



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

July 28, 1998

**H.R. 4095**

**International Arms Sales Code of Conduct Act of 1998**

*As ordered reported by the House Committee on International Relations  
on July 21, 1998*

H.R. 4095 would require the President to negotiate an agreement with major arms exporting countries to restrict or prohibit arms transfers to countries that do not respect democratic processes and the rule of law, do not adhere to internationally recognized norms on human rights, or are engaged in acts of armed aggression. The bill would require a semiannual report on the progress of the negotiations. CBO estimates that implementing the bill would not result in a significant added cost to the United States because the United States is engaged in ongoing diplomatic efforts on arms sales, and the requirements of the bill would not add significantly to that workload. The bill would not affect direct spending or receipts; thus, pay-as-you-go procedures would not apply.

Section 4 of the Unfunded Mandates Reform Act excludes from the application of that act any legislative provisions that are necessary for the national security. That exclusion might apply to the provisions of this bill. In any case, the bill contains no intergovernmental or private-sector mandates.

The estimate was prepared by Joseph C. Whitehill. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.