



**CONGRESSIONAL BUDGET OFFICE  
PAY-AS-YOU-GO ESTIMATE**

October 2, 2000

**S. 1455  
College Scholarship Fraud Prevention Act of 1999**

*As cleared by the Congress on September 25, 2000*

Enacting S. 1455 could affect the government's receipts from fines and bankruptcy cases and resulting direct spending. CBO estimates, however, that the amounts involved would be less than \$500,000 annually.

S. 1455 would direct the U.S. Sentencing Commission to amend the federal sentencing guidelines to provide for enhanced penalties, including prison sentences and fines, for fraudulent activities related to the provision of financial assistance for higher education. The act also would amend the federal bankruptcy code to provide less protection for the property of debtors who have engaged in such fraud.

Because offenders would be subject to greater criminal fines under S. 1455, the federal government might collect additional fines. Collections of such fines are recorded in the budget as governmental receipts (revenues), which are deposited in the Crime Victims Fund and spent in subsequent years. CBO expects that any additional receipts and direct spending would be negligible because of the small number of cases likely to be involved. CBO estimates that the act's provision regarding the property of fraudulent debtors would have little or no effect on the federal government, which is rarely a creditor in such cases.

The CBO staff contact for this estimate is Mark Grabowicz. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.