Congressional Budget Office
Cost Estimate

February 13, 2024

H.R. 529, Extending Limits of U.S. Customs Waters Act

As ordered reported by the House Committee on Ways and Means on November 30, 2023

By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-2034
Direct Spending (Outlays)	*	*	*
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	not estimated

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2035?	*	Statutory pay-as-you-go procedures apply?	Yes
		Mandate Effects	
		Contains intergovernmental mandate?	No
Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2035?	No	Contains private-sector mandate?	No

* = between -$500,000 and $500,000.

H.R. 529 would amend the definition of *customs waters* to extend the distance from 12 nautical miles to 24 nautical miles from the U.S. coastline. That change would conform to the distance set by Presidential Proclamation 7219, which extended the contiguous zone of the United States—the area within which the Coast Guard enforces fiscal, immigration, customs, and other laws—to 24 nautical miles from the shore.[1] However, the enforcement authority of Customs and Border Protection (CBP) under current law is limited to the statutory definition of *customs waters;* thus, H.R. 529 would expand the agency's jurisdiction.

Using information from CBP, CBO expects that the bill would increase that agency's seizures of currency, vessels, and other assets by a small amount because the new boundary would give CBP more time to detect and respond to illegal activity. Forfeited assets are recorded in the budget as revenues, deposited into the Treasury Forfeiture Fund, and later spent without further appropriation. Based on the volume of seizures in recent years, CBO

1. President William J. Clinton, Proclamation 7219, Contiguous Zone of the United States, 64 Fed. Reg. 48701 (August 2, 1999), http://tinyurl.com/2ujkxcr7.

See also
CBO's Cost Estimates Explained, *CBO Describes Its Cost-Estimating Process*, *Glossary*

estimates that any resulting increase in revenues and direct spending would total less than $500,000 over the 2024-2034 period.

Under the bill, CBO expects that the average distance of CBP's trips would increase because vessels could be intercepted farther from shore and thus CBP would need to purchase additional fuel for its fleet. Using information about the agency's current spending for fuel and the annual average number of trips, CBO estimates that implementing H.R. 529 would increase CBP's fuel costs by less than $500,000 over the 2024-2029 period; that spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Jeremy Crimm. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Phillip L. Swagel
Director, Congressional Budget Office