



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 3, 2018

H.R. 5954 **Anti-terrorism Clarification Act of 2018**

As passed by the U.S. House of Representatives on July 23, 2018

Under current law, U.S. citizens who are victims of terrorism abroad can sue in a U.S. district court to obtain compensatory and punitive damages from those who commit, aid, or abet terrorist activity. H.R. 5954 would prohibit the use of an “act of war” defense by a respondent that the federal government has designated as a terrorist organization. In addition, the act would make available assets blocked under the Foreign Narcotics Kingpin Designation Act to satisfy certain judgments, and it would clarify that entities that accept U.S. foreign assistance are deemed to have consented to jurisdiction in U.S. courts.

CBO expects that implementing H.R. 5954 could lead to a small increase in the number of such civil actions filed. However, because the changes under H.R. 5954 would apply to civil actions between a private party and a foreign organization, CBO estimates that enacting the legislation would have no significant cost to the federal government.

Enacting H.R. 5954 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 5954 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 5954 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

On August 3, 2018, CBO transmitted a cost estimate for S. 2946, the Anti-Terrorism Clarification Act of 2018, as reported by the Senate Committee on the Judiciary on July 12, 2018. The two pieces of legislation are similar, and CBO’s estimates of their budgetary effects are the same.

The CBO staff contact for this estimate is Janani Shankaran. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.