



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

May 25, 2010

**S. 2782**  
**Lieutenant Colonel Dominic ‘Rocky’ Baragona**  
**Justice for American Heroes Harmed by Contractors Act**

*As reported by the Senate Committee on Homeland Security and Governmental Affairs  
on April 28, 2010*

S. 2782 would amend Federal Acquisition Regulations to require federal contractors performing work that is valued at \$5 million or more per year at locations outside the United States to accept jurisdiction of U.S. federal courts for any civil or criminal proceedings concerning such contracts. The legislation would also permit contractors to be debarred or suspended for evading such civil and criminal proceedings. CBO estimates that implementing S. 2782 would affect fewer than 10 of the thousands of federal contracts performed each year and would not have a significant cost.

The Statutory Pay-As-You-Go Act of 2010 establishes budget reporting and enforcement procedures for legislation affecting direct spending or revenues. S. 2782 could increase revenues from civil and criminal fines that could be imposed on those who violate the amended regulations. Collections of civil fines are recorded in the budget as revenues and deposited into the general fund of the Treasury. Criminal fines are also recorded as receipts, which are deposited in the Crime Victims Fund and spent in subsequent years. CBO expects that any additional revenues or direct spending associated with such penalties would not be significant in any year.

S. 2782 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.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.