Congressional Budget Office
Cost Estimate

January 26, 2022

# H.R. 6089, Stop Iranian Drones Act

**As ordered reported by the House Committee on Foreign Affairs on December 10, 2021**

| By Fiscal Year, Millions of Dollars | 2022 | 2022-2026 | 2022-2031 |
|---|---|---|---|
| Direct Spending (Outlays) | * | * | * |
| Revenues | * | * | * |
| Increase or Decrease (-) in the Deficit | * | * | * |
| Spending Subject to Appropriation (Outlays) | 0 | 0 | not estimated |

| | | | |
|---|---|---|---|
| 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 2032? | **No** | Contains intergovernmental mandate? | **No** |
| | | Contains private-sector mandate? | **Yes, Under Threshold** |

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

Under current law the President is required to impose sanctions on persons who knowingly support several of Iran's weapons programs. H.R. 6089 would amend that law to add unmanned combat aerial vehicles to the list of covered programs.

The Administration has broad sanctions in place to restrict Iran's use of weapons, including drones. To the extent the Administration imposes new sanctions under the bill, more people would be denied visas by the Department of State, resulting in an insignificant decrease in revenues from fees. Although most visa fees are retained by the department and spent without further appropriation, some collections are deposited into the Treasury as revenues. Denying foreign nationals entry into the United States also would reduce direct spending on federal benefits (emergency Medicaid or federal subsidies for health insurance, for example) for which those people might otherwise be eligible.

Sanctions under the bill also would increase the number of people who are subject to civil or criminal monetary penalties. Those penalties are recorded as revenues, and a portion can be spent without further appropriation. In addition, the bill would block transactions in certain assets and property that are in the United States or that come under the control of people in the United States.

On the basis of data for similar sanctions, CBO estimates that any additional sanctions would affect a small number of people; thus, enacting H.R. 6089 would have insignificant effects on revenues and direct spending, and would, on net, reduce deficits by insignificant amounts over the 2022-2031 period.

H.R. 6089 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA) by incrementally expanding an existing mandate in law. 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. 6089 contains no intergovernmental mandates as defined in UMRA.

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