



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 15, 2018

H.R. 2219 **End Banking for Human Traffickers Act of 2017**

*As ordered reported by the House Committee on Financial Services
on December 13, 2017*

H.R. 2219 would require the existing Interagency Task Force to Monitor and Combat Trafficking (Interagency Task Force) to recommend methods to combat money laundering related to human trafficking and to submit those recommendations to the Congress and federal banking agencies. Under the bill, the Department of the Treasury would be required to designate an office to coordinate efforts to combat the financing of human trafficking.

Using information about the costs of preparing similar reports, CBO estimates that implementing the bill would cost less than \$500,000 over the 2018-2022 period to develop the analysis and recommendations required under the bill. Such spending would be subject to the availability of appropriated funds.

H.R. 2219 also would direct the Federal Financial Institutions Examination Council (FFIEC) to review and evaluate examination procedures for financial institutions regarding efforts to counter money laundering and the detection of financial transactions related to human trafficking. Using information from the affected financial regulatory agencies, CBO estimates that reviewing and evaluating the procedures would cost \$1 million over the 2018-2020 period.

Review and evaluation costs incurred by the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency are recorded in the budget as increases in direct spending, but those agencies are authorized to collect premiums and fees from the financial institutions they regulate to cover such administrative expenses. Thus, CBO estimates enacting H.R. 2219 would increase net direct spending by a negligible amount over the 2018-2020 period.

Review and evaluation costs incurred by the Federal Reserve System, also an FFIEC member, to implement the bill would reduce remittances to the Treasury, which are recorded in the budget as revenues. CBO estimates that enacting H.R. 2219 would decrease revenues by less than \$500,000 over the 2018-2020 period.

Because H.R. 2219 would affect direct spending and revenues, pay-as-you-go procedures apply.

CBO estimates that enacting H.R. 2219 would not significantly increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 2219 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

On February 15, CBO transmitted a cost estimate for H.R. 2219, the End Banking for Human Traffickers Act of 2017, as ordered reported by the House Committee on Foreign Affairs on December 14, 2017. The two bills are similar and CBO's estimates of their budgetary effects are the same.

The CBO staff contacts for this estimate are Stephen Rabent (for the FFIEC and the Treasury) and Sunita D'Monte (for the Interagency Task Force). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.