



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 20, 2007

H.R. 2740

MEJA Expansion and Enforcement Act of 2007

As ordered reported by the House Committee on the Judiciary on August 2, 2007

SUMMARY

The Military Extraterritorial Jurisdiction (MEJA) Expansion and Enforcement Act of 2007 would direct the Federal Bureau of Investigation (FBI) to establish special units to investigate criminal offenses by contract personnel operating in the vicinity of U.S. armed forces overseas. In addition, the bill would broaden the coverage of the laws relating to misconduct by such civilian contract personnel. CBO estimates that implementing H.R. 2740 would cost \$23 million over the 2008-2012 period, assuming appropriation of the necessary amounts. Enacting the bill could affect direct spending and revenues, but we estimate that any such effects would not be significant.

H.R. 2740 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2740 is shown in the following table. The costs of this legislation fall within budget function 750 (administration of justice).

	By Fiscal Year, in Millions of Dollars				
	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	3	5	5	5	5
Estimated Outlays	3	5	5	5	5

BASIS OF ESTIMATE

CBO estimates that implementing H.R. 2740 would have discretionary costs of \$23 million over the 2008-2012 period. For this estimate, CBO assumes that the necessary amounts will be appropriated near the start of each fiscal year and that spending will follow historical patterns for similar activities. In addition, CBO estimates that the bill could have an insignificant effect on direct spending and revenues.

Spending Subject to Appropriation

H.R. 2740 would direct the FBI to establish Theater Investigative Units to investigate criminal offenses by contract personnel operating in the vicinity of U.S. armed forces overseas. Based on the extent of current military operations, CBO anticipates that the FBI would likely establish two or three such units, including one each for Iraq and Afghanistan. Because relatively few offenses are committed by contract personnel, we expect that the FBI would need to hire no more than 30 persons to investigate cases under the bill. Once fully phased in, CBO estimates that the costs of those additional employees would be about \$5 million annually, including salaries, benefits, and support costs (including additional security measures required for war zone operations).

For this estimate, CBO assumes that there will continue to be a substantial number of U.S. forces operating in Iraq, Afghanistan, or other locations overseas over the next five years. If the size of the overseas forces declines significantly over that period, the cost of implementing H.R. 2740 could decline as well.

Direct Spending and Revenues

Enacting H.R. 2740 could increase federal revenues and direct spending as a result of additional criminal penalties assessed for misconduct by contract personnel. Collections of criminal penalties are recorded in the budget as revenues, deposited in the Crime Victims Fund, and later spent. CBO estimates, however, that any additional revenues and direct spending that would result from enacting the bill would not be significant because of the relatively small number of cases likely to be involved.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2740 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Costs: Mark Grabowicz

Impact on State, Local, and Tribal Governments: Melissa Merrell

Impact on the Private Sector: Paige Piper/Bach

ESTIMATE APPROVED BY:

Peter H. Fontaine

Assistant Director for Budget Analysis