



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 9, 2008

### **H.R. 5569**

#### **A bill to extend for five years the EB-5 regional center pilot program**

*As ordered reported by the House Committee on the Judiciary on April 2, 2008*

CBO estimates that implementing H.R. 5569 would have no significant cost to the federal government. Enacting the bill could affect direct spending, but CBO estimates that any such effects would not be significant in any year. In addition, we estimate that enacting H.R. 5569 would increase revenues by less than \$500,000 a year. H.R. 5569 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.

Current law authorizes 3,000 immigrant visas each year under the EB-5 regional center pilot program for investors and entrepreneurs meeting certain criteria. This pilot program will expire on September 30, 2008, and H.R. 5569 would extend the program for five years.

The Department of State charges a \$45 security surcharge for such visas and, depending on the type of petition, may charge additional fees for fingerprinting or affidavits of support. In addition, the Department of Homeland Security (DHS) collects a fee of \$1,435 to process visa applications submitted by applicants for the pilot program. All of those fees are classified as offsetting collections (for the Department of State) or offsetting receipts (for DHS) and are retained and spent by the departments. CBO estimates that the net budgetary effect of those increased collections and related spending would be less than \$500,000 a year.

The Department of State also collects fees from persons who apply for such visas from overseas. Under current law, an application fee of \$355 per person is charged by the department and deposited in the Treasury as a revenue. Based on participation in the pilot program in recent years, CBO estimates that the department would process fewer than 1,000 persons annually and that enacting H.R. 5569 would increase revenues by less than \$500,000 a year.

The CBO staff contacts for this estimate are Mark Grabowicz (for DHS's costs) and Sunita D'Monte (for the Department of State's costs). This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.