Congressional Budget Office
Cost Estimate

September 30, 2020

At a Glance

H.R. 7682, Sudan Democratic Transition, Accountability, and Fiscal Transparency Act of 2020

As ordered reported by the House Committee on Foreign Affairs on July 29, 2020

By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	0	*	*
Revenues	0	*	*
Increase or Decrease (-) in the Deficit	0	*	*
Spending Subject to Appropriation (Outlays)	0	205	not estimated

Statutory pay-as-you-go procedures apply?	Yes	**Mandate Effects**	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold

* = between -$500,000 and $500,000.

The bill would

- Authorize appropriations of $260 million over the 2021-2022 period for assistance to Sudan
- Authorize assistance to recover assets that were stolen from Sudan
- Require the President to impose sanctions on people who threaten political transition or security in Sudan, engage in corruption, or violate human rights
- Impose mandates on the private sector by prohibiting entities in the United States from engaging in activities that would otherwise be permitted under current law

Estimated budgetary effects would primarily stem from

- Authorizing appropriations for assistance to Sudan
- Requiring sanctions

Detailed estimate begins on the next page.

See also *CBO's Cost Estimates Explained*, www.cbo.gov/publication/54437;
How CBO Prepares Cost Estimates, www.cbo.gov/publication/53519; and *Glossary*, www.cbo.gov/publication/42904.

Bill Summary

H.R. 7682 would authorize appropriations for assistance to Sudan. The bill also would authorize other assistance and require the Administration to provide several reports to the Congress. CBO estimates that appropriation of the specified and estimated amounts would increase outlays by $205 million over the 2020-2025 period.

In addition, CBO estimates that enacting H.R. 7682 would have insignificant effects on direct spending and revenues, and would, on net, reduce the deficit by insignificant amounts over the 2020-2030 period.

Finally, the bill would impose private-sector mandates by prohibiting entities in the United States from engaging in activities that would otherwise be permitted under current law, such as accessing property that would be frozen by the sanctions.

Estimated Federal Cost

The estimated budgetary effects of H.R. 7682 are shown in Table 1. The costs of the legislation fall within budget function 150 (international affairs).

Table 1.
Estimated Budgetary Effects of H.R. 7682

	By Fiscal Year, Millions of Dollars						
	2020	2021	2022	2023	2024	2025	2020-2025
	Increases in Spending Subject to Appropriations						
Assistance to Sudan							
Authorization	0	130	130	0	0	0	260
Estimated Outlays	0	1	21	63	73	45	203
Miscellaneous Provisions							
Estimated Authorization	0	*	*	*	*	*	2
Estimated Outlays	0	*	*	*	*	*	2
Total Changes							
Estimated Authorization	0	130	130	*	*	*	262
Estimated Outlays	0	1	21	64	74	45	205

Components may not sum to totals because of rounding, * = between zero and $500,000

In addition to the budgetary effects shown above, CBO estimates that implementing H.R. 7682 would have insignificant effects on direct spending and revenues over the 2020-2030 period.

Basis of Estimate

For this estimate, CBO assumes that H.R. 7682 will be enacted near the start of fiscal year 2021 and that the authorized and estimated amounts will be appropriated each fiscal year.

Spending Subject to Appropriation

H.R. 7682 would authorize appropriations totaling $260 million for assistance to Sudan. CBO estimates that implementing that assistance and complying with other requirements in the bill would cost $205 million over the 2020-2025 period; such spending would be subject to the appropriation of the specified and estimated amounts.

Assistance to Sudan. The bill would authorize appropriations totaling $260 million over 2021-2022 for several types of assistance to Sudan:

- $160 million to support economic growth, education, sanitation, and related development goals;
- $40 million to promote democratic governance, civil society, and human rights;
- $40 million to support peace and reduce conflict; and
- $20 million to address accountability for war crimes, violations of human rights, and other atrocities.

In total, CBO estimates that implementing those provisions would cost $203 million over the 2021-2025 period. The remainder would be spent after 2025.

Miscellaneous Provisions. Several provisions of the bill, if implemented individually would cost less than $500,000 annually. Taken together, CBO estimates that implementing them would cost $2 million over the 2020-2025 period.

Section 10 would authorize the Department of State to support Sudan’s efforts to recover assets taken from its people by theft, corruption, money laundering, or other means. The department indicated that it currently limits such assistance because Sudan is still designated as a state sponsor of terrorism.

Other provisions would require the Administration to report to the Congress on aspects of the relationship between the United States and Sudan.

Direct Spending

The sanctions required under H.R. 7682 would deny affected people entry into the United States. CBO estimates that provision would increase the number of people who would be denied visas by the Department of State. Most visa fees are retained by the department and spent without further appropriation, but some fees are deposited in the Treasury as revenues. Denying foreign nationals entry into the United States also would reduce direct spending on certain federal benefits for which they are eligible, such as emergency Medicaid or federal subsidies for health insurance.

In addition, the sanctions would block transactions affecting assets and property that are in the United States or come under the control of U.S. persons.

Enacting the bill also would increase the number of people who would be subject to civil or criminal penalties for violating the sanctions. Penalties are recorded as revenues, and a portion of those penalties can be spent without further appropriation.

Using data from similar sanctions, CBO estimates that few people would be affected; thus, enacting the bill would have insignificant effects on revenues and direct spending, and would, on net, reduce the deficit by insignificant amounts.

Pay-As-You-Go Considerations

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. CBO estimates that enacting H.R. 7682 would have insignificant effects on direct spending and revenues and would, on net, reduce the deficit by insignificant amounts.

Increase in Long-Term Deficits: None.

Mandates

H.R. 7682 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA). It would prohibit individuals or entities in the United States from engaging in transactions involving assets and property that have been frozen by sanctions authorized in the bill. Those transactions are otherwise permitted under current law. The cost of the mandate would be any income lost as a consequence. CBO expects that because a small number of people or entities would be affected, the loss of income from any incremental increase in restrictions imposed by the bill would be small as well. CBO estimates that the cost of the mandate would fall well below the annual threshold established in UMRA for private-sector mandates ($168 million in 2020, adjusted annually for inflation).

H.R. 7682 contains no intergovernmental mandates as defined in UMRA.

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