiture is an essential component of the Department’s efforts to combat the most sophisticated criminal actors and organizations—including terrorist financiers, cybercriminals, fraudsters, human traffickers, and transnational drug cartels.

D. AFP Participants

The Criminal Division (CRM) has been delegated general policy and oversight functions for the Program, including litigation support to the U.S. Attorneys’ Offices, international asset recovery, and victim compensation. The Justice Management Division’s Asset Forfeiture Management Staff (AFMS) provides the administrative management and oversight of the Fund, including review and evaluation of all AFF-resourced Program activities. AFMS manages all budgeting, financial management, and contracting operations related to the AFF. AFMS oversight and management controls help ensure consistency and transparency of AFF resource allocations across the entire Asset Forfeiture Program. The U.S. Marshals Service (USMS) is the primary custodian of seized property for the Program and manages and disposes of the majority of property seized for forfeiture.

Other DOJ participants include the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the Drug Enforcement Administration (DEA), the Executive Office for United States Attorneys (EOUSA), and the Federal Bureau of Investigation (FBI).

Non-DOJ participants include the U.S. Department of Agriculture, Office of Inspector General (USDA); the U.S. Department of Defense, Defense Criminal Investigative Service (DCIS); the U.S. Department of State, Diplomatic Security Services (DSS); the U.S. Food and Drug Administration, Office of Criminal Investigations (FDA); and the U.S. Postal Inspection Service (USPIS).

Table 1 displays the functional activities of the participating agencies.

Table 1: Asset Forfeiture Program Participants by Function												
Function	AFMS	ATF	DCIS	DEA	DSS	EOUSA	FBI	FDA	CRM	USDA	USMS	USPIS
Investigation		X	X	X	X		X	X	X	X		X
Litigation						X			X			
Custody of Assets		X		X			X				X	
Management of Assets	X								X			

E. Asset Forfeiture Program Budget

Revenue

The Program’s primary sources of revenue are from cash, financial instruments, and proceeds from the sale of property forfeited by criminals and criminal organizations; the DOJ AFF’s share of forfeitures deposited into the Treasury Forfeiture Fund; and interest earned on the investment of the balances of the AFF and the Seized Asset Deposit Fund.

Expenses

The mandatory expenses of the Fund are set in relative priority order so that unavoidable or mandatory costs are met first. Payments and reimbursements are permitted in seven general categories of expense that are described in Section V. The categories are listed in order of priority below.

1. Asset Management and Disposal;
2. Case Related Expenses;
3. Victim and Other Third Party Payments;
4. Equitable Sharing Payments;
5. Joint Law Enforcement Operations;
6. Program Management Expenses - expenses incurred in administering a national asset forfeiture program that is not related to any specific asset or any one specific seizure or forfeiture. These include the following:
 - a. Information Technology Systems and Applications;
 - b. Special Contract Services;
 - c. Training and Printing; and
 - d. Other Program Management.
7. Investigative Expenses (Mandatory) - expenses normally incurred in the identification, location, and seizure of property subject to forfeiture. These expenses include:
 - a. Awards Based on Forfeiture;
 - b. Contracts to Identify Assets; and
 - c. Investigative Costs Leading to Seizure.
8. Storage, Protection, and Destruction of Controlled Substances.

Table 2 shows participating agencies and their projected spending by fiscal year.

Table: Summary of Full-Year Obligations
(Dollars in Thousands)

Asset Forfeiture Program Obligations	FY 2025 Actual/Enacted	FY 2026 Enacted	FY 2027 President's Budget	% Change FY 2026 to FY 2027
Mandatory, Permanent Indefinite				
AFMS	67,916	104,352	104,352	100%
ATF	54,773	60,666	60,666	100%
CRM	62,130	107,308	67,308	63%
DSS	2,546	2,575	2,575	100%
DCIS	7,198	6,616	6,616	100%
DEA	202,308	224,641	224,641	100%
EOUSA	80,412	108,190	108,190	100%
FBI	112,435	168,773	168,773	100%
FDA	10,914	11,529	11,529	100%
OCDETF	42,872	-	-	0%
USDA	1,754	1,777	1,777	100%
USMS	1,074,830	2,768,055	931,896	34%
USPIS	1,402	1,410	1,410	100%
Total Mandatory, Permanent Indefinite	1,721,491	3,565,892	1,689,732	47%
Discretionary, Investigative Expenses				
ATF	1,015	1,227	1,227	0%
DEA	10,716	10,881	10,881	0%
FBI	7,896	7,896	7,896	0%
FDA	215	215	215	0%
USMS	128	295	295	0%
Total Discretionary, Investigative Expenses	19,970	20,514	20,514	0%
Total Expenses/Obligations	1,741,461	3,586,406	1,710,246	47%

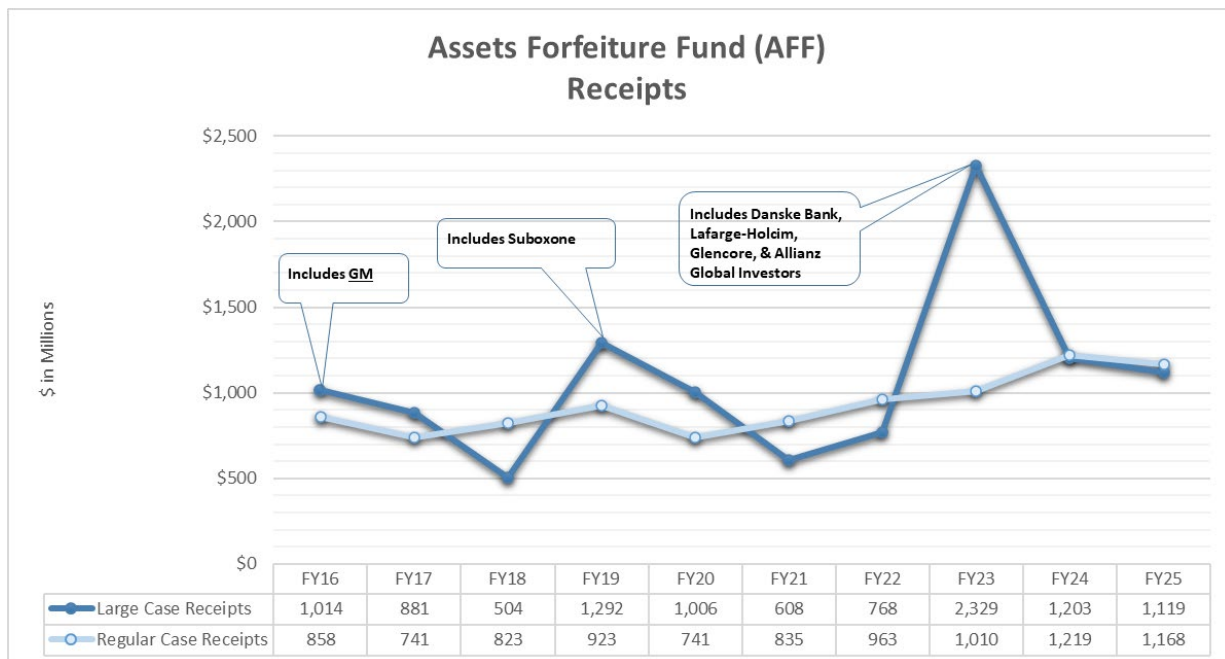
*Resources previously allocated to OCDETF will be realigned to support the Homeland Security Task Forces (HSTF). These funds are shown in the FBI allocation but will be allocated directly to the receiving agencies based on funding allocations provided to AFMS by the FBI.

