



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

January 26, 2015

H.R. 399
Secure Our Borders First Act of 2015

As ordered reported by the House Committee on Homeland Security on January 21, 2015

SUMMARY

H.R. 399 would authorize the appropriation of \$1 billion for each of fiscal years 2016 through 2025 for the Department of Homeland Security (DHS) to carry out a wide range of border security activities required by the bill. The bill also would authorize the appropriation of \$110 million annually over the 2015-2019 period for Federal Emergency Management Agency (FEMA) grants and \$30 million annually to fund transfers of border patrol agents to new locations along the border.

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 399 would cost about \$4.2 billion over the 2015-2020 period. Pay-as-you-go procedures do not apply to this legislation because it would not affect direct spending or revenues.

H.R. 399 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA).

H.R. 399 would impose a private-sector mandate, as defined in UMRA, on landowners if, in order to comply with provisions of the bill, DHS acquires property by means of condemnation. The cost of the mandate would be the fair-market value of the property taken from landowners and would depend on the location and size of the property. CBO expects DHS would make limited use of its authority to take land by condemnation and that, if the authority is used, the cost of the mandate in any one year would probably fall below the annual threshold established in UMRA for private-sector mandates (\$154 million in 2015, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of H.R. 399 is shown in the following table. The costs of this legislation fall within budget functions 750 (administration of justice) and 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars						2015- 2020
	2015	2016	2017	2018	2019	2020	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION							
Authorization Level	140	1,140	1,140	1,140	1,140	1,030	5,730
Estimated Outlays	15	290	620	1,000	1,120	1,135	4,180

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted in the first half of 2015, that the specified amounts will be appropriated for each fiscal year, and that outlays will follow the historical rate of spending for similar activities and programs.

H.R. 399 would authorize the appropriation of \$1 billion annually over the 2016-2025 period for DHS to carry out many programs and activities aimed at increasing the security of U.S. borders, including the following major directives:

- Deploy tower-based surveillance technology, subterranean detection technologies, radar surveillance systems, unmanned aerial vehicles, and other assets along the southern and northern U.S. borders;
- Construct or repair about 120 miles of fencing, build or maintain about 1,800 miles of roads, and construct 12 security bases along the southern U.S. border;
- Maintain and increase, if necessary, certain staffing levels for officers and agents in Customs and Border Protection; and
- Increase the use of aircraft and unmanned aerial systems by Customs and Border Protection.

The bill would require DHS to carry out many of these activities in a prioritized, risk-based manner and to complete some of them within 18 months of the bill's enactment and others within one year of enactment. Based on the time needed to implement previous infrastructure improvements at U.S. borders, CBO expects that DHS will be unable to meet those deadlines for nearly all construction projects and our spending estimates reflect this expectation. CBO expects that attempting to meet all of the deadlines in the legislation would increase both the amounts that would have to be provided, particularly in the initial years following enactment, as well as the speed with which those funds would be spent.

In addition, H.R. 399 would authorize the appropriation of \$110 million annually over the 2015-2019 period for FEMA to make grants to state and local law enforcement agencies to enhance border security and \$30 million annually for the border patrol to transfer agents to new locations along U.S. borders.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 399 contains no intergovernmental mandates as defined in UMRA. State and local governments would benefit from assistance authorized in the bill for border activities. Any costs to those governments would be incurred voluntarily as a condition of federal assistance.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

H.R. 399 would impose a private-sector mandate, as defined in UMRA, on landowners if DHS acquires property by means of condemnation in the process of constructing additional fencing, roads, boat ramps, or operating bases along the border of the United States and Mexico. The cost of the mandate would be the fair-market value of the property taken from landowners and would depend on the location and size of the property. The use of condemnation for the construction projects would depend on several factors, and CBO cannot determine how often or whether the authority would be exercised. Therefore, the cost of the mandate is uncertain. However, CBO expects DHS would make limited use of its authority to take land by condemnation and that, if the authority is used, the cost of the mandate in any one year would probably fall below the annual threshold established in UMRA for private-sector mandates (\$154 million in 2015, adjusted annually for inflation).

ESTIMATE PREPARED BY:

Federal Costs: Mark Grabowicz

Impact on State, Local, and Tribal Governments: Melissa Merrell

Impact on the Private Sector: Paige Piper/Bach

ESTIMATE APPROVED BY:

Theresa Gullo

Deputy Assistant Director for Budget Analysis