



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

October 8, 2008

H.R. 5501

**Tom Lantos and Henry J. Hyde U.S. Global
Leadership Against HIV/AIDS, Tuberculosis,
and Malaria Reauthorization Act of 2008**

*As cleared by the Congress on July 24, 2008,
and signed by the President on July 30, 2008*

SUMMARY

H.R. 5501 (enacted as Public Law 110-293) will affect a variety of laws related to HIV/AIDS, tuberculosis, and malaria programs. Section 305 allows certain HIV-positive immigrants to enter the United States and section 501 imposes higher fees for certain nonimmigrant visas.

CBO estimates that H.R. 5501 will increase direct spending by less than \$500,000 in 2010 and \$83 million over the 2010-2018 period. Additionally, CBO estimates that the law will increase revenues by \$104 million over the 2011-2018 period. On net, Public Law 110-293 will decrease budget deficits (or increase surpluses) by \$21 million over the 2009-2018 period.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated effects of H.R. 5501 on direct spending and revenues are shown in the following table. The costs of this legislation fall within budget functions 550 (health) and 600 (income security).

BASIS OF ESTIMATE

Revenues

Section 501 requires the Department of State to increase a fee charged for certain nonimmigrant visas by \$1 (from \$131 to \$132) in 2011, and another \$1 (to \$133) in 2014. Currently, the department retains those fee collections and spends them on border security. Additional amounts collected under section 501, however, will be deposited in the general fund of the Treasury. CBO estimates that the department will collect fees from roughly eight million applicants a year over the 2011-2018 period. This provision will increase revenues by an estimated \$8 million a year over the 2011-2013 period and \$16 million a year over the 2014-2018 period.

	By Fiscal Year, in Millions of Dollars											2009-	2009-	
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2013	2018		
CHANGES IN REVENUES														
Consular Fees														
Estimated Revenues	0	0	-8	-8	-8	-16	-16	-16	-16	-16	-24	-104		
CHANGES IN DIRECT SPENDING														
Medicaid														
Estimated Budget Authority	0	*	*	1	2	3	5	10	18	31	3	70		
Estimated Outlays	0	*	*	1	2	3	5	10	18	31	3	70		
Food and Nutrition Programs														
Estimated Budget Authority	0	*	*	*	*	1	1	1	3	3	*	9		
Estimated Outlays	0	*	*	*	*	1	1	1	3	3	*	9		
Supplemental Security Income														
Estimated Budget Authority	0	*	*	*	*	*	*	*	1	3	*	4		
Estimated Outlays	0	*	*	*	*	*	*	*	1	3	*	4		
Total Changes														
Estimated Budget Authority	0	*	*	1	2	4	6	11	22	37	3	83		
Estimated Outlays	0	*	*	1	2	4	6	11	22	37	3	83		
NET BUDGETARY IMPACT														
Estimated Increase or Decrease (-) in Deficits ^a	0	*	-8	-7	-6	-12	-10	-5	6	21	-21	-21		

Note: * = less than \$500,000.

a. Negative numbers reflect decreases in the deficit (or increases in the surplus); positive numbers reflect increases in the deficit (or decreases in the surplus).

Direct Spending

Section 305 removes language in the Immigration and Nationality Act that deems infection with HIV as a communicable disease of public health significance that renders aliens ineligible for visas or admission to the United States. CBO expects that enactment of H.R. 5501 will be followed by conforming regulatory changes, and that HIV-positive immigrants will begin entering the United States through standard procedures in fiscal year 2010.

CBO projects that additional HIV-positive immigrants will come primarily from three visa categories: immediate relatives of U.S. citizens, employment-based preferences, and the diversity programs. Immediate relatives are exempt from annual limits. Employment-based preferences are subject to annual limits, but those limits have not been exhausted in recent years and most of the employment-based preferences are current, meaning that each year's visas are granted to individuals who applied during that year. As with the visas for employment-based preferences, the diversity programs draw their immigrants from recent applicants.

For each applicable visa category, CBO estimated an HIV prevalence rate based on country-specific HIV prevalence rates from the World Health Organization and country-of-origin data for each visa category from U.S. Citizenship and Immigration Services. For this estimate, CBO assumed that HIV prevalence among immigrants over the next 10 years will be equal to half of the weighted-average HIV-prevalence rate that we calculated for each category. Based on those calculations, CBO expects that 900 additional HIV-positive immigrants will arrive in fiscal year 2010, with that number growing to 4,300 in 2013. Thereafter, the annual number of additional immigrants will grow in line with overall immigration and increase to roughly 5,600 in 2018.

CBO estimates that a small percentage of the immigrants who enter the United States under section 305 will receive federal disability, health, and nutrition benefits. CBO used reports on disease progression, information from population surveys, and agency data regarding immigrants' income, demographics, and program enrollment to estimate the additional enrollees in federal benefit programs. CBO expects that section 305 will increase Medicaid enrollment by 4,000, Supplemental Security Income enrollment by 400, Food Stamp enrollment by 1,300, and nutrition program enrollment by 2,300 in 2018. In total, CBO estimates that providing benefits to HIV-positive immigrants and their citizen children will increase spending by less than \$500,000 in 2010 and \$83 million over the 2010-2018 period, primarily for Medicaid.

PREVIOUS CBO ESTIMATES

On March 5, 2008, CBO transmitted a cost estimate for H.R. 5501 as ordered reported by the House Committee on Foreign Affairs. The version reported by the Committee did not include language to change the Immigration and Nationality Act or visa fees. Differences in the estimated costs of H.R. 5501 as reported and H.R. 5501 as enacted reflect those differences.

On April 11, 2008, CBO transmitted a cost estimate for S. 2731, an identically titled bill, as ordered reported by the Senate Committee on Foreign Relations. That version of the legislation did not include language to change visa fees. Differences in the estimated costs of S. 2731 as ordered reported and H.R. 5501 as enacted reflect that difference.

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