

## Introduction

The One Big Beautiful Bill Act (<u>H.R. 1</u>) is a <u>budget reconciliation bill</u> that passed the U.S. House of Representatives by a <u>215 to 214 vote</u> on May 22, 2025. H.R. 1 transforms America's immigration system through significantly increasing funding for border security and immigration enforcement, including expanded detention and deportation operations. The legislation introduces unprecedented fees for immigrants seeking humanitarian protection, imposes a tax on remittances, and restricts federal benefit access for mixed-status families and unauthorized individuals. Additionally, the bill intensifies screening procedures for unaccompanied migrant children and implements substantial regulatory and administrative changes across immigration agencies aimed at ramping up enforcement and removal above other priorities.

The border security and interior enforcement provisions in the bill are included as part of a larger package to extend President Trump's 2017 tax cuts, introduce new tax reductions, cut spending in certain federal agencies and programs, increase the State & Local Tax Deduction (SALT) cap, and increase military spending by \$150 billion. Because it utilizes the reconciliation process, the bill only requires a simple majority of 51 votes to pass the Senate, provided its provisions meet the requirements of the reconciliation process – primarily that the provisions are primarily budgetary – impacting outlays and revenues. The bill is likely to <u>change</u> substantively as it moves to the Senate and subsequently returns to the House for final passage, given the Senate's distinct priorities and the more exacting process needed to satisfy its rules.

### **Border Security**

The bill provides more than **\$60 billion** in supplemental funding over four years for U.S. Customs and Border Protection (CBP) to increase border security operations. The funds are available until September 30, 2029.

- **Physical barriers.** Provides **\$46.5 billion** for the "[c]onstruction, installation, or improvement" of physical barriers, access roads, and "barrier system attributes" (*i.e.*, cameras, lights, sensors, and more) along the southern and northern borders of the U.S.
  - The White House <u>stated</u> the bill would fund the construction of "701 miles of primary wall, 900 miles of river barriers, 629 miles of secondary barriers, and 141 miles of vehicle and pedestrian barriers."
- **CBP Facilities.** Provides **\$5 billion** for the construction and improvement of CBP facilities, including CBP's short-term detention facilities and checkpoints on the southern and northern borders.
- **CBP Personnel.** Includes **\$4.1 billion** to <u>hire and train</u> 3,000 new Border Patrol agents and 5,000 new Office of Field Operations (OFO) customs officers, as well as support staff. It also provides CBP with **\$2 billion** in retention and hiring bonuses.
- **CBP Technology.** Funds **\$2.8 billion** in border security technology along the northern and southern borders, and **\$1.1 billion** in new non-intrusive inspection equipment,

including "artificial intelligence, integration, and machine learning" to combat the trafficking of illicit substances.

• **Carrizo Cane & Salt Cedar Plants.** Includes **\$50 million** to remove the invasive Carrizo cane and salt cedar plants along the Rio Grande Valley, which generally impede Border Patrol operations.

The bill funds additional CBP and border-related measures, including funding for CBP vehicles (\$813 million), implementation of the biometric entry and exit system (\$673 million), and workforce recruitment (\$600 million). CBP's full agency budget for fiscal year (FY) 2024 was <u>\$17.1 billion</u>. The overall amount of new border security funding in the reconciliation package is four times CBP's current annual agency budget, and supplements existing funding.

### **Immigration Enforcement: Detention & Deportations**

The bill provides **\$75 billion** in supplemental funding over four years for Immigration and Customs Enforcement (ICE) to expand interior enforcement operations, representing a substantial expansion of immigration detention and deportations operations within the U.S. The funds are available until September 30, 2029.

- **Immigration Detention.** Provides **\$45 billion** for adult immigration detention capacity and family residential centers to house more than 100,000 people at any given day in detention centers, with authority to detain family units pending their removal decisions. This would be an 800% increase in detention funding compared to <u>FY2024</u>.
- **Transportation & Removal.** Designates **\$14.4 billion** for ICE transportation and removal operations, including transportation for unaccompanied children. These funds will support the deportation of up to one million individuals annually.
- **ICE Personnel.** Allocates about **\$10 billion** for personnel expansion, including **\$8** billion to hire 10,000 additional ICE officers, agents, and support staff with specific hiring targets (2,500 in fiscal year 2025, then 1,875 each year through 2029), **\$858** million for retention and signing bonuses, and **\$600** million for recruitment and hiring capabilities.
- **State and Local Partnerships.** Provides **\$2.4 billion** for partnerships, including \$650 million for <u>287(g) agreements</u> authorizing local law enforcement to perform immigration functions, \$950 million to compensate states for incarcerating criminal and unauthorized immigrants, and \$787 million for combating criminal gangs and supporting state and local participation in enforcement efforts.
- **Operational Infrastructure.** Appropriate **\$1.5 billion** for modernization, including \$700 million for information technology investments, \$550 million for facility upgrades, and \$250 million for fleet modernization.
- **Specialized Operations.** Directs **\$720 million** for targeted enforcement, including \$500 million for returning aliens from Mexico and Canada, \$100 million for expedited removal of criminal aliens, \$75 million for expedited removal procedures, \$25 million for removal without further hearing, and \$20 million for joint detention of parents and children charged with misdemeanor entry violations, which is framed as promoting "family unity."

