



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

September 16, 2016

H.R. 5931
Prohibiting Future Ransom Payments to Iran Act

*As ordered reported by the House Committee on Foreign Affairs
on September 14, 2016*

H.R. 5931 would prohibit the Government of the United States from making payments to the Government of Iran through promissory notes (including currency) issued by the United States or any foreign government. In addition, the bill would require that payments to settle any claim being considered by the special tribunal to resolve disputes between Iran and the United States be made pursuant to a license from the Department of the Treasury and after providing certain notifications to the Congress. Finally, the legislation would require the President to report to the Congress on outstanding claims before the tribunal.

Based on an analysis of information from the Department of State, CBO expects that there will be no payments made to Iran in the near future resulting from cases being considered by the tribunal. However, it is possible that payments related to such cases might be made later in the 2017-2026 period; those payments would be treated as direct spending. Enacting the bill would impose limitations on the ability of the federal government to make such payments to Iran and thus could reduce direct spending; therefore, pay-as-you-go procedures apply. However, CBO has no basis for estimating the timing or amounts of those effects, if any. Enacting the bill would not affect revenues.

In addition, CBO estimates that implementing the reporting and notification requirements under H.R. 5931 would cost less than \$500,000 over the 2017-2021 period; such spending would be subject to the availability of appropriated funds.

CBO estimates that enacting H.R. 5931 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 5931 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Sunita D'Monte. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.