

H.R. 8924, Protecting American Innovation and Development Act of 2024
As ordered reported by the House Committee on Foreign Affairs on July 11, 2024

By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-2034
Direct Spending (Outlays)	0	*	*
Revenues	0	*	*
Increase or Decrease (-) in the Deficit	0	*	*
Spending Subject to Appropriation (Outlays)	0	*	*
Increases <i>net direct spending</i> 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		
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2035? No	Contains intergovernmental mandate?		No
	Contains private-sector mandate?		No
* = between -\$500,000 and \$500,000.			

H.R. 8924 would require the Department of Commerce to identify in the *Federal Register* any foreign adversary entity that is using a U.S. patent or invention that it acquired through improper means and for which it lacks an export license. (The bill defines a foreign adversary entity as a citizen of China, Cuba, Iran, North Korea, Russia, or Venezuela, or an entity headquartered in or organized under the laws of one of those countries.) The bill also would require the department to determine whether those entities are in violation of export controls in response to petitions from U.S. persons. H.R. 8924 also would require the department to report to the Congress on all entities so identified. For purposes of this estimate, CBO assumes that the bill will be enacted early in 2025.

Enacting H.R. 8924 would increase the identification of export-license violations. As a result, more people and entities would be subject to civil or criminal penalties for violating U.S. export laws. Such penalties are recorded as revenues, and a portion of those penalties can be spent without further appropriation. Because CBO expects that very few additional people and entities would be affected, CBO estimates that enacting the bill would have insignificant effects on both revenues and direct spending and would reduce net deficits by less than \$500,000.



CBO estimates that implementing a process for identifying foreign entities that are illicitly using U.S. technology and producing the required reports would cost less than \$500,000 over the 2024-2029 period. Such spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Aldo Prospero. The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

A handwritten signature in black ink, appearing to read "Phillip L. Swagel". The signature is fluid and cursive, with a long, sweeping tail that curves to the right.

Phillip L. Swagel
Director, Congressional Budget Office