



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

July 7, 1999

**S. 1257  
Digital Theft Deterrence and  
Copyright Damages Improvement Act of 1999**

*As passed by the Senate on July 1, 1999*

CBO estimates that enacting S. 1257 would have no significant impact on the federal budget. The act would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The act contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

Under current law, a copyright owner may choose to recover statutory damages for infringement rather than actual damages and lost profits. S. 1257 would increase statutory damages and establish new damages for cases in which the copyright owner demonstrates that the infringement was part of a repeated pattern or practice of infringement. Damages for copyright infringement are paid by one private party to another and thus do not affect the federal budget.

On June 7, 1999, CBO transmitted a cost estimate of H.R. 1761, the Copyright Damages Improvement Act of 1999, as ordered reported by the House Committee on the Judiciary on May 26, 1999. H.R. 1761 also would have no significant impact on the federal budget.

The CBO staff contact is Mark Hadley. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.