

**S. 490, Hong Kong Economic and Trade Office (HKETO) Certification Act**  
 As reported by the Senate Committee on Foreign Relations on July 25, 2023

By Fiscal Year, Millions of Dollars	2023	2023-2028	2023-2033
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	No
		<b>Mandate Effects</b>	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

S. 490 would require the Secretary of State to determine whether the Hong Kong Economic and Trade Offices (HKETO) still qualify for the special privileges granted under the International Organization Immunities Act, including tax exemptions and immunity from some judicial processes. The bill would also prohibit new contracts between U.S. government entities and HKETO unless certain conditions are met.

Under current law, the Secretary of State is required to annually certify that entities from Hong Kong, including HKETO, remain eligible for any special treatments granted under U.S. law prior to July 1997. The department may also change its determination for eligibility more frequently than annually if circumstances change in Hong Kong. Given that existing requirement, CBO expects that S. 490 would not increase the likelihood that the Department of State will revoke eligibility for those privileges. Thus, in CBO's estimation, enacting the bill would have no effect on revenues or direct spending over the 2023-2033 period.

S. 490 also would require the department to produce a report that justifies the Secretary's decision regarding eligibility for privileges. Using information about similar reports, CBO estimates that satisfying that requirement would cost less than \$500,000 over the 2023-2028 period; any spending would be subject to availability of appropriated funds.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)

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