Congressional Budget Office
Cost Estimate

February 13, 2024

H.R. 6046, Standing Against Houthi Aggression Act

As ordered reported by the House Committee on Foreign Affairs on February 6, 2024

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)	*	*	*

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2035?	**< $2.5 billion**	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?	**Yes, Under Threshold**

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

H.R. 6046 would direct the Administration to designate Ansarallah (commonly referred to as the Houthis) as a foreign terrorist organization and to impose sanctions on any foreign persons or entities associated with the group. The bill also would require the Administration to report to the Congress on the regulations it issues to carry out the bill.

The Administration recently listed Ansarallah as a Specially Designated Terrorist Group. Under that designation, the Administration blocks any transactions involving assets associated with Ansarallah or its supporters that are in the United States or that come under the control of people in the United States. Designating Ansarallah as a foreign terrorist organization would expand those sanctions by prohibiting people and entities subject to the jurisdiction of the United States from providing it material support and restricting visas for its members.

People and entities who violate the prohibition on providing material support would be subject to civil or criminal monetary penalties. Those penalties are recorded as revenues, and a portion can be spent without further appropriation.

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

CBO estimates that, under H.R. 6046, more people would be denied visas by the Department of State, resulting in an insignificant decrease in revenues from fees. Although most visa fees are retained by the Department of State and spent, some collections are deposited into the Treasury as revenues. Denying foreign nationals entry into the United States also would reduce direct spending on federal benefits (emergency Medicaid or federal subsidies for health insurance, for example) for which those people might otherwise be eligible.

Using data about similar actions, CBO estimates that any additional sanctions would affect a small number of people; thus, enacting H.R. 6046 would have insignificant effects on revenues and direct spending, and would, on net, reduce deficits by insignificant amounts over the 2024-2034 period.

Based on the cost of regulations and reports similar to those required by the bill, CBO estimates that preparing those reports would cost less than $500,000 over the 2024-2029 period. Such spending would be subject to the availability of appropriated funds.

H.R. 6046 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA). Sanctions would prohibit individuals or entities in the United States from engaging in transactions involving assets and property that have been frozen. Those transactions are otherwise permitted under current law. The cost of the mandate would be any income lost because of the prohibition. CBO expects that because a small number of people or entities would be affected, the loss of income from any incremental increase in restrictions imposed by the bill would be small as well. CBO estimates that the cost of the mandate would fall well below the annual threshold established in UMRA for private-sector mandates ($200 million in 2024, adjusted annually for inflation).

H.R. 6046 contains no intergovernmental mandates as defined in UMRA.

The CBO staff contacts for this estimate are Emma Uebelhor (for federal costs) and Brandon Lever (for mandates). The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

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