



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 8, 2002

H.R. 577

An act to amend title 44, United States Code, to require any organization that is established for the purpose of raising funds for creating, maintaining, expanding, or conducting activities at a Presidential archival depository or any facilities relating to a Presidential archival depository to disclose the sources and amounts of any funds raised, and for other purposes

As ordered reported by the Senate Committee on Government Affairs on March 21, 2002

CBO estimates that enacting H.R. 577 would have no significant impact on the federal budget. Because the act could affect direct spending and receipts, pay-as-you-go procedures would apply. H.R. 577 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments. H.R. 577 would impose a private-sector mandate, as defined by UMRA. CBO estimates that the direct cost of the mandate would fall well below the annual threshold established by UMRA for private-sector mandates (\$115 million in 2002, adjusted annually for inflation).

H.R. 577 would require any organization that raises funds for a presidential library to disclose the sources and amounts of such funds. The act's provisions would generally apply to annual donations greater than \$200 for the current President or \$5,000 or larger for former Presidents. Additionally, H.R. 577 would require fund-raising organizations to provide this information to the Administration and the Congress annually. The act would direct the National Archives and Records Administration (NARA) to make this information public. Finally, the act would establish criminal penalties, including fines, for violations of its provisions.

Based on information from NARA, CBO estimates that the increased administrative costs to implement the act would be less than \$500,000 annually from appropriated funds. H.R. 577 would establish a new federal crime, so the government would be able to pursue cases that it otherwise would not be able to prosecute. However, because we expect H.R. 577 to apply to a very small number of offenders, any increase in costs for law enforcement, court proceedings, or prison operations would not be significant. Any such costs would be subject to the availability of appropriated funds.

Because those prosecuted and convicted under H.R. 577 could be subject to criminal fines, the federal government might collect additional fines if the legislation is enacted. Collections of such fines are recorded in the budget as governmental receipts (revenues), which are deposited in the Crime Victims Fund and later spent. CBO expects that any additional receipts and direct spending would be negligible because of the small number of cases involved.

H.R. 577 would impose a private-sector mandate as defined by UMRA on organizations established for the purpose of raising funds for Presidential archival depositories. The act would require those institutions to report each year to the Administration and certain Congressional committees the sources and amounts of contributions valued over certain amounts. The cost for such organizations and foundations to report the mandated information would be minimal. CBO estimates, therefore, that the direct cost of the mandate would fall well below the annual threshold established by UMRA for private-sector mandates (\$115 million in 2002, adjusted annually for inflation).

On May 24, 2001, CBO prepared a cost estimate for H.R. 577, as ordered reported by the House Committee on Government Reform on May 17, 2001. These two versions of the legislation are similar, and their estimated costs are the same.

The CBO staff contacts for this estimate are Matthew Pickford (for federal costs), Paige Piper/Bach (for the private-sector impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.