mind all Members as a matter of comity to refrain from characterizing Senate action.

PARLIAMENTARY INQUIRY

Mr. FRANK of Massachusetts. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. FRANK of Massachusetts. Mr. Speaker, may we characterize Senate inaction?

The SPEAKER pro tempore. The characterization of Senate action or inaction is not proper, as a matter of comity.

INFORMATION ON H.R. 1486, THE FOREIGN POLICY REFORM ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. GILMAN] is recognized for 5 minutes.

Mr. GILMAN. Mr. Speaker, in what I am advised is a practically unprecedented move, the minority leadership, apparently acting on behalf of minority members of the Committee on International Relations, indicated that they would interpose an objection to the committee majority's request to file a supplemental report on the bill, H.R. 1486, the Foreign Policy Reform Act. The supplemental report would have provided the cost and mandate estimate of the Congressional Budget Office and the "Ramseyer print" of the amendment ordered reported by the International Relations Committee.

For the information of the Members, the CBO report is printed below. The Ramseyer print, which would cost $30,000 or more to print in the RECORD according to an informal estimate from the GPO, will be available for Members to review in the offices of the International Relations Committee.

U.S. CONGRESS
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 12, 1997.

Hon. BENJAMIN A. GILMAN,
Chairman, Committee on International Relations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1486, the Foreign Policy Reform Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts an Joseph C. Whitehill and Sunita D'Monte.

Sincerely,

JUNE E. O'NEILL.
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE, COST ESTIMATE

H.R. 1486—Foreign Policy Reform Act

Summary: H.R. 1486 would consolidate various international affairs agencies, would authorize appropriations for foreign assistance programs, the Department of State, and related agencies, and would authorize the sale of 14 naval vessels.

Assuming appropriation of the authorized amounts, CBO estimates that enacting H.R. 1486 would result in additional discretionary spending of $33 billion over the 1998–2002 period. The legislation would increase direct spending by $11 million in 1998 and by $0.3 billion over the next five years; therefore, pay-as-you-go procedures would apply. The sale of naval vessels would generate an estimated $163 million in offsetting receipts.

The bill contains a provision that would result in costs to state, local, or tribal governments. CBO is unsure whether this provision constitutes an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA), but mandate costs, if any, would be well below the threshold established in the law ($50 million in 1996, adjusted annually for inflation). H.R. 1486 would impose no new private-sector mandates as defined in UMRA.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 1486 is shown in the table. For the purpose of this estimate, CBO assumes that all amounts authorized would be appropriated by the start of each fiscal year and that outlays would follow historical spending patterns.

	By fiscal year in millions of dollars					
	1997	1998	1999	2000	2001	2002
DIRECT SPENDING						
Proposed changes, refugee determination: [1]						
Estimated budget authority	0	0	20	60	70	80
Estimated outlays	0	0	20	60	70	80
Other proposed changes:						
Estimated budget authority	0	11	15	15	16	17
Estimated outlays	0	11	15	15	16	17
Total changes in direct spending:						
Estimated budget authority	0	11	35	75	86	97
Estimated outlays	0	11	35	75	86	97
ASSET SALES [2]						
Estimated budget authority	0	−163	0	0	0	0
Estimated outlays	0	−163	0	0	0	0
SPENDING SUBJECT TO APPROPRIATION						
Spending under cuttent law: [3]						
Estimated authorization level [4]	15,740	0	0	0	0	0
Estimated outlays	16,322	7,073	2,974	1,513	702	383
Proposed changes:						
Estimated authorization level	0	16,467	16,099	621	633	646
Estimated outlays	0	9,337	13,547	6,031	2,592	1,601
Spending under the bill: [3]						
Estimated authorization level [4]	15,740	16,467	16,099	621	633	646
Estimated outlays	16,322	16,410	16,521	7,544	3,294	1,984

[1] Spending for Medicaid, Food Stamps, and Supplemental Security Income. Under current law, CBO estimates that spending for these programs will be $150 billion in 1997 and will rise to $208 billion in 2002.

