

## H.R. 1850, Palestinian International Terrorism Support Prevention Act of 2019

As passed by the House of Representatives on July 23, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	*	*	*
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	*
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 2030?	<b>No</b>	Contains intergovernmental mandate?	<b>No</b>
		Contains private-sector mandate?	<b>Yes, Under Threshold</b>
* = between -\$500,000 and \$500,000.			

H.R. 1850 would require the Administration to impose sanctions on foreign governments and persons (individuals or entities) who support terrorism and Hamas, the Palestinian Islamic Jihad, and their affiliates. Although the Administration has imposed a range of sanctions against terrorist organizations and their supporters such as those specified in the act, CBO expects that enacting H.R. 1850 would slightly increase the number of people who would be subject to civil or criminal penalties for violating those sanctions. Penalties are recorded as revenues and a portion of those penalties can be spent without further appropriation. In total, CBO estimates that enacting H.R. 1850 would have insignificant effects on both revenues and direct spending.

The act would require the Administration to report to the Congress on its implementation of required sanctions and related matters. On the basis of the costs of similar reports, CBO estimates that providing the required reports would cost less than \$500,000 over the 2019-2024 period. That spending would be subject to the availability of appropriated funds.

By imposing sanctions on foreign entities who are senior members of or support Hamas or the Palestinian Islamic Jihad, H.R. 1850 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 would be frozen by the sanctions. Such a prohibition would be a

mandate under the Unfunded Mandates Reform Act (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 act.

Because the sanctions focus only on senior members and persons in foreign countries who have supported Hamas or the Palestinian Islamic Jihad, 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 act 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).

H.R. 1850 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 Assistant Director for Budget Analysis.