CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

November 19, 2003

S. 950
Freedom to Travel to Cuba Act of 2003

As reported by the Senate Committee on Foreign Relations on November 11, 2003

S. 950 would forbid, with a few specific exceptions, the federal government from regulating or prohibiting any travel or travel-related transactions by U.S. citizens to or from Cuba. The bill also would require the Department of State to submit a biannual report to the Congress concerning whether the Cuban government has provided or facilitated financial support for terrorism. CBO estimates that the new reporting requirements would cost less than $500,000 annually, assuming appropriation of the necessary amounts. CBO estimates that enacting S. 950 would reduce revenues by $2 million annually.

Travel to Cuba is currently regulated by the Department of Treasury's Office of Foreign Assets Control. Violations of the current travel restrictions to Cuba can result in civil and criminal fines. Hence, enacting S. 950 would reduce the amount of fines currently collected. The collection of civil fines are recorded as governmental receipts (revenues) and deposited into the general fund of the Treasury. Criminal fines are also recorded in the budget as governmental receipts, which are deposited in the Crime Victims Fund and spent in subsequent years. Based on information from the Department of Treasury, CBO estimates allowing travel and travel-related transactions to Cuba would reduce the amount of fines collected by about $2 million annually.

S. 950 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contacts for this estimate are Matthew Pickford (for civil and criminal fines) and Sunita D'Monte (for Department of State). The estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.