[2] Under recent budget resolutions, proceeds from asset sales are counted in the budget totals for puropses of Congressional scoring. Under the Balanced Budget Act, however, proceeds from asset sales are not counted in determining compliance with the discretionary spending limits or pay-as-you-go requirement.

[3] Funding for foreign assistance programs, the Department of State, and related agencies.

[4] The 1997 level is the amount appropriated for that year.

Basis of estimate:

DIRECT SPENDING

This bill would increase direct spending by an estimated $0.3 billion over the next five years.

Refugee determination.—Section 1218 would extend a provision of U.S. immigration law that favors the automatic admission as refugees of certain nationals of the former Soviet Union (chiefly Jews and evangelical Christians), Vietnam, Laos, and Cambodia. Applicants for admission need only assert that they have a fear of persecution and a "credible basis" (not the stricter "well-founded basis" that others must prove) for that fear. (These provisions are commonly known as the Lautenberg criteria.)

These criteria were first enacted in November 1989, and have been renewed several times since then. They currently cover applicants for refugee status who apply through September 30, 1997. Section 1218 would extend that deadline for two years, through September 30, 1999.

Under current law (section 207 of the Immigration and Nationality Act), the annual ceiling on refugee admissions is set by the President after consultation with the Congress. The refugees affected by this bill are accommodated within that ceiling. However, CBO believes that these criteria lead the President and the Congress to set a higher ceiling for refugee admissions than they otherwise would. That is, without these criteria, refugee admissions would be lower. There is no mechanism by which lower admissions of, for example, Soviet Jews and evangelicals would automatically lead to higher admissions of, say, Rwandans or Bosnians.

According to the Department of State, approximately 2,000 people in the former Soviet Union currently apply for admission each month as refugees, and about three-quarters of them are found to meet those criteria. (They are the principal beneficiaries of the provision.) Those figures are significantly smaller than the peak levels of the early 1990s. Because there are lags in scheduling applicants for interviews and then in assembling travel documents, CBO expects that extending the criteria for fiscal years 1998 and 1999 would boost the number of entries in 1999 and 2000. By the end of 1999, an estimated 18,000 more refugees would be in the United States as a result of the extension; by the end of 2000, an estimated 36,000.

According to the annual Report to the Congress of the Office of Refugee Resettlement in the Department of Health and Human Services, about 10 percent of these refugees go on Supplemental Security Income (SSI), 60 percent on Food Stamps, and up to 60 percent on Medicaid. (Also, some go on Aid to Families with Dependent Children, which has now been converted to a block grant at fixed levels of funding; on general assistance, which is state-funded; or on short-term refugee assistance, a federally-funded program that is subject to appropriation.) Last year's welfare reform law, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193), curtailed the eligibility of most immigrants for welfare benefits, but spared refugees during their first five years in the United States. Based on these past patterns of welfare participation, CBO estimates that extra outlays in the SSI, Food Stamp, and Medicaid programs would total $20 million in 1999 and would grow to $80 million in 2002.

Appropriation of interest.—The bill contains several sections that authorize the deposit of certain funds into interest-bearing accounts and the spending of subsequent interest earnings without further appropriation. Sections 1205, 1202, and 1204 provide this authority for proceeds from the sale of overseas property, the Foreign Service National Separation Liability Trust Fund and the International Center Reserve Fund, respectively. CBO estimates that these provisions would increase direct spending by $7 million to $10 million a year. Section 1402 authorizes recipients of grants from the National Endowment for Democracy to deposit grant funds in interest-bearing accounts and to use the interest for the same purpose for which the grant was made. Under current law, the grantees refund their interest earnings to the government. CBO estimates that under this provision the Treasury would forgo collections of less than $60,000 a year.

