



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

December 5, 2017

H.R. 4477 **Fix NICS Act of 2017**

*As ordered reported by the House Committee on the Judiciary
on November 29, 2017*

SUMMARY

H.R. 4477 would authorize the appropriation of \$158 million annually over the 2018-2022 period mostly for Department of Justice (DOJ) to make grants to states and localities to improve criminal history records. The bill also would require DOJ to prepare reports and provide technical assistance to federal agencies and states. Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 4477 would cost \$615 million over the 2018-2022 period.

Enacting the bill could affect direct spending by agencies not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net increase in spending by those agencies would be negligible. Enacting the bill would not affect revenues.

CBO estimates that enacting H.R. 4477 would not significantly affect net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 4477 contains no private-sector or intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 4477 is shown in the following table. The costs of this legislation fall within budget functions 750 (administration of justice) and 800 (general government).

	By Fiscal Year, in Millions of Dollars					2018- 2022
	2018	2019	2020	2021	2022	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION						
Programs with Specified Authorizations						
Authorization Level	158	158	158	158	158	790
Estimated Outlays	57	98	130	149	166	600
Other Activities						
Estimated Authorization Level	3	3	3	3	3	15
Estimated Outlays	3	3	3	3	3	15
Total						
Estimated Authorization Level	161	161	161	161	161	805
Estimated Outlays	60	101	133	152	169	615

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted around the beginning of 2018 and that the necessary amounts will be appropriated each year. Estimated outlays are based on the historical rate of spending for similar activities.

H.R. 4477 would authorize the appropriation of the following specified amounts over the 2018-2022 period.

- \$100 million annually for DOJ to make grants to state, local, and tribal governments to improve the accuracy of criminal history records (especially those used to determine eligibility for firearm purchases). CBO cannot determine how much, if any, funds were obligated for these purposes in 2017.
- \$31 million annually for the Bureau of Justice Statistics (BJS), a DOJ agency that collects and analyzes criminal justice data and provides technical assistance to states. According to information from the Administration, \$37 million was available in 2017 for BJS.
- \$27 million annually for the National Institute of Justice (NIJ), which serves as the research and development office for DOJ. According to information from the Administration, \$35 million was available in 2017 for NIJ.

The legislation also would require DOJ to assist federal agencies and states in their efforts to improve the quality of the criminal records that they must share with the department. DOJ also would have to submit semiannual and annual reports to the Congress that evaluate the compliance of federal and state agencies with the bill's provisions. Based on the costs of similar activities, CBO estimates that implementing those programs would increase DOJ administrative costs by about \$3 million annually over the 2018-2022 period.

PAY-AS-YOU-GO CONSIDERATIONS:

The Statutory Pay-As-You-Go Act of 2010 established budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. H.R. 4477 would require federal agencies to improve the reporting of certain criminal history data. Thus, the bill could affect direct spending by agencies not funded through annual appropriations. CBO estimates, however, that any net increase in spending by those agencies would be negligible. Enacting the bill would not affect revenues.

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting H.R. 4477 would not significantly affect net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

MANDATES

H.R. 4477 contains no private-sector or intergovernmental mandates as defined in UMRA.

ESTIMATE PREPARED BY

Federal Costs: Mark Grabowicz
Mandates: Rachel Austin

ESTIMATE APPROVED BY

H. Samuel Papenfuss
Deputy Assistant Director for Budget Analysis