

H.R. 2227, Gold Star Spouses and Spouses of Injured Servicemembers Leasing Relief Expansion Act of 2019

As ordered reported by the House Committee on Veterans' Affairs on October 29, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2024	2020-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	0	0
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
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?	Yes, Under Threshold

Under current law, service members may terminate leases for residential, business, or other properties, as well as leases for automobiles, after receiving permanent change of station or deployment orders. H.R. 2227 would permit the spouse or dependent of a service member who suffers a catastrophic injury or illness during military service to terminate property and automobile leases previously entered into by the service member. Under the bill, the spouse could terminate such leases without charge or penalty during the year following the date the service member incurs the catastrophic injury or illness. CBO estimates that H.R. 2227 would not affect the federal budget.

H.R. 2227 would impose a mandate on real property and automobile lessors by prohibiting them from charging early termination fees to eligible spouses or dependents of service members who cancel property or automobile leases. CBO expects fewer than 500 individuals would be affected by the bill each year. The cost of the mandate would be the value remaining in the terminated contracts and forgone termination fees. CBO estimates that the cost of the mandate would fall well below the annual threshold established in the Unfunded Mandates Reform Act for private-sector mandates (\$164 million in 2019, adjusted annually for inflation).

The CBO staff contacts for this estimate are Logan Smith (for federal costs) and Brandon Lever (for mandates). The estimate was reviewed by Leo Lex, Deputy Assistant Director for Budget Analysis.