H.R. 1 represents the largest single investment in interior immigration enforcement since the <u>creation</u> of the Department of Homeland Security (DHS) in 2003, prioritizing enforcement infrastructure over humanitarian processing or legal pathways.

# New Fees on Applications

Historically, U.S. Citizenship and Immigration Services (USCIS) has operated as a <u>primarily fee-funded</u> agency, with extensive fee waivers and adjustments aimed at minimizing fees for humanitarian immigration filings. The House reconciliation bill establishes an extensive new fee structure across immigration processes, with significant increases for immigrant workers and those seeking humanitarian protections, creating a fundamental shift in the fee structure. In addition, the bill indexes all fees to inflation, ensuring ongoing increases over time.

- **Asylum Applications.** For the first time in U.S. history, imposes a minimum \$1,000 asylum fee plus a fee of \$550 to apply for employment authorization, creating significant financial barriers for individuals seeking protection. The bill also creates annual asylum fees of at least \$100 for pending asylum applications.
- **Humanitarian Programs.** Requires individuals paroled into the country to pay at least \$1,000 plus \$550 for work authorization. Imposes fees of at least \$500 plus \$550 for Temporary Protected Status applicants.
- **Employment Authorization.** Requires that parolees, asylum applicants, and Temporary Protected Status recipients renew their Employment Authorization Document (EAD) every six months, paying at least \$550 each time for renewal. Currently, EADs for asylum applicants can be valid for up to five years and for parolees and TSP recipients can be valid for the duration of their protected status.
- **Unaccompanied Children.** Imposes a \$3,500 initial fee to sponsor an unaccompanied child with additional \$5,000 release fees. Establishes special immigrant juvenile fees and penalties for sponsors whose unaccompanied children fail to appear in court. The proposed fee structure is likely to disincentivize many potential sponsors from volunteering to care for unaccompanied children.
- **Immigration Court Proceedings.** Establishes novel fees for continuances granted in immigration court proceedings and fees for individuals ordered removed in absentia.
- **Border and Visa Processing.** Generates revenue through diversity immigrant visa fees, Executive Office for Immigration Review (EOIR) fees, Electronic System for Travel Authorization (ESTA) fees, immigration user fees, Electronic Visa Updates System (EVUS) fees, and creates a \$5,000 apprehension fee for inadmissible aliens apprehended by CBP between ports of entry

The fee increases for many categories of applicants are intended to generate revenue for immigration operations, while creating new costs to humanitarian applicants and others who have not been seen as a reliable source of fee income. The increases will have the impact of creating significant financial barriers for many people seeking access to immigration benefits and legal processes.

### Tax on Remittances and Limitations on Access to Federal Benefits

The legislation establishes new revenue streams and benefit restrictions affecting non-citizens across multiple federal programs, limiting access to healthcare, nutrition, and tax benefits by non-citizens and some of their citizen family members.

- **Remittance Tax.** Imposes a 3.5% excise tax on remittance transfers sent by non-U.S. citizens to family members abroad, reduced from the 5% rate that was initially <u>proposed</u>. This tax would impact overseas family members of non-citizen U.S. workers, but would also have significant macroeconomic impacts on countries with the largest numbers of <u>recipients</u> of U.S. remittances, including Mexico, India, China, and the Philippines.
- **Tax Credit Restrictions.** Requires Social Security numbers for American Opportunity and Lifetime Learning Credits and the Child Tax Credit. These changes would make over <u>4.5 million children</u> ineligible for the Child Tax Credit, the vast majority of whom are U.S. citizens, because one or both of their parents lack an SSN. Nearly a million children each in California and Texas are expected to be impacted by this provision.
- **Food Assistance.** Limits Supplemental Nutrition Assistance Program (SNAP) eligibility to U.S. citizens and lawful permanent residents (LPRs), eliminating food assistance for other lawful immigration categories.
- Healthcare Premium Tax Credits. Restricts eligibility for the Premium Tax Credit for health insurance coverage to citizens, LPRs, certain Cuban immigrants, and citizens of <u>Compact of Free Association nations</u>, excluding most other lawful residents, including <u>H1-B visa holders</u> and other temporary workers. The bill also disallows premium tax credits during Medicaid ineligibility periods caused by immigration status and limits Medicare coverage to the same group described above.
- **Medicaid and CHIP.** Prohibits federal financial participation for individuals without verified citizenship, or qualifying immigration status. H.R. 1 <u>reduces</u> federal matching rates from 90% to 80% for states providing healthcare to certain immigrants. It also creates additional administrative requirements to verify addresses and ensuring deceased individuals do not remain enrolled.

