



CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE

May 1, 1998

H.R. 1757
Foreign Affairs Reform and Restructuring Act of 1998

As cleared by the Congress on April 28, 1998

H.R. 1757 would consolidate various international affairs agencies, would authorize appropriations for the Department of State and related agencies, and would make several changes to existing programs. CBO estimates that enacting H.R. 1757 would increase direct spending by less than \$500,000 a year in 1998 and subsequent years. The increases would stem from the following provisions:

Reappropriation. The bill contains two provisions that would extend the authority of the Department of State under current law to spend certain funds. Section 1204 would extend the availability of fees for commercial services to two fiscal years and section 1209 would extend the availability of funds deposited into the Capital Investment Fund until they are expended. CBO estimates that additional spending from these reappropriations would be less than \$500,000.

Authority to Provide Services on a Reimbursable Basis. H.R. 1757 contains several provisions that would allow the Department of State to provide various services on a fee-for-service or reimbursable basis. CBO estimates that annual collections and spending from the provisions would nearly offset each other. Section 1212 would allow the department to accept reimbursement for the expenses of pursuing a claim against a foreign government or entity. Section 1205 would authorize the department to provide training services to corporate employees, their families, and Congressional employees on a reimbursable basis and to collect a new fee for the use of the Foreign Affairs Training Center. Section 1206 would authorize the department to collect a new fee for the use of diplomatic reception rooms.

Appropriation of Interest. Section 1411 would authorize recipients of grants from the National Endowment for Democracy to deposit grant funds in interest-bearing accounts and to use the interest for the same purpose for which the grant was made without further appropriation. Under current law, the grantees refund their interest earnings to the government. CBO estimates that under this provision the Treasury would forgo collections of less than \$60,000 a year.

Vietnamese Refugees. The bill contains a provision that would clarify and extend through 1998 an immigration policy that allows certain Vietnamese refugees to be accompanied by their unmarried adult children. CBO estimates that the number of additional refugees entering the United States would be small and that the provision would not have a significant budgetary impact.

The estimate was prepared by Sunita D'Monte. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.