H.R. 948, No Oil Producing and Exporting Cartels Act of 2019

As ordered reported by the House Committee on the Judiciary on February 7, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	a	a	a
Revenues	a	a	a
Increase or Decrease (-) in the Deficit	a	a	a
Spending Subject to Appropriation (Outlays)	a	a	a

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 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

a. CBO has no basis to estimate the budgetary effects of enacting H.R. 948.

H.R. 948 would seek to prohibit foreign states from working collectively to limit the production, set the price, or otherwise restrain the trading of petroleum and natural gas when such actions affect U.S. markets. The bill would authorize the Department of Justice (DOJ) to enforce the prohibition by filing antitrust actions in federal courts. Under the bill, foreign states that restrain trade in petroleum and natural gas would not be immune from the judgment of U.S. courts under the doctrine of sovereign immunity.

CBO has no basis to predict whether or when DOJ would initiate antitrust actions against foreign states under the bill. The cost of investigating alleged antitrust violations like those that might be brought under H.R. 948 could be millions of dollars per year, subject to the availability of appropriated funds.

Those prosecuted and convicted under H.R. 948 could be subject to criminal fines, thus the federal government might collect additional fines under the bill. Criminal fines are recorded as revenues, deposited in the Crime Victims Fund, and later spent without further appropriation action. Because enacting H.R. 948 could affect direct spending and revenues, pay-as-you-go procedures apply. CBO cannot estimate the magnitude of additional revenues and direct spending. However, because whatever is collected would ultimately be spent, the net effect on the deficit would be insignificant.

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

See also *CBO's Cost Estimates Explained*, www.cbo.gov/publication/54437;
How CBO Prepares Cost Estimates, www.cbo.gov/publication/53519; and *Glossary*, www.cbo.gov/publication/42904.