Congressional Budget Office
Cost Estimate

November 26, 2025

S. 1744, Providing Our Regional Companions Upgraded Protection in Nefarious Environments Act

As reported by the Senate Committee on Foreign Relations on October 30, 2025

By Fiscal Year, Millions of Dollars	2026	2026-2030	2026-2035
Direct Spending (Outlays)	*	*	*
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	*

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2036?	No	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 2036?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

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

S. 1744 would expedite the approval of sales of defense items to Taiwan. Notifications of proposed sales typically include a waiting period for Congressional review. The bill would shorten the waiting period for proposed sales to Taiwan, which could affect their timing and thus the timing of the collection and spending of associated fees. CBO estimates that the net change in direct spending would be less than $500,000.

Transfers of defense items through foreign military sales and direct commercial 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.

In addition, S. 1744 would require the Department of State to study and report to the Congress on the feasibility of expediting the process to approve transfers of defense articles of U.S. origin from North Atlantic Treaty Organization member countries, Japan, Australia, the Republic of Korea, New Zealand, or Israel, to Taiwan. The bill also would require the department to report on its implementation of the bill. On the basis of information about the costs of similar requirements, CBO estimates that implementing the bill's reporting requirements would cost less than $500,000 over the 2026-2030 period. Such spending 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.

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