Congressional Budget Office
Cost Estimate

April 19, 2022

H.R. 923, Georgia Support Act

As ordered reported by the House Committee on Foreign Affairs on April 5, 2022

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)	*	*	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.

Bill Summary

H.R. 923 would require the President to impose sanctions on foreign persons the Administration determines are responsible for serious abuses of human rights in parts of Georgia that have been occupied by Russia and to report to the Congress on those actions. The bill also would require the Department of State to develop and implement a strategy to combat Russian disinformation and propaganda aimed at Georgia and to promote freedom of press in Georgia. Lastly, the bill would require the department to report to the Congress on U.S. assistance to Georgia.

Estimated Federal Cost

The Administration has existing authority to sanction individuals for violations of human rights. If enactment of the bill leads the Administration to broaden those sanctions, 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.

Using data about the effects of similar sanctions, CBO estimates that any additional sanctions would affect a small number of people; thus, enacting H.R. 923 would have insignificant effects on revenues and direct spending, and would, on net, reduce deficits by insignificant amounts over the 2022-2031 period.

On the basis of information about similar requirements, CBO estimates that providing the strategy and reports required under the bill would cost less than $500,000 over the 2022-2026 period. Such spending would be subject to the availability of appropriated funds.

Mandates

H.R. 923 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 required 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. 923 contains no intergovernmental mandates as defined in UMRA.

Estimate Prepared By

Federal Costs: Sunita D’Monte

Mandates: Brandon Lever

Estimate Reviewed By

David Newman
Chief, Defense, International Affairs, and Veterans' Affairs Cost Estimates Unit

Kathleen FitzGerald
Chief, Public and Private Mandates Unit

Leo Lex
Deputy Director of Budget Analysis