H.R. 3327, No Congressionally Obligated Recurring Revenue Used as Pensions To Incarcerated Officials Now Act

As ordered reported by the House Committee on Oversight and Reform on May 25, 2021

By Fiscal Year, Millions of Dollars	2021	2021-2026	2021-2031
Direct Spending (Outlays)	0	*	*
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	*	*
Spending Subject to Appropriation (Outlays)	0	0	not estimated

		Mandate Effects	
Statutory pay-as-you-go procedures apply?	Yes		
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 zero.

H.R. 3327 would eliminate the payment of current and future retirement annuities to Members of Congress who are convicted of certain criminal offenses already specified in law. Under current law, Members forgo receipt of such payments only after a final conviction (that is, after the exhaustion of all appeals under the judicial process). The bill would eliminate retirement annuities for Members from the date of sentencing for any conviction following enactment.

CBO estimates that the resulting forfeitures of retirement annuities would reduce direct spending by less than $500,000 over the 2021-2031 period. Based on the number of previous convictions of Members of Congress, CBO anticipates that the number of future convictions would be small. In addition, any associated reductions in direct spending would show a budgetary effect only once a convicted Member reached eligibility for retirement, which could be beyond the current budget window. On average, Members of Congress currently retiring under the Federal Employees Retirement System receive an annuity of about $45,000 per year. However, a criminal conviction could shorten a Member's career. To the extent that happens, the forfeited annuity would probably be less than the average.

On April 22, 2021, CBO transmitted a cost estimate for S. 693, the No CORRUPTION Act, as ordered reported by Senate Committee on Homeland Security and Governmental Affairs on March 17, 2021. The two pieces of legislation are similar, and the estimated budgetary effects are the same for both bills.

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