



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

August 3, 2001

S. 778

Section 245(i) Extension Act of 2001

As reported by the Senate Committee on the Judiciary on July 26, 2001

CBO estimates that enacting S. 778 would result in no significant net cost to the federal government. The bill would affect direct spending, so pay-as-you-go procedures would apply, but we estimate that the net budgetary effects would be insignificant. S. 778 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The Legal Immigration Family Equity Act (as enacted into law by Public Law 106-553) allowed certain aliens in the United States to apply for permanent U.S. residence if they filed required petitions by April 30, 2001. S. 778 would extend that lapsed deadline to April 30, 2002.

Based on information from the Immigration and Naturalization Service (INS), CBO estimates that enacting the bill would aid roughly 200,000 persons who seek permanent U.S. residence. Most of these individuals would have to pay a series of fees totaling about \$1,300 each to attain permanent residence under S. 778. Because the number of new permanent residents is limited by annual caps, these fees would probably be paid over the next two or three years as applicants wait for available slots.

Thus, enacting S. 778 could increase offsetting receipts (a credit against direct spending) collected by the INS by roughly \$200 million over fiscal years 2002 through 2004. We expect that the INS would spend the fees on administrative expenses (without further appropriation) mostly in those years, so enacting S. 778 would result in an insignificant net budgetary impact.

The CBO staff contact for this estimate is Mark Grabowicz. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.