Recovery of health care costs.—Section 1214 would authorize the Secretary of State to recover from insurance companies the reasonable costs of health care services provided by the department and to deposit the funds as offsetting collections. These amounts would be available for spending. The provision would increase mandatory payments for Federal Employee Health Benefits (FEHB) and discretionary appropriations. CBO estimates that the department would collect and spend $12 million in 1998. Collections in 1999 through 2002 were estimated assuming that collections grow at the same rate as inflation in health care costs, rising to $17 million by 2002.

CBO assumes that, after a short lag, insurance companies would recover the amount paid to the State Department plus 15 percent for administrative overhead through higher FEHB premiums. The government pays 72 percent of FEHB premiums; of this, 45 percent is paid through a mandatory government payment for annuitants and 55 percent is paid through discretionary appropriations. Additional mandatory spending would average about $5 million a year, and increases in discretionary spending would average $6 million a year.

Reappropriations.—The bill contains two provisions that would extend the availability of funds by specifying that the funds ''shall'' remain available until expended. Section 1203 would extend the availability of funds deposited into the Capital Investment Fund and section 1216 would extend the availability of fees for commercial services. CBO estimates that reappropriations from both sections would be less than $500,000.

Authority to provide services on a reimbursable basis.—H.R. 1486 contains several provisions that would allow the Department of State to provide various services on a fee-for-service or reimbursable basis. CBO estimates that collections and spending from the provisions would total less than $500,000 per year. Section 1209 allows the department to accept reimbursement for the expenses of pursuing a claim against a foreign government or entity. Section 1213 authorizes the department to provide training services to corporate employees, their families, and Congressional employees on a reimbursable basis and to collect a new fee for the use of the Foreign Affairs Training Center. And finally, section 1215 would authorize the department to collect a new fee for the use of diplomatic reception rooms. All provisions specify that amounts collected would be deposited as offsetting collections and would remain available until expended.

Termination expenses.—Section 704 authorizes the President to deobligate and reobligate development assistance funds for countries whose assistance program is terminated. The reobligation would cover equitable settlements of third parties whose contracts were canceled when the assistance ended. CBO cannot estimate the budgetary effect of this section.

ASSET SALES

Chapter 5 would authorize the Secretary of the Navy to sell 14 naval vessels to certain foreign countries. Based on information from the Navy, CBO estimates the sale would generate $163 million in offsetting receipts in 1998.

Under recent budget resolutions, proceeds from asset sales have been counted in the budget totals for purposes of Congressional scoring. Under the Balanced Budget Act, however, proceeds from asset sales are not counted in determining compliance with the discretionary spending limits or pay-as-you-go requirement.

SPENDING SUBJECT TO APPROPRIATIONS

CBO estimates the bill would authorize appropriations of $16.5 billion in 1998, $16.1 billion in 1999, and $0.6 billion per year thereafter for foreign assistance programs, the Department of State, and other related agencies. The estimate includes authorizations that specify both the dollar amounts and fiscal years, and the permanent, indefinite authorization for the appropriation of collections in special funds in the amounts discussed below under governmental receipts. In addition, the bill would authorize indefinite appropriations discussed below.

Department of State rewards program.—Subject to appropriations action, section 1201 would authorize the President to take up to 2 percent of the earnings from the assets of foreign governments that have been blocked under the International Emergency Powers Act. Based on information from the Treasury Department, CBO estimates that 2 percent of the earnings on blocked assets would be $2 million per year. The funds would be available for the Department of State to pay rewards for the prevention of international terrorism, narcotics trafficking, and other crimes. The assets affected are not the property of the U.S. government. Any taking would create a claim against the U.S. Government that would need to be resolved when normal relations between the United States and the countries are restored. The Department of State currently provides rewards totaling approximately $2 million a year, and this estimate assumes that section 1201 would result in an authorization of that amount each year.

