



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 11, 2016

H.R. 3406 **Second Chance Reauthorization Act of 2015**

As ordered reported by the House Committee on the Judiciary on January 12, 2016

SUMMARY

H.R. 3406 would authorize the appropriation of \$100 million annually over the 2017-2021 period for Department of Justice (DOJ) grant programs and other activities to improve the treatment of inmates and to help offenders reenter communities after they have served their prison sentences. The grants to state and local governments, Indian tribes, and nonprofit organizations could be used for substance abuse services, educational and mentoring programs, and other activities.

Assuming appropriation of the authorized amounts and the historical rate of spending for those activities, CBO estimates that implementing H.R. 3406 would cost \$333 million over the 2017-2021 period. (About \$150 million would be spent after 2021.)

Pay-as-you-go procedures do not apply to this legislation because enacting it would not affect direct spending or revenues. CBO estimates that enacting H.R. 3406 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 3406 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effects of H.R. 3406 are shown in the following table. The costs of this legislation fall within budget function 750 (administration of justice).

	By Fiscal Year, in Millions of Dollars					2017- 2021
	2017	2018	2019	2020	2021	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	100	100	100	100	100	500
Estimated Outlays	22	52	72	87	100	333

PAY-AS-YOU-GO CONSIDERATIONS: None.

INCREASE IN LONG TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting H.R. 3406 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3406 contains no intergovernmental or private-sector mandates as defined in UMRA. State, local, and tribal governments would benefit from grants authorized in the bill to provide services to some criminal offenders while they are in prison and after they have completed their sentences. Any costs to those governments would be incurred voluntarily as a condition of receiving federal assistance.

ESTIMATE PREPARED BY:

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