CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

April 14, 2000

H.R. 3767
Visa Waiver Permanent Program Act

As passed by the House on April 11, 2000

Enacting this legislation would affect direct spending, so pay-as-you-go procedures would apply; but CBO estimates there would be no significant net impact in any year. H.R. 3767 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no direct costs on state, local, or tribal governments.

The visa waiver pilot program enables persons from designated countries to visit the United States for up to 90 days without having to obtain a visa; under current law, this program will expire on April 30, 2000. H.R. 3767 would make the program permanent and would make several other changes that aim to improve the operation of the program. The act would:

- Require the Immigration and Naturalization Service (INS) to implement, by October of 2001, an automated system to record the arrival and departure, by sea or air, of each person who participates in the program;

- Direct INS and the Secretary of State to develop an automated system, no later than October of 2002, that would permit the two agencies to share electronic data regarding the admissibility of participants in the waiver program; and

- Require the INS to prepare several reports for the Congress relating to the visa waiver program.

Under current law, after the expiration of the pilot program on April 30, 2000, the INS and the Department of State will collect fees from issuing visas to short-term visitors who otherwise would have participated in the pilot program. The fees charged by the INS are recorded as offsetting receipts and are available for spending on administrative costs. The fees charged by the State Department are recorded as offsetting collections and are available for spending on consular affairs. Because about 15 million people enter the United States annually under the pilot program, collections of these fees would be significant. Enacting H.R. 3767 would result in forgone collections, but spending by the two agencies would also be lower because no visas would be issued for short-term visitors. As a result, there would be no significant net impact on direct spending in any year. CBO estimates that it would cost INS less than $500,000 annually, to prepare the reports required by the act, and these costs would be offset by fees charged by the agency.

The act's directives to INS and the Department of State for the recording of arrivals and departures and the sharing of data are already prescribed in current law or in the current plans of the agencies. Public Law 104-208 requires the INS to develop an automated system to record arrivals and departures by all non-citizens. This system will be more extensive than the system required by H.R. 3767. The INS has been working toward its completion since 1996. According to the INS and the Department of State, the two agencies already plan to share electronic data by the deadline set in H.R. 3767. Because the requirements of the act are already contained in current law or in agency plans, CBO expects that this provision of H.R. 3767 would not significantly affect spending by either INS or the Department of State.

The CBO staff contacts for this estimate are Mark Grabowicz, and Sunita D'Monte. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.