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**Estimate of Direct Spending and Revenue Effects of an Amendment in the Nature of a Substitute to S. 3649, the First Step Act of 2018, as posted on the website of the Senate Committee on the Judiciary on December 13, 2018 (SIL18C54)**

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	By Fiscal Year, in Millions of Dollars											2019-	2019-
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2023	2028	
<b>INCREASES IN DIRECT SPENDING</b>													
Estimated Outlays <sup>a</sup>	13	23	28	31	37	42	46	42	41	44	132	346	
On-budget	11	21	25	28	33	38	41	38	37	40	118	311	
Off-budget <sup>b</sup>	2	2	3	3	4	4	5	4	4	4	14	35	
<b>DECREASES IN REVENUES</b>													
Estimated Revenues	*	*	*	-1	-1	-1	-1	-1	-1	-1	-2	-6	
<b>NET INCREASE IN THE DEFICIT FROM CHANGES IN DIRECT SPENDING AND REVENUES</b>													
Effect on Deficit	13	23	28	32	38	42	47	42	42	44	134	352	
On-budget	11	21	25	29	34	38	42	38	38	40	120	317	
Off-budget <sup>b</sup>	2	2	3	3	4	4	5	4	4	4	14	35	

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Sources: Congressional Budget Office and the staff of the Joint Committee on Taxation (JCT).

Estimates are relative to CBO's April 2018 baseline; amounts may not sum to totals because of rounding; \* = between -\$500,000 and zero.

- a. Budget authority is equal to outlays for the affected programs.
- b. Spending for Social Security is classified as off-budget and the outlays are not subject to pay-as-you-go procedures.

CBO prepared cost estimates for related legislation: [www.cbo.gov/system/files?file=2018-08/s1917.pdf](http://www.cbo.gov/system/files?file=2018-08/s1917.pdf) and [www.cbo.gov/system/files?file=2018-08/hr5682.pdf](http://www.cbo.gov/system/files?file=2018-08/hr5682.pdf)

CBO has not completed an estimate of the effect of the amendment to S. 3649 on spending subject to appropriation or an analysis of intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act.

CBO estimates that implementing S. 3649 would reduce the number of prisoners by about 53,000 person-years over the 2019-2028 period. (That is roughly equivalent to reducing the federal prison population by 53,000 inmates in one year.)

Under current law, prisoners generally are ineligible to receive benefits from several federal programs, including Medicare, Medicaid, and the health insurance marketplaces; Social Security; Supplemental Security Income; and the Supplemental Nutrition Assistance Program. By accelerating the release of prisoners, CBO estimates that the legislation would increase the number of people receiving benefits from those programs. As a result, CBO and JCT estimate that enacting the legislation would increase direct spending by \$346 million and reduce revenues by \$6 million over the 2019-2028 period.

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