

**H.R. 1228, Libya Stabilization Act**

As ordered reported by the House Committee on Foreign Affairs on April 21, 2021

By Fiscal Year, Millions of Dollars	2021	2021-2026	2021-2031
Direct Spending (Outlays)	*	*	*
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	<b>0</b>	<b>28</b>	not estimated
Statutory pay-as-you-go procedures apply?	<b>Yes</b>	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032?	<b>No</b>	Contains intergovernmental mandate?	<b>No</b>
		Contains private-sector mandate?	<b>Yes, Under Threshold</b>
* = between -\$500,000 and \$500,000.			

**Basis of Estimate**

H.R. 1228 would authorize the appropriation of \$30 million in 2022 to promote stability, free elections, civil society, and democratic governance in Libya; the same amount was appropriated for those purposes in 2021. Assuming appropriation of the specified amount, CBO estimates that providing such assistance would cost \$26 million over the 2021-2026 period. The remainder would be spent after 2026.

The bill would require the Administration to provide several reports to the Congress on sanctions, the conflict in Libya, and related matters. On the basis of information about similar requirements, CBO estimates that providing the required reports would cost \$1 million. H.R. 1228 also would authorize the Department of State to expand educational and cultural programs with Libya. On the basis of information about the costs of existing exchange programs and assistance to Libya, CBO estimates that implementing that provision would cost less than \$500,000 each year and a total of \$1 million over the 2021- 2026 period.

In total, CBO estimates that implementing the bill would cost \$28 million over the 2021- 2026 period. Such spending would be subject to the availability of appropriated funds.

Finally, the bill would require the President to impose sanctions on foreign persons who threaten the peace and stability of Libya or who commit gross violations of human rights in that country. That requirement would expire on December 31, 2026. Those sanctions would deny affected people entry into the United States. CBO estimates that the provision would increase the number of people who would be denied visas by the Department of State. Most visa fees are retained by the department and spent without further appropriation, but some fees are deposited in the Treasury as revenues. Denying foreign nationals entry into the United States also would reduce direct spending on certain federal benefits for which they are eligible, such as emergency Medicaid or federal subsidies for health insurance.

In addition, the sanctions would block transactions in assets and property that are in the United States or come under the control of U.S. persons.

Enacting the bill also would increase the number of people who would be subject to civil or criminal penalties for violating the sanctions. Penalties are recorded as revenues, and a portion of those penalties can be spent without further appropriation.

Using data from similar sanctions, CBO estimates that few people would be affected; thus, enacting the bill would have insignificant effects on revenues and direct spending, and would, on net, reduce the deficit by insignificant amounts.

## **Mandates**

H.R. 1228 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA). It would prohibit individuals or entities in the United States from engaging in transactions involving assets and property that have been frozen by sanctions authorized in the bill. Those transactions are otherwise permitted under current law. The cost of the mandate would be any income lost as a consequence. CBO expects that because a small number of people or entities would be affected, the loss of income from any incremental increase in restrictions imposed by the bill would be small as well. CBO estimates that the cost of the mandate would fall well below the annual threshold established in UMRA for private-sector mandates (\$170 million in 2021, adjusted annually for inflation).

H.R. 1228 contains no intergovernmental mandates as defined in UMRA.

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