



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

December 8, 2015

**H.R. 998
Preclearance Authorization Act of 2015**

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on October 7, 2015*

H.R. 998 would authorize Customs and Border Protection (CBP) in the Department of Homeland Security to establish preclearance (inspection) stations in foreign countries. CBP currently operates preclearance facilities in about 15 locations, mostly in Canada. The act would require the agency to notify the Congress before establishing preclearance stations in countries that currently have none. H.R. 998 also would authorize CBP to enter into cost sharing agreements with airport authorities in foreign countries to defray certain costs related to operating preclearance stations.

CBP anticipates opening new preclearance stations over the next several years and can do so under current law. The collection and subsequent spending of any amounts related to cost sharing agreements would be subject to future appropriation acts. Thus, CBO estimates that implementing H.R. 998 would have no significant net effect on CBP spending.

Enacting the legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 998 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2026.

H.R. 998 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.

On July 13, 2015, CBO transmitted a cost estimate for H.R. 998 as ordered reported by the House Committee on Homeland Security on June 25, 2015. The two versions of the act are similar and CBO's estimates of the budgetary effects are the same.

The CBO staff contact for this estimate is Mark Grabowicz. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.