

H.R. 2814 would repeal certain liability protections for manufacturers and sellers of firearms and ammunition that prohibit civil suits against those entities in federal and state courts.

Estimated Budgetary Effects of H.R. 2814, the Equal Access to Justice for Victims of Gun Violence Act of 2022, as Posted on the Website of the House Committee on Rules on July 25, 2022

<https://rules.house.gov/sites/democrats.rules.house.gov/files/BILLS-117HR2814RH-RCP117-61.pdf>

	By Fiscal Year, Millions of Dollars											2022-2027	2022-2032	
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032			
Increases in Direct Spending														
Estimated Budget Authority	0	*	*	*	*	*	*	*	*	*	*	*	*	*
Estimated Outlays	0	*	*	*	*	*	*	*	*	*	*	*	*	*
Increases in Revenues														
Estimated Revenues	0	*	*	*	*	*	*	*	*	*	*	*	*	*
Net Decrease in the Deficit From Changes in Direct Spending and Revenues														
Effect on the Deficit	0	*	*	*	*	*	*	*	*	*	*	*	*	*
Increases in Spending Subject to Appropriation														
Estimated Authorization ^a	0	*	1	1	1	1	1	1	1	1	1	1	3	7
Estimated Outlays	0	*	1	1	1	1	1	1	1	1	1	1	3	7

Components may not sum to totals because of rounding; * = between -\$500,000 and \$500,000.

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H.R. 2814 would repeal the sections of the Protection of Lawful Commerce in Arms Act that prohibit civil actions from being brought in federal and state courts against some manufacturers and sellers of firearms for damages resulting from the unlawful use of a firearm. As a result of repealing that liability protection, CBO expects that private entities would bring civil suits against those manufacturers and sellers in federal courts. State attorneys general, local governments, and the Department of Justice (DOJ) also could bring, or join, civil suits against firearms manufacturers and sellers.

People who file civil suits in federal district courts pay filing and administrative fees that typically total \$425. Those fees are recorded in the budget as revenues. The judiciary can spend those revenues without appropriation to cover administrative costs, which are recorded as direct spending. CBO estimates that H.R. 2814 would increase both revenues and direct spending over the 2022-2032 period, but the net effect on the deficit would be insignificant.

Under the bill, firearms manufacturers and sellers would be subject to civil penalties. The federal government could collect additional penalties under the legislation. Such penalties are recorded as revenues, deposited in the Crime Victims Fund, and later spent without further appropriation action. CBO has no basis to predict whether DOJ would bring a civil suit and cannot estimate the magnitude or timing of potential civil penalties or settlements.

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.



In addition, H.R. 2814 would allow litigants to subpoena or otherwise seek discovery of information in the Firearms Trace System, a database maintained by Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). Such information would be admissible as evidence in state and federal courts. To respond to information queries, CBO expects that ATF would incur administrative costs, which would be paid subject to the availability of appropriated funds. Using information from ATF about the number of staff required to process information requests under current law, CBO estimates that implementing H.R. 2814 would cost \$7 million over the 2022-2032 period.

H.R. 2814 contains no intergovernmental or private-sector mandates.