



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

November 21, 2016

**S. 2763**  
**Holocaust Expropriated Art Recovery Act of 2016**

*As reported by the Senate Committee on the Judiciary on September 29, 2016*

S. 2763 would create a new statute of limitations for filing civil claims in state or federal courts to recover artwork and other items misappropriated or stolen by the German government, or its allies or agents, between 1933 and 1945 in connection with the persecution of a specific group of individuals based on Nazi ideology. Under the bill, individuals could file such claims for up to six years after they discover the location of such items or, if discovery occurred prior to enactment of this bill, six years after enactment of S. 2763. This statute of limitations would remain in effect until January 1, 2027, at which point new claims to recover such artwork would be subject to any other applicable statutes of limitations.

Based on information provided by the Administrative Office of the United States Courts, CBO estimates that implementing S. 2763 would have no significant effect on the federal budget in any year.

Enacting the bill could increase the number of civil cases filed in federal courts and increase the collection of civil filing fees, which are recorded in the budget as revenues. A portion of those revenues would be spent without further appropriation. CBO estimates that any additional fees collected would not exceed \$500,000 in any year because of the small number of anticipated additional case filings under the bill. Furthermore, because such amounts would be partially offset by a corresponding increase in direct spending, CBO estimates that enacting the bill would have a negligible net effect on future deficits. Because enacting S. 2763 could affect revenues and associated direct spending, pay-as-you-go procedures apply.

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

S. 2763 would preempt state laws governing the passage of time for certain civil claims. The preemption would be a mandate as defined by the Unfunded Mandates Reform Act (UMRA) and may result in a higher number of civil claims in state courts. However, because of the small number of claimants for such civil cases, CBO estimates that the cost

of the mandate would be well below the threshold established in UMRA (\$77 million in 2016, adjusted annually for inflation).

The bill contains no private-sector mandates as defined in UMRA.

The CBO staff contacts for this estimate are Robert Reese (for federal costs) and Rachel Austin (for intergovernmental mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.