

**H.R. 2426, CASE Act of 2019**

As ordered reported by the House Committee on the Judiciary on September 10, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Deficit Effect	0	0	0
Spending Subject to Appropriation (Outlays)	0	10	not estimated
Statutory pay-as-you-go procedures apply?	No	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 2426 would establish the Copyright Claims Board (CCB) within the Copyright Office as a forum for parties to voluntarily resolve small copyright claims. Under the bill, the Library of Congress would appoint three copyright claims officers, in consultation with the Copyright Office, to manage CCB proceedings and to make judgements on copyright claims, counterclaims, and defenses. H.R. 2426 would require the Copyright Office to hire at least two copyright claims attorneys and administrative support staff to assist those officers, and to obtain necessary equipment and facilities. Finally, the Copyright Office would need to conduct a study on the use and efficacy of the CCB and report their findings to the Congress.

Using information from the Copyright Office, CBO estimates that in total implementing H.R. 2426 would cost \$10 million over the 2019-2024 period, assuming appropriation of the estimated amounts.

CBO estimates that in 2020, the Copyright Office would spend less than \$500,000 to issue rules to establish the CCB. In 2021, CBO estimates that the Copyright Office would spend about \$2 million on one-time costs such as a hearing room, computers, and teleconferencing equipment. Salaries and other reoccurring costs such as printing, postage, and maintaining the case management system maintenance would cost \$2 million a year over the 2021-2024 period, CBO estimates.

H.R. 2426 would establish two new filing fees that certain claimants would pay to access CCB services; those fees would be credited to the Copyright Office's appropriation account

as discretionary offsetting collections.<sup>1</sup> CBO cannot determine the amount of CCB filing fees that would be collected under the bill because the demand for CCB services is unclear. As a result, CBO has not included an estimate of those fees in this cost estimate. Any filing fees collected in a given year would decrease net spending subject to appropriation.

On September 19, 2019, CBO transmitted a cost estimate for S. 1273, the CASE Act of 2019, as reported by the Senate Committee on the Judiciary on September 12, 2019. The two bills are similar and CBO's estimated budgetary effects are the same for both bills.

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

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1. Under current law, any filing fee must be between \$100 and \$400; these restrictions would apply to CCB filing fees.