



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

May 28, 1998

H.R. 2232
Radio Free Asia Act of 1997

*As ordered reported by the Senate Committee on Foreign Relations
on May 19, 1998*

SUMMARY

H.R. 2232 would authorize appropriations of \$50 million in 1998 and \$32 million in 1999 for broadcasting to Asia and construction of broadcasting facilities. Of these amounts, Radio Free Asia would receive \$30 million in 1998 and \$22 million in 1999. The remainder would finance radio construction and enhanced Voice of America broadcasting to China and North Korea.

CBO estimates that enacting this legislation would raise spending by \$1 million in 1998 and \$82 million over the 1998-2002 period, assuming appropriation of the amounts authorized. Because H.R. 2232 would not affect direct spending or receipts, pay-as-you-go procedures would not apply. The act contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2232 is shown in the following table. For the purpose of this estimate, CBO assumes that the authorized amounts for 1998 and 1999 will be appropriated before October 1, 1998. Although the estimate assumes that outlays would follow historical spending patterns, CBO assumes that appropriations would occur late enough in fiscal year 1998 to result in only minimal added spending in that year. The costs of this legislation fall within budget function 150 (international affairs).

	By Fiscal Year, in Millions of Dollars					
	1998	1999	2000	2001	2002	2003
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for Broadcasting and Construction						
Budget Authority ^a	404	0	0	0	0	0
Estimated Outlays	404	90	16	2	0	0
Proposed Changes						
Authorization Level	50	32	0	0	0	0
Estimated Outlays	1	35	33	11	2	0
Spending Under H.R. 2232 for Broadcasting and Construction						
Authorization Level	454	32	0	0	0	0
Estimated Outlays	405	125	49	13	2	0

a. The 1998 level is the amount appropriated for that year.

PAY-AS-YOU-GO CONSIDERATIONS: None

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The act contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

PREVIOUS CBO ESTIMATE

On October 3, 1997, CBO provided a cost estimate for H.R. 2232 as ordered reported by the House Committee on International Relations. Both versions would authorize the same amounts, but CBO now assumes a later enactment date. As ordered reported by the House Committee on International Relations, H.R. 2232 contained a private-sector mandate because it would require United States international broadcasting services (including two private-sector entities, Radio Free Europe/Radio Liberty and Radio Free Asia) to produce and broadcast certain public service announcements. In contrast, as ordered reported by the Senate Foreign Relations Committee, that requirement would apply only to the Voice of America, a federal entity, and thus is not a private-sector mandate.

On April 24, 1998, CBO prepared a cost estimate for H.R. 1757, the Foreign Affairs Reform and Restructuring Act of 1998, as agreed to by the Conference Committee. The bills would authorize the same amounts in 1998 and 1999 for Radio Free Asia, but H.R. 2232 would provide additional authorizations for international broadcasting and radio construction.

ESTIMATE PREPARED BY:

Federal Costs: Sunita D'Monte

Impact on State, Local, and Tribal Governments: Pepper Santalucia

Impact on the Private Sector: Lesley Frymier

ESTIMATE APPROVED BY:

Robert A. Sunshine

Deputy Assistant Director for Budget Analysis