



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 4, 1999

S. 1485

Adopted Orphans Citizenship Act

As passed by the Senate on October 26, 1999

CBO estimates that enacting S. 1485 would have no significant net effect on the federal budget. Because the legislation would affect direct spending, pay-as-you-go procedures would apply. However, we estimate that the additional spending from enacting this legislation would be less than \$500,000 a year. S. 1485 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act, but it could result in a very small increase in the state share of benefits paid under certain federal entitlement programs.

S. 1485 would grant automatic U.S. citizenship to certain foreign-born, unmarried children under the age of 18 who are adopted by a U.S. citizen and who become permanent U.S. residents. The adoptive parent must have resided in the United States for a certain period of time before the adoption. S. 1485 would apply to children adopted before and after enactment of the legislation. Under current law, such adopted children may choose to become citizens by filing an application with the Immigration and Naturalization Service (INS) for a certificate of citizenship and paying a \$125 fee. In recent years, about 80 percent of such adopted children have obtained certificates of citizenship.

In fiscal year 1999, INS collected about \$1.7 million in citizenship fees from about 13,000 adopted children and spent roughly the same amount for related administrative costs. Under S. 1485, it is not clear how the provision of automatic citizenship would be documented or whether these children would need or desire a certificate of citizenship. CBO expects that fewer adopted children will apply for certificates of citizenship under the act, because they would no longer be necessary to obtain citizenship. Thus, we estimate that enacting S. 1485 would reduce both fee collections and spending by the INS.

Under current law, not all adoptive parents of foreign-born orphans apply for citizenship for their adopted children. Enacting S. 1485 would automatically grant citizenship to these children, and some of them could receive certain entitlement benefits for which they would not have been eligible as legal permanent residents, but CBO estimates that spending for such children would increase by less than \$500,000 a year.

The CBO staff contacts are Mark Grabowicz (for INS costs), Valerie Baxter (for effects on entitlement programs), and Lisa Cash Driskill (for the state and local impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.