Unobligated Balances

Due to the unpredictable timing of AFF revenue and expenses, unobligated balances are carried over from one fiscal year to the next to maintain the solvency of the AFF and to cover a variety of pending liabilities.¹ The amount of unobligated monies carried forward to maintain a successful transition into each new fiscal year for specific continuity requirements is estimated for full costs of the previous fiscal year’s allocation for all cost categories including amounts for possible contingencies for Equitable Sharing and Victim & Other Third Party Payments. This ensures that sufficient funding will be available for liabilities that do not yet meet the criteria for an obligation but are anticipated to do so in the future based on an analysis of prior year case data and protects the AFP’s operations during periods of declining revenue.

Trends

FY 2025 regular deposits into the AFF (defined as deposits of less than \$20 million) were above the historical average due to higher-than-projected forfeiture revenue in both large and regular case receipts. A handful of exceptionally large case settlements accounted for some unusual spikes during the past several years. Since FY 2016, large case settlements account for 54 percent of all case AFF revenue and are recovering well post-pandemic.

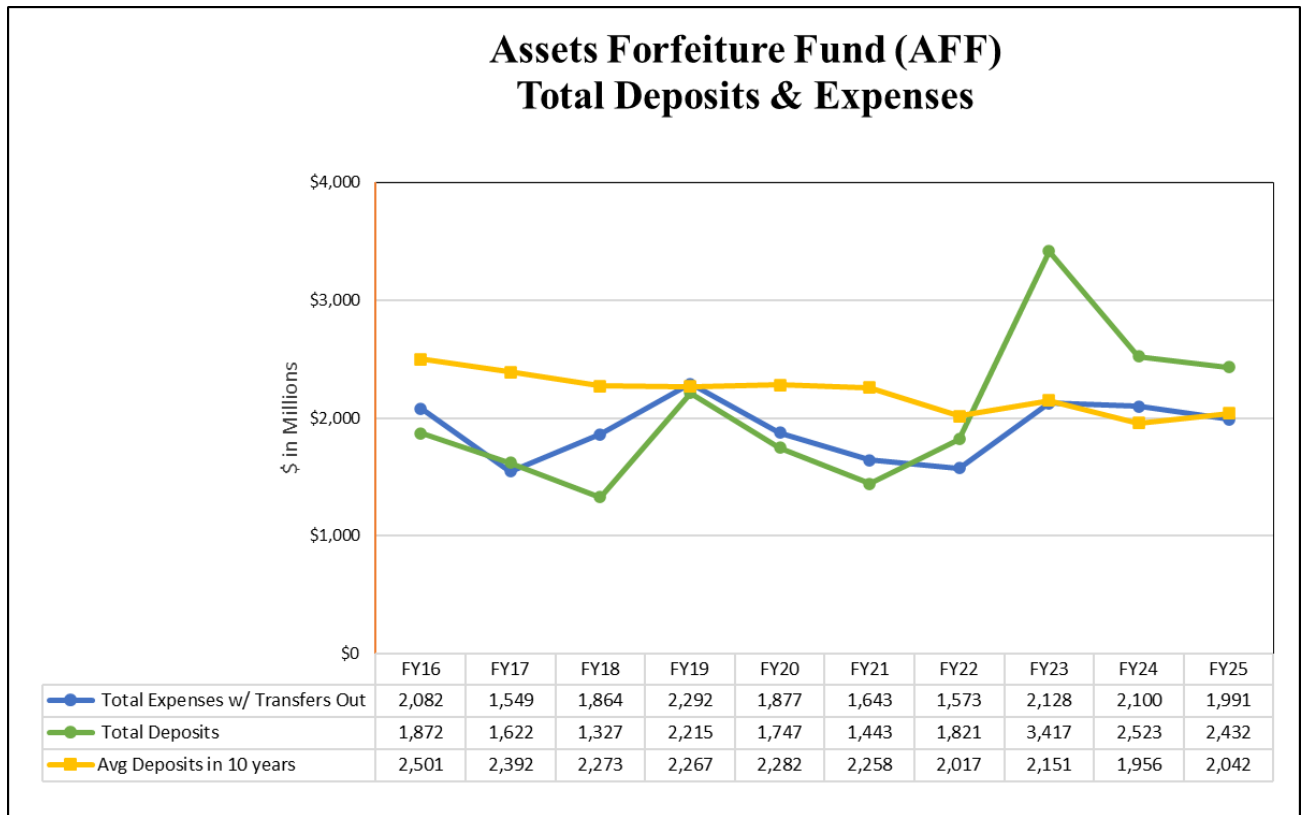


Sources: Unified Financial Management System (UFMS) and Consolidated Asset Tracking System (CATS)

Prepared by: DOJ Asset Forfeiture Management Staff (AFMS)

¹ See 28 U.S.C. 524(c)(8)(D).

Even though the AFF is a revolving account with continuously changing balances, annual deposits and expenses mirror each other. As illustrated in the chart below, most often these large case deposits are offset by corresponding victim liabilities and equitable sharing payments. The ten-year average of Fund activity is \$2.0 billion per year in deposits and associated expenses.



Total Deposits = Total Receipts + Recoveries + Reimbursable Income

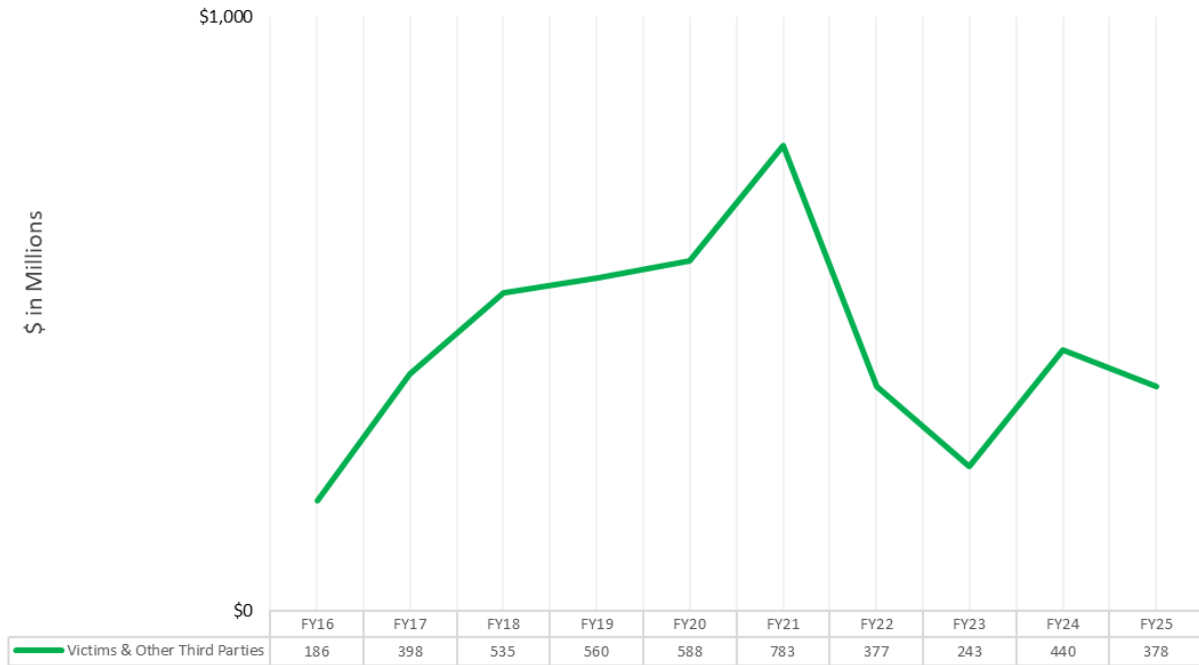
Average = Represents the average of 10 preceding years

Sources: Unified Financial Management System (UFMS) and Consolidated Asset Tracking System (CATS)

Prepared by: DOJ Asset Forfeiture Management Staff (AFMS)

Payments to help compensate victims and other innocent third parties directly correlate with forfeitures where those parties have suffered financial loss. In cases where victims have been identified, a significant portion of the forfeited proceeds are paid to victims. As a portion of overall Program deposits, victims' payments represent 23.5 percent of all Program deposits incurred over the last 10 years.

