

H.R. 1456, Stopping Communist Regimes from Engaging in Edits Now Act
As ordered reported by the House Committee on Foreign Affairs on July 26, 2023

By Fiscal Year, Millions of Dollars		2024	2024-2028	2024-2033
Direct Spending (Outlays)		*	*	*
Revenues		0	0	0
Increase or Decrease (-) in the Deficit		*	*	*
Spending Subject to Appropriation (Outlays)		*	1	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	< \$2.5 billion	Statutory pay-as-you-go procedures apply?		Yes
		Mandate Effects		
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	< \$5 billion	Contains intergovernmental mandate?		No
		Contains private-sector mandate?		No
* = between zero and \$500,000.				

H.R. 1456 would prohibit federal assistance, such as technical support or access to federal assets, to U.S. film production companies that censor film content to gain approval from the Chinese government. Under the bill, film production companies would be required to inform the Department of State about films that were submitted to the Chinese government for pre-screening and approval. The department would be required to assess whether film content was altered either in response to, or in anticipation of, requests from the Chinese government. Lastly, the bill would require the department to report annually to the Congress on such films and on its actions under the bill.

Several federal agencies provide film producers with technical support or access to assets such as land, buildings, and equipment. Agencies collect fees or reimbursements to recover their costs. Some agencies, such as the Department of Defense and the National Park Service, can retain and spend such collections; others, such as the Veterans Benefits Administration, deposit those receipts—which are classified as reductions in direct spending—in the Treasury. By prohibiting some of those transactions between federal agencies and film producers, the bill would result in a loss of some of those receipts (that is, an increase in direct spending). On the basis of information from such agencies about their



policies and past collections, CBO estimates that foregone receipts as a result of prohibitions under H.R. 1456 would total less than \$500,000 over the 2024-2033 period.

The Department of State did not respond to questions about how it would implement requirements to monitor and report on production companies. On the basis of information about similar activities, CBO estimates that implementing those provisions would require the equivalent of one full-time employee and other administrative costs that would total less than \$500,000 each year and \$1 million over the 2024-2028 period. Such spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Sunita D'Monte. The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

A handwritten signature in black ink, appearing to read 'Phillip L. Swagel'.

Phillip L. Swagel
Director, Congressional Budget Office