

## H.R. 40, Commission to Study and Develop Reparation Proposals for African Americans Act

As ordered reported by the House Committee on the Judiciary on April 14, 2021

By Fiscal Year, Millions of Dollars	2021	2021-2026	2021-2031
Direct Spending (Outlays)	0	*	*
Revenues	0	*	*
Increase or Decrease (-) in the Deficit	0	*	*
<b>Spending Subject to Appropriation (Outlays)</b>	<b>0</b>	<b>20</b>	<b>20</b>
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

\* = between -\$500,000 and \$500,000.

H.R. 40 would establish a 15-member commission to study the effects of slavery and discriminatory policies on African Americans and recommend appropriate remedies, including reparations. The commission would report its findings and recommendations to the Congress 18 months after its first meeting and terminate 90 days after the report is submitted.

H.R. 40 would authorize the appropriation of \$20 million for expenses of the commission, including payroll and support costs for members and support staff. Assuming appropriation of the authorized amount, CBO estimates that implementing the bill would cost \$20 million over the 2021-2026 period.

CBO assumes that the bill will be enacted late in fiscal year 2021. Because of the lag between enactment and appointing members to the commission, CBO does not expect there would be any budgetary effects in 2021.

The bill also would establish civil and criminal penalties for failure to comply with a subpoena from the commission. Civil fines are recorded in the budget as revenues. Criminal fines are recorded as revenues, deposited in the Crime Victims Fund, and subsequently spent without further appropriation. CBO estimates that any additional collections and associated spending would not be significant because of the relatively small number of additional cases likely to be affected.

Finally, H.R. 40 would authorize the commission to accept monetary gifts (which are recorded as reductions in direct spending) that could be subsequently spent without further appropriation action. CBO estimates this provision would have a negligible net effect on direct spending because any gifts would likely be spent soon after being received.

The costs of the legislation, detailed in Table 1, fall within budget function 800 (general government).

<b>Table 1. Estimated Increases in Spending Subject to Appropriation Under H.R. 40</b>							
	<b>By Fiscal Year, Millions of Dollars</b>						<b>2021-2026</b>
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	
Authorization	20	0	0	0	0	0	20
Estimated Outlays	0	7	10	3	0	0	20

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