Indefinite authorizations for currency fluctuations.—Section 1102(f) authorizes such sums as may be necessary in 1998 and 1999 for international organizations and programs to compensate for adverse fluctuations in exchange rates. Any funds appropriated for this purpose would only be obligated and expended subject to an OMB certification. Section 1107 authorizes such sums as may be necessary in 1998 and 1999 for the Arms Control and Disarmament Agency (ACDA) to compensate for increases in pay, employee benefits, and adverse fluctuations in exchange rates.

Currency fluctuations are extremely difficult to estimate in advance. The spending to meet the foreign currency requirements for the two programs could be higher or lower than the amounts specifically authorized in the bill. Therefore, this estimate includes no costs associated with currency fluctuations.

GOVERNMENTAL RECEIPTS

The bill contains two provisions that would authorize collections of certain passport and consular fees to be deposited into special funds of the Treasury. CBO estimates these provisions would not affect governmental receipts or direct spending. The State Department already has the authority to collect these fees, and the authority to spend them would be subject to appropriation and is included as such in the table above.

Section 1210 would authorize the deposit of passport and consular fees into a special fund of the Treasury. These collections would be available to the Department of State in such amounts as are provided for in advance in appropriations acts. CBO estimates the department would collect $446 million in 1998 and $483 million in 2002.

Similarly, section 1211 would establish a Machine Readable Visa fee account such that collections of the fee, a surcharge for processing certain types of visas, would be deposited into a special fund of the Treasury and would be available to the department in such amounts as are provided for in advance in appropriations acts. CBO estimates that the department would collect $143 million in 1998 and $155 million in 2002.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act of 1985 establishes pay-as-you-go procedures for legislation affecting direct spending or receipts through fiscal year 1998. CBO estimates that enactment of H.R. 1486 would cause an increase in direct spending of $11 million in 1998.

Estimated impact on State, local, and tribal governments: While H.R. 1486 would, by itself, establish no new enforceable duties on state, local, or tribal governments, increasing the number of refugees admitted to the United States, as required by the bill, would increase the costs associated with state SSI supplementary payments. Approximately ten percent of the additional refugees would be eligible for federal SSI payments. Most states would be required under current law to supplement the federal payments to these individuals. CBO cannot determine whether these additional payments would be considered the direct costs of a mandate for the purposes of UMRA. In any event, CBO estimates that the additional costs to states would not exceed $5 million annually.

States would face other costs as a result of the increases in the number of refugees admitted to the United States, but these costs would result either from state public assistance requirements that are not controlled by the federal government, or from an increase in the number of people eligible for federal entitlement programs. Because the bill would not increase the stringency of conditions for these entitlement programs, the costs associated with these provisions do not constitute mandate costs under the law.

The bill also contains a provision that could encourage foreign governments to pay parking fines they owe to Maryland, Virginia, New York State, New York City, and the District of Columbia. Section 308 of the bill would require that an amount equal to 110 percent of the total unpaid parking fines owed by foreign governments be withheld from the foreign aid for those countries. The funds would become available for obligation once the parking fines are paid.

Estimated impact on the private-sector: H.R. 1486 would impose no new private-sector mandates as defined in UMRA.

Estimate prepared by: Federal Cost: Joseph C. Whitehall and Sunita D'Monte (226–2840); Kathy Ruffing and Dorothy A. Rosenbaum (226–2820); Robin Rudowitz and Jeffrey Lemieux (226–9010); impact on State, Local, and Tribal Governments: Pepper Santalucia (225–3220); impact on the Private Sector: Lesley Frymier (226–2940).

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. YOUNG of Florida) to revise and extend their remarks and include extraneous material:)

Mr. SESSIONS, for 5 minutes, on May 14.

Mr. CANADY of Florida, for 5 minutes, on May 14.

Mr. NEUMANN, for 5 minutes each day, on May 13, 14, and 15.

Mr. GILMAN, for 5 minutes, today.

Mr. MCCOLLUM, for 5 minutes, on May 14.

Mr. SHAYS, for 5 minutes, on May 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to: