



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 27, 2018

S. 2896 JACK Act

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on June 13, 2018*

S. 2896 would amend the Lobbying Disclosure Act of 1995 to require registered lobbyists to file new reports with the Secretary of the U.S. Senate and Clerk of the U.S. House of Representatives. The reports would provide information on any convictions for bribery, extortion, embezzlement, illegal kickbacks, tax evasion, fraud, conflicts of interest, making false statements, perjury, or money laundering. Subject to the availability of appropriated funds, CBO estimates that implementing the bill would increase administrative costs of the House of Representatives and the Senate by less than \$500,000 annually.

Enacting S. 2896 could increase civil penalties for failing to file accurate reports. Penalties are recorded in the budget as revenues; therefore, pay-as-you-go procedures apply. However, CBO estimates that any increase in revenues would not be significant because we expect few lobbyists would be affected. Enacting S. 2896 would not affect direct spending.

CBO estimates that enacting S. 2896 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

S. 2896 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA) by requiring registrants under the Lobbying Disclosure Act to disclose information about convictions for certain crimes. CBO estimates that the cost of including this additional information would be minimal and would not exceed the threshold established in UMRA for private-sector mandates (\$160 million in 2018, adjusted annually for inflation).

The bill contains no intergovernmental mandates as defined in UMRA.

The CBO staff contacts for this estimate are Matthew Pickford (for federal costs) and Andrew Laughlin (for mandates). The estimate was reviewed by Theresa Gullo, Assistant Director for Budget Analysis.