These changes aim to restrict immigrant access to healthcare and other benefits.

### **Unaccompanied Children and Families**

The legislation significantly enhances screening and verification procedures for unaccompanied children while introducing substantial financial barriers that may affect child welfare outcomes and limit family reunification.

- Enhanced Screening Requirements. Mandates criminal and gang checks, including searching for tattoos, by both DHS and Department of Health and Human Services (HHS) of children as young as 12 years old. The bill also requires comprehensive information about sponsors and adult residents of sponsor households to enhance background verification procedures, including enhanced information sharing about sponsors' immigration status.
- **Financial Barriers for Sponsors.** Requires potential family sponsors to pay a minimum of \$3,500 initially, with additional fees of at least \$5,000 for each child released into their custody. These costs are likely to <u>deter</u> family members and others from coming

forward to sponsor children, likely resulting in children remaining in government custody for extended periods before suitable and willing sponsors are identified and vetted.

- **Facility Capacity and Operations.** Appropriates **\$3 billion** to the Office of Refugee Resettlement (ORR) to house, transport, and supervise children during screening and placement procedures, addressing capacity concerns arising from enhanced enforcement operations.
- **Repatriation Procedures.** Establishes procedures for returning children to their countries of origin if they have not been trafficked or established a <u>credible fear</u> of persecution in their home countries. The bill appropriates **\$100 million** to repatriate unaccompanied children deemed inadmissible, lacking credible fear of persecution, or trafficking risks back to their countries of origin.
- **Family Unity Provisions.** The bill provides **\$20 million** specifically for "promoting family unity" through joint <u>detention of parents and children</u> charged with misdemeanor entry violations.

The enhanced screening and financial requirements occur alongside recent policy changes that have <u>eliminated</u> legal services for unaccompanied children and allowed <u>information sharing</u> between child welfare and immigration enforcement agencies.

### Legal Proceedings and Administrative Reforms

The legislation provides substantial funding increases for immigration court operations and establishes new congressional oversight mechanisms for immigration agencies.

- **Immigration Court Capacity.** Allocates **\$1.25 billion** for tEOIR to hire immigration judges and expand courtroom capacity to address court <u>backlogs</u>.
- **Legal Representation in Removal Proceedings.** Provides **\$1.3 billion** for the Office of the Principal Legal Advisor (OPLA) to hire additional attorneys and support staff for removal proceedings, ensuring government legal representation in expanded enforcement operations.
- **Information Technology Modernization.** Allocates **\$700 million** for information technology investments to modernize immigration systems and case management capabilities across enforcement agencies.
- **Congressional Oversight Mechanisms.** Requires review of agency rulemaking and Congressional Review Act compliance, subjecting immigration agencies to additional legislative review processes for regulatory changes affecting immigration policy. This creates additional oversight mechanisms for immigration-related activities and potentially affects how agencies can use settlement funds.
- **Settlement Agreement Restrictions.** Addresses solicitation of orders and fund restrictions, limiting how immigration agencies can utilize settlement agreements and associated funding.

These changes would alter how immigration agencies and courts operate, implement regulations, and process cases while establishing new congressional review requirements for future policy

changes. The administrative reforms focus primarily on enforcement capacity and oversight rather than streamlining processes for applicants or improving access to immigration benefits.

# Conclusion

H.R. 1 presents a far-reaching transformation of America's immigration system that prioritizes enforcement and border security above all else. The legislation's \$140 billion expenditure on border security and interior enforcement, combined with unprecedented application fees and benefit limitations, would fundamentally alter how the United States approaches immigration policy. These changes would be a striking departure from our longstanding history as a welcoming nation that offers protection to the persecuted and orderly pathways for those willing to follow the rules to seek a better life here.

As the bill moves to the Senate, policymakers will need to consider the practical implications of these changes for immigrant communities, mixed-status families, and the broader immigration system's capacity to process cases efficiently and humanely, as well as the impact the bill will have on U.S. immigration policy as a whole.