



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 9, 2004

### **H.R. 1768** **Multidistrict Litigation Restoration Act of 2003**

*As ordered reported by the House Committee on the Judiciary on January 28, 2004*

CBO estimates that implementing H.R. 1768 would have no significant impact on the federal budget and would not affect direct spending or receipts. H.R. 1768 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no significant effects on the budgets of state, local, or tribal governments.

Enacting H.R. 1768 would remove existing impediments to the consolidation of certain lawsuits within the federal judicial system. The bill would permit a federal judge to consolidate such cases for trial on the common issues of liability and punitive damages if those cases were consolidated for pretrial proceedings. The bill also would allow federal judges to determine compensatory damages in such consolidated cases under certain conditions. Under current law, cases related by one or more common questions of fact that are pending in multiple federal judicial districts may be consolidated before a single federal judge only for pretrial proceedings. At the end of those proceedings, each case must now be remanded for trial back to the judicial district where it originated.

CBO expects that enacting this bill would result in a more efficient use of federal judicial resources. Any savings realized by the federal court system would be negligible, CBO estimates, and might be offset by increased court costs that could arise from additional cases being moved from state court to federal court under the bill. Thus, CBO estimates that implementing H.R. 1768 would result in no significant impact on the federal budget.

The CBO staff contact for this estimate is Lanette J. Walker. This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.