

## H.R. 3613, Streamlining Foreign Military Sales Act of 2025

As ordered reported by the House Committee on Foreign Affairs on July 22, 2025

By Fiscal Year, Millions of Dollars	2026	2026-2030	2026-2035
Direct Spending (Outlays)	*	*	*
Revenues	<b>0</b>	<b>0</b>	<b>0</b>
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Statutory pay-as-you-go procedures apply?	Yes
		<b>Mandate Effects</b>	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between -\$500,000 and \$500,000.			

H.R. 3613 would raise the thresholds at which the Administration must notify or report to the Congress on foreign military sales and direct commercial sales of defense articles and services to foreign countries. Notifications of proposed sales typically include a waiting period for Congressional review. Raising the thresholds would eliminate the waiting period for some sales, which could affect their timing and thus the timing of the collection and spending of associated fees. CBO estimates that the change in direct spending would be less than \$500,000.

Both types of sales affect direct spending. U.S. defense articles and services are exported or transferred to foreign countries through the Foreign Military Sales (FMS) program, which is managed by the Department of Defense. Those countries pay all costs associated with such sales, and the amounts received in the FMS trust fund are available for obligation without further appropriation. Cash flows to and from that trust fund are classified as direct spending. The Department of State manages the Direct Commercial Sales program and requires defense manufacturers, exporters, and brokers of defense articles and services to register with its Directorate of Defense Trade Controls. The directorate charges registration fees and can spend those fees without further appropriation.

See also

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



In addition, raising the threshold for notifying and reporting to the Congress would reduce the workloads of the agencies responsible for submitting that information. On the basis of information from the Administration, CBO estimates that implementing H.R. 3613 would reduce administrative costs by less than \$500,000 over the 2026-2030 period. Spending for some of those activities is subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Caroline Dorminey. The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

A handwritten signature in black ink that reads "Phillip L. Swagel".

Phillip L. Swagel  
Director, Congressional Budget Office