Congressional Budget Office
Cost Estimate

June 7, 2019

H.R. 2615, United States-Northern Triangle Enhanced Engagement Act
As ordered reported by the House Committee on Foreign Affairs on May 22, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	*	*	*
Revenues	*	*	*
Deficit Effect	*	*	*
Spending Subject to Appropriation (Outlays)	0	473	571

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 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold

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

H.R. 2615 would authorize the appropriation of $577 million in 2020 for foreign assistance to El Salvador, Guatemala, and Honduras—also known as the Northern Triangle of Central America. That assistance would be used to promote economic development and democratic institutions and to fight corruption and crime. CBO estimates that providing that assistance would cost a total of $571 million over the 2020-2029 period, subject to appropriation of the specified amount.

The bill also would require the Department of State to collaborate with other federal agencies and the Mexican government to enhance development and border security in the southern region of Mexico. In December 2018, the Administration pledged several billion dollars to provide similar assistance to Mexico, including to the geographical area of Mexico addressed by H.R. 2615. CBO expects that the Administration would not increase the amount of assistance it plans to provide as a result of the bill.

H.R. 2615 would require the President to sanction foreign persons (individuals or entities) who are responsible for corruption in the Northern Triangle. Enacting that provision would increase the number of people who would be denied visas by the Department of State and the number who would be subject to civil or criminal penalties. Most visa fees are retained by the department and spent without further appropriation, but some fees are deposited in the Treasury as revenues. Penalties also are recorded as revenues, and a portion of those penalties can be spent without further appropriation. Because CBO expects that very few additional people would be affected, CBO estimates the bill's enactment would have insignificant effects on both revenues and direct spending.

Finally, the bill would require the Government Accountability Office and the Administration to provide several reports to the Congress. Using information about the costs of similar reports, CBO estimates that satisfying the reporting requirements in H.R. 2615 would cost less than $500,000 over the 2019-2024 period; such spending would be subject to the availability of appropriated funds.

H.R. 2615 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA).

By imposing sanctions on certain foreign persons engaged in acts of corruption in the countries of the Northern Triangle, H.R. 2615 could prohibit individuals or entities in the United States from engaging in activities that would otherwise be permitted under current law, such as accessing property that has been frozen by the sanctions. Such a prohibition would be a private-sector mandate under UMRA. The cost of the mandate would be any income that U.S. entities lose because they no longer have access to the property in question or because they may no longer engage in transactions prohibited by the bill. Because the sanctions focus only on persons in foreign countries who have committed certain violations, CBO expects that the number of individuals or entities in the United States that could be affected by the legislation would be small. Furthermore, CBO expects that the loss of income from any incremental restrictions imposed by the bill would be small. Therefore, CBO estimates that the aggregate cost of the mandates would fall well below the annual threshold established in UMRA for private-sector mandates ($164 million in 2019, adjusted annually for inflation).

The CBO staff contacts for this estimate are Sunita D'Monte (for federal costs) and Jon Sperl (for mandates). The estimate was reviewed by Leo Lex, Deputy Assistant Director for Budget Analysis.