Victims' & Other Innocent Third Parties' Expenses

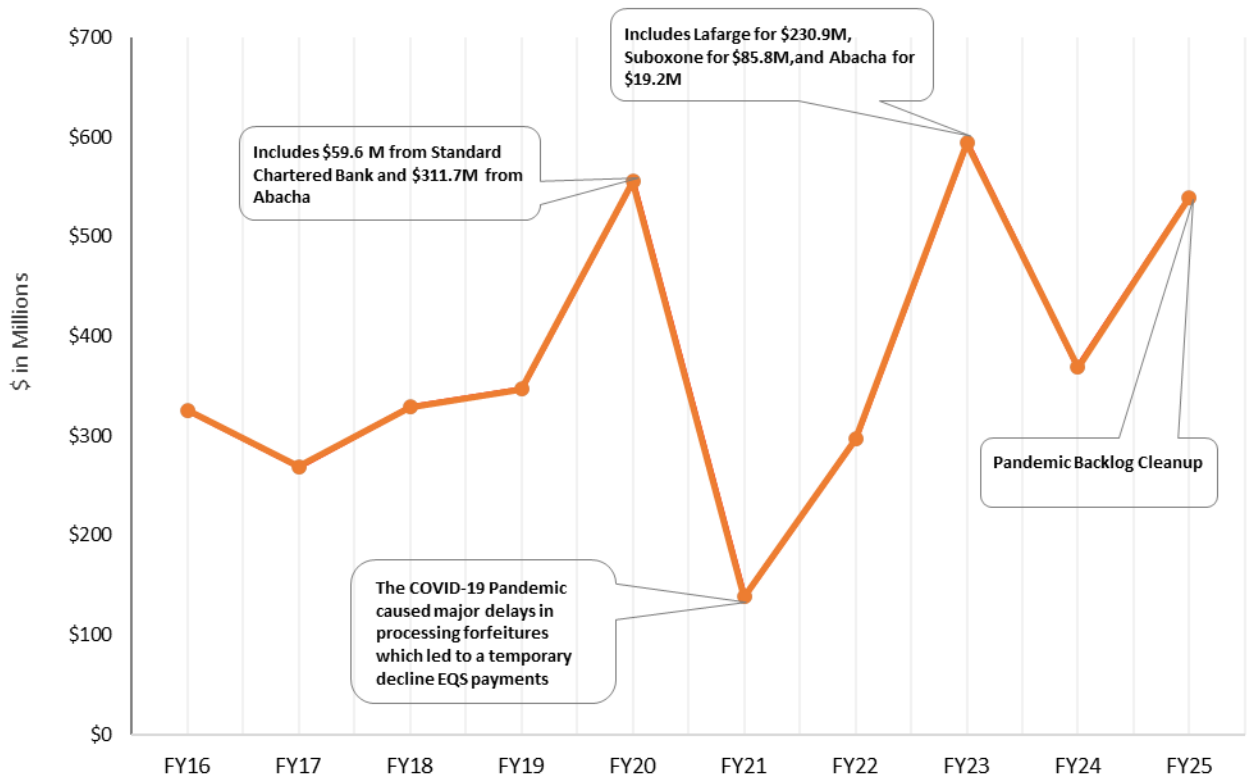


— Victims & Other Third Parties

Sources: Unified Financial Management System (UFMS) and Consolidated Asset Tracking System (CATS)
Prepared by: DOJ Asset Forfeiture Management Staff (AFMS)

Equitable sharing payments represent another 20 percent of total Program expenses over the same 10-year period.

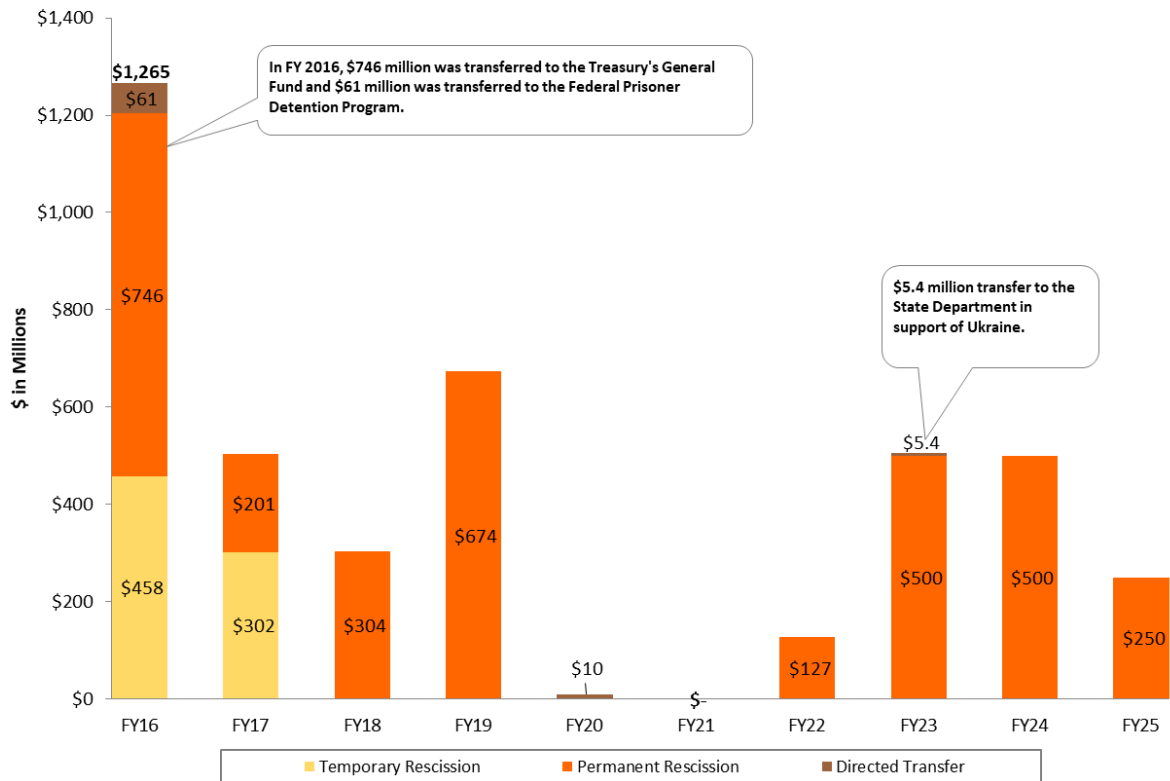
Equitable Sharing Expenses



Sources: Unified Financial Management System (UFMS) and Consolidated Asset Tracking System (CATS)
Prepared by: DOJ Asset Forfeiture Management Staff (AFMS)

After victims claims and other normal operating expenses are paid, any surplus balance may be spent to help fund other law enforcement-related priorities. More recently, Congress has directed surplus balances to be deposited into the United States Treasury General Fund. The enacted appropriations from FY 2022 through FY 2025 included permanent rescissions totaling \$1.4 billion from the unobligated balances in the Fund caused by large one-time deposits.

Permanent & Temporary Rescissions and Transfers Out



Prepared by: DOJ Asset Forfeiture Management Staff (AFMS)

FY 2025 Highlights: The actual revenue for FY 2025 totaled \$2.2 billion, which included regular and large case receipts, reimbursable earnings, the net balance of prior year sequestration restored and current year sequestration, recoveries, and a \$250 million permanent rescission.

Mandatory and discretionary expenses in FY 2025 totaled \$1.7 billion, an increase of \$141 million from FY 2024. The obligations included \$378 million for victims and other third-party payments, and \$540 million for equitable sharing payments.

FY 2025 expenses supported targeted investments in virtual currency initiatives and the continuation of efforts to modernize the CATS system. JLEO expenses were \$215 million, additional resources are available for unanticipated expenses provided that net receipts support an increase in expenses.

The Fund was subject to a sequestration reduction of \$129 million in FY 2025.

FY 2026 Highlights: The estimated revenue for FY 2026 totals \$2.6 billion, which includes regular and large case receipts, reimbursable earnings, the net balance of prior year sequestration restored and current year sequestration, and recoveries. Funding availability is also impacted by a \$255 million rescission in the National Defense Authorization Act for Fiscal Year 2026, Public Law 119-60, and the FY 2026 enacted appropriations rescission of \$113 million.

Mandatory and discretionary expenses in FY 2026 are forecasted at \$3.6 billion, an increase of \$1.8 billion from FY 2025. The estimate includes \$2 billion for victims and other third-party payments, \$484 million for equitable sharing payments.

OCDETF was dissolved as a component within the Department of Justice in FY 2026 as part of the Department's Agency Reduction in Force (RIF) and Reorganization Plan (ARRP). Resources previously allocated to OCDETF will be realigned to support HSTFs. These funds will be co-managed by the FBI but will be suballocated to the receiving agencies.

Funding is provided for JLEO expenses at \$263 million, additional resources are available for unanticipated expenses provided that net receipts support an increase in expenses.

The Fund is subject to a sequestration reduction currently estimated at \$166 million for FY 2026.

FY 2027 Highlights: The estimated revenue for FY 2027 totals \$1.6 billion, which includes regular and large case receipts, reimbursable earnings, the net balance of prior year sequestration restored and current year sequestration, and recoveries.

Mandatory and discretionary expenses in FY 2027 are forecasted at \$1.7 billion. The estimate includes \$271 million for victims and other third-party payments and \$484 million for equitable sharing payments.

FY 2027 expenses will also support targeted investments in virtual currency initiatives and the continuation of efforts to modernize the CATS system. Funding is provided for JLEO expenses for \$231 million, additional resources are available for unanticipated expenses provided that net receipts support an increase in expenses.

The Fund is subject to a sequestration reduction currently estimated at \$79 million for FY 2027.

G. Issues and Challenges

The challenges that impact the achievement of Program goals are complex and dynamic. New legislation and case law, technological developments, changing demographics, and the internationalization of criminal organizations are only a few factors that impact the AFP and pose challenges that demand attention.

External

The globalization of economic and financial systems, the rapidly changing nature of technology, the rising costs for high profile initiatives such as the support for task force initiatives targeting the total elimination of Cartels and Transnational Criminal Organizations, fighting the fentanyl crisis, and the rise in cryptocurrency fraud schemes leads us to a critical time in sustaining the AFP. When foreign governments, terrorists, or well-established international criminals are involved, the investigative techniques often require specialist teams, as well as analytical tools and methods to evaluate many variations of extraordinarily complex, technical, and data-intensive crimes. In recent years, the Program has focused increasing attention on building technical and operational capacity to investigate complex economic crime.

Since FY 2022, the AFF has experienced \$1.4 billion in permanent cancellations of funds from rescissions which continues to impact the ability to support victim and third-party sharing liabilities. Further rescissions at this rate could jeopardize the solvency of the AFF and cause delays in equitable sharing and/or victim payments.

Internal

The Program has historically relied on sporadic and unpredictable revenue from large forfeiture cases covering normal operating expenses, with large case settlements accounting for roughly 55 percent of all AFF receipts since FY 2019. The Program has progressed in creating more sound methods of projecting case receipts using historical information and closely tracking the judicial statuses of pending cases, changing investment strategies to optimize earnings on investments, strengthening policies and financial guidance for participants, allocating funds to the Attorney General's priorities, and providing consistent Program oversight.

Due to the complexity of forfeiture cases, it is often difficult to determine the timing of payments for victims or equitable sharing of large, complex criminal schemes. Therefore, the AFP reserves funding for pending liabilities related to these cases with sharing or victim determinations. The current amount set aside for these future liabilities is \$1.6 billion.

Cybersecurity

The AFP's primary enterprise IT services are provided by the Department's Office of the Chief Information Officer (OCIO) and are funded through the Working Capital Fund. OCIO provides the infrastructure, monitoring, response, and other cybersecurity support for our systems. AFP's systems are located behind Justice's perimeter to take advantage of the existing DOJ environment and reduce the cost of providing services and decrease our cybersecurity vulnerabilities while allowing the AFP to provide our customers with a reliable, accessible, and secure environment to process their data.

Asset Forfeiture Program (AFP) Cybersecurity Activities	
<u>NIST Framework Function</u>	<u>FY 2027 Costs</u>
Identify	\$ 1,329,563
Protect	\$ 498,223
Detect	\$ 59,580
Respond	\$ 132,041
Recover	\$ 308,316
Total	\$ 2,327,722

Customer Experience (CX) and Digital Service Delivery

Notices of administrative, civil, and criminal forfeiture actions were traditionally published in newspapers. Publication of forfeiture notices is now permitted on a government internet site under 28 CFR Part 8.9, Rule G of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions (part of the Federal Rules of Civil Procedure), and/or Rule 32.2(b)(6) of the Federal Rules of Criminal Procedure.

The government website <https://www.forfeiture.gov/> is managed by the Department of Justice, Asset Forfeiture Management Staff, and contains a comprehensive list of pending forfeiture notices for all the federal agencies shown below. This website also features information on how to file a claim and/or a petition for the purpose of recovering property, along with links to the online claim and petition forms that can be filed electronically.

Bureau of Alcohol, Tobacco, Firearms and Explosives
Drug Enforcement Administration
Federal Bureau of Investigation
Internal Revenue Service
U.S. Attorney's Offices
U.S. Customs and Border Protection
U.S. Postal Inspection Service
U.S. Secret Service

H. Program Accomplishments

Justice Department Secures Forfeiture of Over \$5M of Funds Traceable to Business Email Compromise Scheme Targeting Massachusetts Workers Union

On March 26, 2025, a district court in the District of Massachusetts entered a default judgment and final order of forfeiture, securing the forfeiture of approximately \$5,315,746.29 of proceeds of a business email compromise (BEC) scheme and property involved in the subsequent laundering of the proceeds. The judgment is the result of a civil forfeiture complaint filed by the United States in June 2024 seeking the forfeiture of the funds.

As alleged in the complaint, in January 2023, a workers union based in Dorchester, Massachusetts, was defrauded out of \$6.4 million after it received a spoofed email that appeared to be from its

investment manager. The email misled the workers union into transferring the funds to the wrong bank account, which was controlled by a third party.

After the workers union sent the payment, the fraudulently obtained funds were transferred through several intermediary bank accounts, with some funds transferred, or attempted to be transferred, to a cryptocurrency exchange and to various foreign bank accounts located in Hong Kong, China, Singapore, and Nigeria. Investigators also traced proceeds of the scheme to seven domestically held bank accounts, the contents of which were subsequently seized.

U.S. Department of Justice Announces Compensation Process for Victims Trafficked Through Backpage.com

On July 31, 2025, the Department of Justice announced the launch of the Backpage remission process to compensate victims whose trafficking was facilitated through the Backpage.com website. This marks the largest remission process to date to compensate victims of human trafficking.

From 2004 to April 2018, criminals used Backpage.com as an online platform to facilitate commercial sex and sex trafficking, including trafficking of minors. In April 2018, the government seized Backpage.com. To date, Backpage.com, its owners, and key executives and businesses related to the platform have been found guilty of criminal offenses, including conspiring to facilitate unlawful commercial sex using a facility in interstate or foreign commerce and money laundering, and have been sentenced to federal terms of imprisonment.

In December 2024, the Department of Justice forfeited over \$200 million in assets traceable to Backpage's profits. These funds are now available to compensate victims for eligible losses. The Department of Justice has retained Epiq Global Inc. (Epiq) to serve as the Remission Administrator for this matter.

The Department of Justice, through its Asset Forfeiture Program, works diligently to compensate victims of crime. Since 2000, the Program's victim compensation program has returned more than \$12 billion in forfeited assets to victims of crime.

Two Estonian Nationals Plead Guilty in \$577M Cryptocurrency Fraud Scheme

Two Estonian nationals pleaded guilty on February 13, 2025, in federal court for the Western District of Washington for conspiracy to commit wire fraud based on their operation of a massive, multi-faceted cryptocurrency Ponzi scheme that victimized hundreds of thousands of people from across the world, including in the United States. As part of the defendants' guilty pleas, they agreed to forfeit assets valued over \$400 million obtained during the conspiracy.

Sergei Potapenko and Ivan Turõgin sold contracts to customers entitling them to a share of cryptocurrency mined by the defendants' purported cryptocurrency mining service, HashFlare. Cryptocurrency mining is the process of using computers to generate cryptocurrency, such as Bitcoin, for profit.

Between 2015 and 2019, HashFlare's sales totaled more than \$577 million, but HashFlare did not possess the requisite computing capacity to perform the vast majority of the mining the defendants told HashFlare customers it performed. HashFlare's web-based dashboard, which purported to show customers their mining profits, instead reflected falsified data. Potapenko and Turõgin used the proceeds of the fraud conspiracy to purchase real estate and luxury vehicles and maintained investment and cryptocurrency accounts. Potapenko and Turõgin have agreed to forfeit assets

worth, as of the date of the plea, more than \$400 million. The forfeited assets will be available for a remission process to compensate victims of the crime.

The Justice Department worked closely with the Cybercrime Bureau of the Estonian Police and Border Guard on the investigation, along with the Estonian Prosecutor General and Ministry of Justice and Digital Affairs on the extradition of the two defendants.

Texas Business Owner Sentenced for COVID-19 Relief Fraud

On June 25, 2025, the district court in the Northern District of Texas sentenced a Texas business owner on June 25, 2025, to three years and five months in prison for her participation in a scheme to file fraudulent applications for loans under the Paycheck Protection Program (PPP) that the Small Business Administration (SBA) guaranteed under the Coronavirus Aid, Relief, and Economic Security Act.

Between around May 2020, and March 2021, Shantelle Hawkins, 43, of DeSoto, conspired to submit 17 fraudulent PPP loan applications on behalf of companies she or her relatives owned or controlled. The applications contained false statements about payroll and tax information, which the SBA used to calculate the amount of PPP funds to which the applicant-companies would be entitled. Hawkins used some of the money she obtained from the loans for personal expenses, including paying off her 2015 Maserati Ghibli luxury car and purchasing property in the greater Dallas area.

Hawkins pleaded guilty on Oct. 8, 2024, to conspiracy to commit wire fraud. At her sentencing, Hawkins was ordered to pay more than \$1.8 million in restitution and to forfeit the residence purchased with proceeds from the fraud.

Law Enforcement Cooperation Between United States and Mexico Results in Mexican Takedown of Cartel-Linked Alien Smugglers

On February 19, 2025, following extensive bilateral cooperation between the United States and Mexico, the Mexico Attorney General's Office "Fiscalía General de la República" (FGR) conducted a significant enforcement operation to dismantle a prolific transnational alien smuggling organization operating in Juarez, Chihuahua, along the U.S.-Mexico border.

The targeted alien smuggling organization, a group based in Juarez, Mexico, utilizes smuggling corridors centered in the Anapra, Chihuahua / Santa Teresa, New Mexico area, employs Mexican nationals, many of whom are current and former members of various Mexico-based cartels, and is alleged to be responsible for illegally smuggling large numbers of individuals, including children, from Central America into El Paso, Texas. The criminal organization is also alleged to have kidnapped aliens seeking to enter the United States illegally and extorted their families for money before completing their smuggling journey. The enforcement operation included the execution of two arrest warrants in Mexico for alleged alien smugglers Brian Alan Torres Gonzalez and Soledad Morales Nava. Torres and Morales are Mexican citizens and will be prosecuted in Mexico in part with evidence provided by the United States.

On her first day in office, the Attorney General directed the Department of Justice to prioritize efforts to achieve the total elimination of cartels and transnational criminal organizations and empowered Joint Task Force Alpha (JTFA) to increase their contributions to this fight. The task force focuses on disrupting and dismantling smuggling and trafficking networks that abuse, exploit, and endanger migrants, pose national security threats, or are involved in organized crime.

Since its creation in 2021, JTFA's work has resulted in more than 350 domestic and international arrests of leaders, organizers, and significant facilitators of human smuggling; more than 300 U.S. convictions; more than 245 defendants sentenced, including significant jail sentences imposed; and substantial seizures and forfeitures of assets and contraband including millions of dollars in cash, real property, vehicles, firearms and ammunition, and drugs.

New Jersey Resident Sentenced for Role in Global Export Control and Sanctions Evasion Scheme

On August 18, 2025, in federal court in Brooklyn, New York, a New Jersey resident and dual U.S. and Russian national, Vadim Yermolenko, was sentenced to 30 months in prison for his role in a transnational arms dealing and money laundering network that sought to acquire ammunition and sensitive dual-use electronics for Russian military and intelligence services. Yarmolenko's two co-defendants previously pleaded guilty to wire fraud conspiracy and conspiracy to violate the Export Control Reform Act.

To carry out the scheme, Yermolenko helped set up numerous shell companies and bank accounts in the U.S. to illicitly move money and export-controlled goods. During the period charged in the indictment, more than \$12 million passed through accounts owned or controlled by the defendant, which he failed to report to the IRS. These funds were used in part to purchase sensitive equipment used in radar, surveillance, and military research and development. In one instance, money from one of the defendant's accounts was used to purchase export-controlled sniper bullets, which were intercepted in Estonia before they could be smuggled into Russia.

The defendant and his co-conspirators unlawfully purchased and exported highly sensitive, export-controlled electronic components, some of which can be used in the development of nuclear and hypersonic weapons, quantum computing, and other military applications. The two co-defendants, as well as other several individuals and companies involved in the scheme, were previously designated by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) in February 2022.

In addition to the term of imprisonment Yermolenko was ordered to pay a forfeiture money judgment of \$75,547. Yermolenko pleaded guilty in November 2024 to conspiracy to violate the Export Control Reform Act, bank fraud conspiracy, and conspiracy to defraud the United States.

Founder and Former CEO of Biscayne Capital Sentenced to 10 Years in Prison for \$130M Fraud Scheme

On April 24, 2025, Roberto Gustavo Cortes Ripalda (Cortes), the co-founder, co-owner, and CEO of international advisory firm Biscayne Capital, was sentenced in Brooklyn, New York to 10 years in prison for conspiracy to commit wire fraud. Cortes pleaded guilty to the charge in September 2023. Cortes was also ordered to pay \$3.4 million in forfeiture and \$103 million in restitution to over 110 victims.

Cortes and a co-defendant founded Biscayne Capital in 2005 to support the financing of South Bay, their real estate development business focused on acquiring and demolishing properties to build luxury homes. After South Bay began experiencing financial trouble in 2007, Cortes recruited investors to inject funds into South Bay's operations. Rather than using those investor funds to fund South Bay's real estate development projects, Cortes and his co-conspirators used the bulk of the funds to pay outstanding interest and principal debt obligations to other investors. Cortes and his co-conspirators took numerous steps to perpetuate and conceal the scheme, including distributing investment documents with false and misleading information, deceiving investors about the purpose, risk, return, and security of their investments, and creating and

sending fake account statements to unsuspecting clients to conceal the scheme. By the time the Biscayne Capital/South Bay Ponzi scheme collapsed, and Biscayne Capital went into liquidation, Biscayne Capital clients had lost over \$155 million.

Man Sentenced for Over \$11M COVID-19 Relief Fraud and Money Laundering Scheme

A Nevada man was sentenced on August 21, 2025, to over 15 years in prison and five years of supervised release for fraudulently obtaining more than \$11 million in Paycheck Protection Program (PPP) loans guaranteed by the Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and then laundering the funds through real estate transactions, gambling activity, and luxury purchases. The defendant was also ordered to pay restitution in the amount of \$11,793,064.15, forfeiture in the amount of \$11,231,186.52, and to forfeit two vehicles and five properties.

Defendant Meelad Dezfooli, of Henderson, Nevada, submitted three fraudulent applications on behalf of entities he controlled, obtaining more than \$11 million. Dezfooli supported these applications with false documents, including fabricated tax records and a utility bill, and grossly inflated the number of employees and payroll expenses of each entity.

After receiving the PPP funds, Dezfooli laundered the money by purchasing approximately 25 properties in Nevada, often using the alias “James Dez” or a fictitious entity called “Holdings Trust.” Even after he was indicted, Dezfooli continued laundering money, including selling property purchased with the illegally obtained PPP funds. He also used criminal proceeds to fund his personal investment account, buy luxury cars, and gamble extensively throughout Las Vegas. As part of this investigation, five homes were seized by law enforcement.

A jury had previously found Dezfooli guilty of three counts of bank fraud, three counts of money laundering, and four counts of conducting transactions using criminally derived property, including one violation related to a transaction that Dezfooli conducted after he had already been charged.

Texas Doctor Who Falsely Diagnosed Patients Sentenced to 10 Years’ Imprisonment in Connection with \$118M in Fraudulent Health Care Claims

On May 21, 2025, A Texas rheumatologist was sentenced to 10 years in prison and three years of supervised release for perpetrating a health care fraud scheme involving over \$118 million in false claims and the payment of over \$28 million by insurers as a result of him falsely diagnosing patients with chronic illnesses to bill for tests and treatments that the patients did not need. Jorge Zamora-Quezada, M.D., also falsified patient records to support the false diagnoses after receiving a federal grand jury subpoena.

Following a 25-day trial, Zamora-Quezada was convicted of one count of conspiracy to commit health care fraud, seven counts of health care fraud, and one count of conspiracy to obstruct justice. In addition to his prison term, Zamora-Quezada was ordered to forfeit \$28,245,454, including 13 real estate properties, a jet, and a Maserati GranTurismo.

As established at trial, Zamora-Quezada falsely diagnosed his patients with rheumatoid arthritis and administered toxic medications to defraud Medicare, Medicaid, TRICARE, and Blue Cross Blue Shield. The fraudulent diagnoses made the defendant’s patients believe that they had a life-long, incurable condition that required regular treatment at his offices.

Zamora-Quezada’s false diagnoses and powerful medications caused debilitating side effects on his patients, including strokes, necrosis of the jawbone, hair loss, liver damage, and pain so severe that basic tasks of everyday life, such as bathing, cooking, and driving, became difficult. After falsely diagnosing his patients, Zamora-Quezada administered unnecessary treatments and ordered unnecessary testing on them, including a variety of injections, infusions, x-rays, MRIs, and other procedures—all with potentially harmful and even deadly side effects. To receive payment for these expensive services, Zamora-Quezada fabricated medical records and lied about the patients’ condition to insurers.

Former employees detailed how Zamora-Quezada imposed strict quotas for procedures, leading to a climate of fear. Zamora-Quezada referred to himself as the “*eminencia*” — or eminence, threw a paperweight at an employee who failed to generate enough unnecessary procedures, hired employees he could manipulate because they were on J-1 visas and their immigration status could be jeopardized if they lost their jobs, and fired those who challenged him.

Testimony also revealed Zamora-Quezada’s obstruction of insurer audits by fabricating missing patient files, including by taking ultrasounds of employees and using those images as documentation in the patient records. Testimony at trial established that Zamora-Quezada told employees to “*aparecer*” the missing records — “to make them appear.” Former employees also recounted being sent to a dilapidated barn to attempt to retrieve records. There, files were saturated with feces and urine, rodents, and termites that infested not only the records but also the structure.



Image Credit: Case 7:18-cr-00855, U.S. v. Zamora-Quezada

Zamora-Quezada’s patient file storage facility

Zamora-Quezada used proceeds from his crimes to fund a lavish lifestyle, replete with real estate properties across the country and in Mexico, a jet, and a Maserati.



Image Credit: Case 7:18-cr-00855, U.S. v. Zamora-Quezada

One of Zamora-Quezada's luxury properties



GXX-3.002

Image Credit: Case 7:18-cr-00855, U.S. v. Zamora-Quezada

Zamora-Quezada's jet

Court-Authorized Seizure Interdicts Cryptocurrency Valued at Approximately \$200,000 Intended to Support the Terrorist Activities of Harakat al-Muqawama al-Islamiyya (Hamas)

On March 27, 2025, the Justice Department announced the disruption of an ongoing terrorist financing scheme through the court-authorized seizure of approximately \$201,400 in cryptocurrency held in wallets and accounts intended to benefit Harakat al-Muqawama al-Islamiyya (Hamas).

The seized funds were traced from fundraising addresses purportedly controlled by Hamas that were used to launder more than \$1.5 million in virtual currency since October 2024. Included among the assets seized were cryptocurrency addresses valued at approximately \$89,900 and three additional accounts containing cryptocurrency valued at approximately \$111,500. These accounts were registered in the names of Palestinian individuals living in Turkey and elsewhere.

II. Summary of Program Changes

No program changes.

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

For expenses authorized by subparagraphs (B), (F), and (G) of section 524(c)(1) of title 28, United States Code, \$20,514,000, to be derived from the Department of Justice Assets Forfeiture Fund.

Analysis of Appropriations Language

No substantive changes are proposed.

IV. Component Discussion of Administration Priorities

The Program has increased funding for Joint Law Enforcement Operations (JLEO) to support the Administration's and the Attorney General's initiatives focused on the total elimination of Cartels and Transnational Criminal Organizations (TCOs), as well as Operation Take Back America. These resources will directly support state, local, and tribal Task Force Officers (TFOs) participating in task force operations led by DOJ Asset Forfeiture Program agencies. These TFOs are a critical force multiplier in helping to achieve the law enforcement mission of the Department. The work of these federal joint task forces regularly leads to the seizure of large quantities of illegal drugs, forfeiture of proceeds of drug trafficking, and the arrest of individuals who are charged and prosecuted for capital crimes and other serious offenses.

In accordance with the establishment of the Strategic Bitcoin Reserve and the U.S. Digital Asset Stockpile through Executive Order 14233 of March 6, 2025, the AFP will be developing new seizure and forfeiture policies in stewardship of all virtual currency initiatives including the proceeds from the sale or disposition thereof to be returned to identifiable and verifiable victims of crime; be used for law enforcement operations; be equitably shared with State and local law enforcement partners; or be released to satisfy requirements under 28 U.S.C. 524(c).

V. Impact of ATBs

The AFF's current FY 2026 and FY 2027 revenue and expense projections, including pending case liabilities for victims and sharing payments, are sufficient to cover any inflationary cost increases. However, any rescissions or other unanticipated liabilities would adversely impact Program solvency and may require allocation reductions to ensure the long-term viability of the AFF.

VI. Program Activity Justification

Asset Forfeiture Program Total	Direct Pos.	Estimate FTE	Amount
2025 Actual/Enacted	473	379	1,742,005
2026 Allocation/Enacted	487	486	3,586,406
Technical Adjustments	0	0	-1,876,160
2027 Current Services	487	486	1,710,246
2027 Program Increases	0	0	0
2027 Program Offsets	0	0	0
2027 President's Budget	487	486	1,710,246
Total Change 2026-2027	0	0	-1,876,160

Mandatory, Indefinite Authority Total	Direct Pos.	Estimate FTE	Amount
2025 Actual	473	379	1,721,491
2026 Allocation Estimate	487	486	3,565,892
Technical Adjustments	0	0	-1,876,160
2027 Current Services	487	486	1,689,732
2027 Program Increases	0	0	0
2027 Program Offsets	0	0	0
2027 President's Budget	487	486	1,689,732
Total Change 2026-2027	0	0	-1,876,160

Appropriated, Definite Authority Total	Direct Pos.	Estimate FTE	Amount
2025 Enacted	0	0	20,514
2026 Enacted	0	0	20,514
Technical Adjustments	0	0	0
2027 Current Services	0	0	20,514
2027 Program Increases	0	0	0
2027 Program Offsets	0	0	0
2027 President's Budget	0	0	20,514
Total Change 2026-2027	0	0	0

*Direct FTEs only.

VII. FY 2027 Asset Forfeiture Program Estimates

Asset Forfeiture Program

1. Summary of Requirements by Financing (Dollars in Thousands)

Financing	FY 2025 Actual	FY 2026 Enacted	FY 2027 President's Budget	2026 - 2027 Total Change
Unobligated balance of receipts, start-of-year				
Retention of Unobligated Balances to maintain AFF Solvency	1,622,414	1,709,056	841,500	(867,556)
Set aside for Rescission Impact	500,000	175,000	0	(175,000)
RP Contingencies for Outstanding Liabilities	862,245	1,548,738	1,632,466	83,728
Unobligated balance of receipts, start-of-year	2,984,659	3,432,794	2,473,966	(958,828)
Collections/deposits/receipts/recoveries:				
Regular Case Receipts	1,118,848	1,050,000	1,050,000	0
Large Case Receipts	1,168,440	1,877,795	350,000	(1,527,795)
Total Receipts	2,287,288	2,927,795	1,400,000	(1,527,795)
Reimbursable Earnings/Receipts	30,712	29,492	29,492	0
Prior year sequestration restored	136,903	129,206	165,715	36,509
Recovery/Refunds of prior year obligations	113,898	75,000	75,000	0
Permanent/Pending Rescissions	(250,000)	(368,200)	0	368,200
Sequestration	(129,206)	(165,715)	(78,631)	87,084
Collections/deposits/receipts/recoveries:	2,189,595	2,627,578	1,591,576	(1,036,001)
Total Direct resources available	5,143,542	6,030,880	4,036,050	(1,994,830)
Total resources available	5,174,254	6,060,372	4,065,542	(1,994,830)
Less: Unobligated balance of receipts, end-of-year				
Retention of Unobligated Balances to maintain AFF Solvency	(1,709,055)	(841,500)	(722,830)	118,670
Set aside for rescission impact	(175,000)	0	0	0
The FY 2026 RP Contingencies for Outstanding Liabilities balance set aside for Victim and Third Party Payments and Equitable Sharing. Additionally, there is a litigation hold on \$453.6 million pending programmatic review and resolution of court proceedings.	(1,548,738)	(1,632,466)	(1,632,466)	0
Unobligated balance of receipts, end-of-year	(3,432,793)	(2,473,966)	(2,355,296)	118,670
Total Direct Obligations	1,710,749	3,556,914	1,680,754	0
Total Obligations	1,741,461	3,586,406	1,710,246	0
*Note 1: Amounts may not tie due to rounding. The regular receipts total include the reduction for refunds.				

2. Obligations by Type of Expense*
(Dollars in Thousands)

	FY 2025 Actual	FY 2026 Enacted	FY 2027 President's Budget	2026 - 2027 Total Change
Case support expenses:				
Asset Management and Disposal	46,943	57,276	57,276	0
Victim & Other Third Party Payments	377,629	2,075,027	270,867	(1,804,160)
Case Related Expenses	37,986	56,563	56,563	0
Special Contract Services	137,722	147,478	147,478	0
Investigative Costs Leading to Seizures	53,516	106,807	66,807	(40,000)
Contracts to Identify Assets	93,721	99,471	99,471	0
Awards Based on Forfeiture	13,995	15,005	15,005	0
Program support expenses:				
Information Systems	68,188	101,869	101,869	0
Training and Printing	3,004	8,191	8,191	0
Other Program Management	125,291	137,551	137,551	0
Other authorized expenses:				
Storage, Protection & Destruction of Controlled Substances	8,964	13,752	13,752	0
Equitable Sharing Payments	539,615	483,851	483,851	0
Joint Law Enforcement Operations	<u>214,917</u>	<u>263,050</u>	<u>231,050</u>	(32,000)
Subtotal: Mandatory Expenses	1,721,491	3,565,892	1,689,732	(1,876,160)
Investigative expenses				
Awards for Information	10,645	10,767	10,767	122
Purchase of Evidence	9,202	9,592	9,592	390
Equipping of Conveyances	<u>123</u>	<u>155</u>	<u>155</u>	<u>32</u>
Subtotal: Investigative Expenses	19,970	20,514	20,514	544
Total, Mandatory and Investigative Expenses	1,741,461	3,586,406	1,710,246	(1,876,160)
Total Direct Obligations	1,710,749	3,556,914	1,680,754	(1,876,160)
Total Obligations	1,741,461	3,586,406	1,710,246	(1,876,160)
Total Gross Obligs w/o Equitable Sharing and Third Party Payments	824,216	1,027,528	955,528	(72,000)
Total Gross Obligs w/o Equitable Sharing, Third Party Payments, and JLEO	609,299	764,478	724,478	(40,000)

A. Asset Forfeiture Program - Program Expense Descriptions

a. MANDATORY EXPENSES, INDEFINITE AUTHORITY

1. Asset Management and Disposal

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President's Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$46,943,000	\$57,276,000	\$57,276,000	\$0

Asset management and disposal expenses are incurred in connection with the seizure, inventory, appraisal, packaging, movement, storage, maintenance, security, and disposition of seized and forfeited assets located domestically and abroad, including the destruction of contraband. Asset management expenses may also include payment of contract services to operate and manage properties or provide other specialized services as necessary to manage and/or dispose of such properties. Estimates include expenses for contracts related to storage and disposal of virtual currency as well as support for complex asset seizures.

2. Victim & Other Third-Party Payments

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President's Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$377,629,000	\$2,075,027,000	\$270,867,000	(\$1,804,160,000)

This category of expense is primarily used to return property to qualifying victims. Other qualified third-party interests are those expenses incurred in the payment of valid liens, secured mortgages, and debts owed to qualified general creditors pursuant to court orders or favorable rulings on petitions for remission or mitigation. This includes the restoration of proceeds of sales pursuant to court orders or administrative determinations and any pending case liabilities. The AFP anticipates continued timely court determinations and the reconciliation of case backlogs in a post-pandemic environment. Amounts authorized for restoration to Federal district courts, for payments in remission and mitigation of forfeitures, and for the payment of other authorized third-party claims. Estimated increases in restoring victims in FY 2026 from the resolution of large cases is anticipated. Additionally, there is a litigation hold on \$453.6 million pending programmatic review and resolution of court proceedings.

3. Equitable Sharing Payments

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President's Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$539,615,000	\$483,851,000	\$483,851,000	\$0

Equitable sharing payments represent the transfer of portions of federally forfeited cash and proceeds from the sale of forfeited property to state and local law enforcement agencies and foreign governments that directly assisted in targeting or seizing the property. These amounts reflect the relative degree of participation in the law enforcement effort resulting in the forfeiture, considering the total value of all property forfeited and the total law enforcement effort concerning the violation of the law on which the forfeiture is based. No

equitable sharing payments are made until after victims or other innocent third-party claims are satisfied.

4. Case Related Expenses

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President's Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$37,986,000	\$56,563,000	\$56,563,000	\$0

Case related expenses are those expenses that are incurred in connection with normal proceedings undertaken to perfect the United States' interest in the seized property through forfeiture. This includes fees and other costs of advertising, translation, court and deposition reporting, expert witness, courtroom exhibit services, employment of attorneys or other specialists in state real estate law by the U.S. Marshals Service, travel and subsistence related to a specific proceeding, and other related items. In addition, the Deputy Attorney General may approve expenses for the retention of foreign counsel.

5. Joint Law Enforcement Operations

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President's Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$214,917,000	\$263,050,000	\$231,050,000	(\$32,000,000)

Under Joint Law Enforcement Operations (JLEO), the Fund pays for costs incurred by state and local law enforcement officers while directly involved in a joint law enforcement operation with the federal government, as authorized by 28 U.S.C. 524(c)(1)(I). Requirements for support from state and local partners has increased in recent years in support of the Department's strategic goal for combatting violent crime and in mitigating gun violence. JLEO estimated expenses in FY 2026 has increased to address the Presidential initiatives to combat criminal activities by transnational drug cartels.

6. Special Contract Services

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President's Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$137,722,000	\$147,478,000	\$147,478,000	\$0

This expense category finances contract personnel to manage the administrative aspects of the Program, including data entry and analysis, file control and review, quality control, case file preparation, and other process support functions. In addition to administrative functions, Special Contract Services also supports the technical aspects of the asset forfeiture process, including the seizure, management, disposition, post-disposition of assets, and case closure.

7. Storage, Protection, and Destruction of Controlled Substances

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President's Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$8,964,000	\$13,752,000	\$13,752,000	\$0

These resources fund DEA in the storage, protection, and destruction of controlled substances. These activities include the incineration of bulk quantities of controlled substances, the security and transportation of evidence from DEA storage sites to approved incineration facilities, the storage of seized drug evidence in secured leased warehouses until the evidence can be destroyed, and support of the Domestic Cannabis Eradication/Suppression Program. The fund also supports the phased repair and replacement of aging narcotics safes in ATF field offices.

8. Information Systems

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President's Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$68,188,000	\$101,869,000	\$101,869,000	\$0

These resources primarily support the centralized operations and development of forfeiture-related systems and applications used by law enforcement officers and prosecutors to account for assets seized from criminal enterprises. The core business application is the Consolidated Asset Tracking System (CATS), along with approximately 20 separate applications that integrate with CATS, use CATS data, or function as an external application supporting CATS. The modernization project for CATS expenses were \$5 million of its projected \$35 million in costs for research and development plans for the multiyear project. In FY 2026, we reallocated \$30 million that was not used in FY 2025 for continued development. The plan for FY 2026 is to have a company under contract to conduct the project. The major modernization procurement project is under Programmatic review based on Executive Order 14158 which aims to modernize federal technology.

9. Training and Printing

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President's Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$3,004,000	\$8,191,000	\$8,191,000	\$0

This category is used to finance necessary training expenses related to the AFP. Generally, this will include any training necessary to maintain the competency of Federal and contract personnel dedicated to performing federal forfeiture functions (e.g., trial advocacy for asset forfeiture attorneys, training on agency computers for contract employees); any exclusive asset forfeiture training program that is conducted for other personnel, for whom asset forfeiture is an ancillary duty, to enable them to be more effective in performing asset forfeiture program functions; and that portion of a broader law enforcement training program that is directly related to the identification, tracking, evaluation, seizing, processing, accounting for, management or disposition of property subject to forfeiture. It also funds printing expenses associated with forfeiture training and the performance of forfeiture functions. In-person training courses and conferences have plateaued since the pandemic.

10. Other Program Management

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President’s Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$125,291,000	\$137,551,000	\$137,551,000	\$0

This category includes several types of expenses that are important to the overall management of the Program including program review and evaluation, requirements analysis, policy development, the annual audit of the Fund’s financial statements by an independent accounting firm, special assessments, and reviews designed to improve program performance. This category also finances the salaries and expenses of the government employees assigned to AFMS, litigation and program oversight units of CRM, the USMS Asset Forfeiture Financial Investigator (AFFI) program, and government personnel in member agencies who provide core asset forfeiture program management functions. The FSA contract fees were negotiated for FY 2025 and the additional cost increased by \$4.8 million. This cost increase was allocated to CRM, USMS, OCDEF, and EOUSA.

11. Contracts to Identify Assets

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President’s Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$93,721,000	\$99,471,000	\$99,471,000	\$0

This category funds the costs of contracting for a cadre of Senior Financial Investigators to support complex financial investigations within the Investigative Agencies to trace the proceeds of crime into assets subject to seizure. It also provides related support such as commercial database subscription services to nationwide public record data systems and the acquisition of specialized assistance to reconstruct seized financial records.

12. Awards Based on Forfeiture

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President’s Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$13,995,000	\$15,005,000	\$15,005,000	\$0

These expenses are for the payment of awards for information or assistance leading to civil or criminal forfeiture involving any federal agency participating in the Fund. For instance, award payments to Confidential Sources (CS) are critical to the fulfillment of the primary DEA mission – to disrupt and dismantle drug trafficking organizations. CS award payments provide a tremendous incentive to individuals to assist in drug trafficking investigations that result in the seizure and forfeiture of drug-related assets. Over the past several years, the FBI has pursued more substantial forfeitures due to the increased size and scope of criminal schemes in white-collar crime, organized crime, and narcotics trafficking. The realization of these forfeitures was assisted by informants.

13. Investigative Costs Leading to Seizures

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President’s Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$53,516,000	\$106,807,000	\$66,807,000	(\$40,000,000)

Investigative costs leading to seizure (ICLS) are incurred in the identification, location, and seizure of property to be forfeited. ICLS expenses typically fall into three main categories: (1) investigative expenses in specific cases where the agency has a reasonable belief will lead to forfeitures, (2) investigative techniques that are a substantial factor in asset seizures, and (3) equipment that has a similarly substantial and measurable nexus to seizures.

b. INVESTIGATIVE EXPENSES

Definite, Appropriated (Discretionary) Authority

1. Purchase of Evidence

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President’s Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$9,202,000	\$9,592,000	\$9,592,000	\$0

Funding in this category is limited to the purchase of evidence related to violations of the Controlled Substances Act, the Controlled Substances Import and Export Act, the Racketeer Influenced and Corrupt Organizations Act, and criminal money laundering laws.

2. Equipping of Conveyances

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President’s Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$123,000	\$155,000	\$155,000	\$0

This category provides funding to equip government-owned or leased vehicles, vessels, or aircraft for law enforcement purposes.

3. Awards for Information

FY 2025 <u>Actual</u>	FY 2026 <u>Enacted</u>	FY 2027 <u>President’s Budget</u>	Increase/Decrease <u>FY 2026 to FY 2027</u>
\$10,645,000	\$10,767,000	\$10,767,000	\$0

These expenses are for awards for information or assistance directly relating to violations of the criminal drug laws of the United States or of 18 U.S.C. Chapter 77, 18 U.S.C. § § 1956 and 1957, 31 U.S.C. § § 5313 and 5324, and Section 6050I of the Internal Revenue Code of 1986. The Justice for Victims of Trafficking Act of 2015 (P.L. 114–22) also authorized the use of this funding for human trafficking investigations as defined by 18 U.S.C. Chapter 77.

There is no requirement that the information provided has any relationship to civil or criminal forfeiture under federal law. Awards payable from the Fund directly support law enforcement.

VIII. EXHIBITS