Congressional Budget Office
Cost Estimate

April 20, 2022

H.R. 6930, Asset Seizure for Ukraine Reconstruction Act
As ordered reported by the House Committee on Foreign Affairs on April 5, 2022

By Fiscal Year, Millions of Dollars	2022	2022-2026	2022-2031
Direct Spending (Outlays)	*	*	*
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	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 2032?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold

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

H.R. 6930 would require the President to determine whether certain members of the Russian State Duma and the Russian Federation Council should be subject to existing sanctions. The President would be required to submit a report to the Congress on the imposition of additional sanctions. The bill also would establish an interagency working group to consider constitutional mechanisms that the Administration can use to confiscate assets of foreign persons whose wealth is linked to political support for President Putin. The group would be required to produce three reports on the findings of the working group, recommendations for additional energy sanctions, and additional authorities the President might need to take those steps.

If the Administration imposes new sanctions, the bill would block transactions in certain assets and property that are in the United States or that come under the control of people in the United States. Sanctions under the bill also would increase the number of people who are subject to civil or criminal monetary penalties. Those penalties are recorded as revenues, and a portion can be spent without further appropriation.

In addition, more people would be denied visas by the Department of State, resulting in an insignificant decrease in revenues from fees. Although most visa fees are retained by the department and spent without further appropriation, some collections are deposited into the Treasury as revenues. Denying foreign nationals entry into the United States also would reduce direct spending on federal benefits (emergency Medicaid or federal subsidies for health insurance, for example) for which those people might otherwise be eligible.

On the basis of data for similar sanctions, CBO estimates that any additional sanctions would affect a small number of people; thus, enacting H.R. 6930 would have insignificant effects on revenues and direct spending, and would, on net, reduce deficits by insignificant amounts over the 2022-2031 period.

Using information from the costs of similar of similar requirements, CBO estimates that providing the reports and establishing a working group would cost less than $500,000 over the 2022-2026 period; such spending would be subject to availability of appropriated funds.

H.R. 6930 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA) if the President imposes new sanctions as a result of the bill. It would prohibit individuals or entities in the United States from engaging in transactions involving assets and property that have been frozen by sanctions. 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 ($170 million in 2021, adjusted annually for inflation).

H.R. 6930 contains no intergovernmental mandates as defined in UMRA.

The CBO staff contact for this estimate is Madeleine Fox and Brandon Lever. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.