

H.R. 5214, Representative Payee Fraud Prevention Act of 2019

As passed by the House of Representatives on February 5, 2020

By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	*	*	*
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	< \$5 billion	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between -\$500,000 and \$500,000.			

H.R. 5214 would allow the federal government to bring charges against representative payees who misuse payments received from the Federal Employees Retirement System or the Civil Service Retirement System. (A representative payee is a person or organization that manages federal retirement benefits for recipients who are unable to do so themselves.)

CBO assumes H.R. 5214 will be enacted in fiscal year 2020. Because the total number of representative payees is relatively small (about 12,500), CBO expects that only a relatively small number of cases would be pursued, so any increase in costs for law enforcement, court proceedings, or prison operations would not be significant. Any such costs would be subject to the availability of appropriated funds.

Because those prosecuted and convicted under H.R. 5214 could be subject to civil and criminal fines, the federal government might collect additional amounts. Criminal and civil fines are recorded in the budget as revenues. Criminal fines are deposited in the Crime Victims Fund, and later spent without future appropriation action. CBO expects that the revenues and direct spending associated with those penalties would not be significant in any year because of the relatively small number of cases likely to be affected.

On June 13, 2019, CBO transmitted a [cost estimate for S. 1430](#), the Representative Payee Fraud Prevention Act of 2019, as ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on May 15, 2019. Although there are differences between the two pieces of legislation, CBO's estimates of the budgetary effects are the same for both versions.

The CBO staff contact for this estimate is Amber Marcellino. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.