



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 16, 2001

S. 494

Zimbabwe Democracy and Economic Recovery Act of 2001

As ordered reported by the Senate Committee on Foreign Relations on July 12, 2001

SUMMARY

S. 494 would support a transition to democracy and promote economic recovery in Zimbabwe through a set of incentives and sanctions. The bill would require the United States to oppose lending by international financial institution to or debt relief for Zimbabwe until the President certifies to the Congress that certain conditions are satisfied. It would, however, authorize additional funds for programs to reform landholding and to promote democracy and good governance in Zimbabwe. Assuming the appropriation of the authorized amounts, CBO estimates that implementing the bill would cost \$23 million over the 2002-2006 period. Because S. 494 would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

S. 494 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 S. 494 is shown in the following table. The costs of this legislation fall within budget function 150 (international affairs).

BASIS OF ESTIMATE

S. 494 would earmark \$20 million for land reform and \$6 million for programs to promote democracy and good governance in Zimbabwe from funds otherwise authorized to be appropriated in 2002 for development assistance and economic support fund. No funds are currently authorized for 2002. CBO assumes that the specified amounts would be appropriated by October 1, 2001, and that outlays would follow historical spending patterns.

	By Fiscal Year, in Millions of Dollars					
	2001	2002	2003	2004	2005	2006
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for Zimbabwe						
Budget Authority ^a	16	0	0	0	0	0
Estimated Outlays	22	19	10	5	3	2
Proposed Changes						
Authorization Level	0	26	0	0	0	0
Estimated Outlays	0	2	8	7	4	2
Spending Under S. 494 for Zimbabwe						
Authorization Level ^a	16	26	0	0	0	0
Estimated Outlays	22	21	18	12	7	4

a. The 2001 level is the amount appropriated for that year.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 494 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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