



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

March 20, 2018

**H.R. 4176**  
**Air Cargo Security Improvement Act of 2018**

*As passed by the House of Representatives on March 19, 2018*

**SUMMARY**

H.R. 4176 would require the Transportation Security Administration (TSA) to establish an Air Cargo Division to carry out activities related to ensuring that cargo transported aboard passenger aircraft does not pose a threat to aviation security. The act also would require TSA to study the feasibility of expanding the use of certain types of explosive-detection systems to screen air cargo and initiate a two-year pilot program to test such systems. H.R. 4176 also would require TSA and the Government Accountability Office to meet other administrative and reporting requirements related to air cargo security.

Using information from TSA, CBO estimates that implementing H.R. 4176 would cost \$7 million over the 2019-2022 period; such spending would be subject to appropriation.

Enacting H.R. 4176 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 4176 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 4176 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary effect of H.R. 4176 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars					2018- 2022
	2018	2019	2020	2021	2022	
<b>INCREASES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Estimated Authorization Level	0	1	3	3	0	7
Estimated Outlays	0	1	3	3	0	7

## **BASIS OF ESTIMATE**

CBO assumes H.R. 4176 will be enacted near the start of fiscal year 2019 and that the necessary funds will be appropriated each year.

CBO estimates that implementing H.R. 4176 would cost \$7 million over the next five years—primarily for TSA to initiate a two-year pilot program to test new and emerging technologies to screen air cargo. Using information from TSA about the cost of similar efforts, CBO estimates that the pilot program would begin late in 2019 and cost \$6.5 million over a three-year period. Meeting other administrative and reporting requirements under the act would cost about \$500,000, bringing total costs to \$7 million over the 2019-2022 period.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS**

CBO estimates that enacting H.R. 4176 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

## **MANDATES**

H.R. 4176 contains no intergovernmental or private-sector mandates as defined in UMRA.

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