



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

July 31, 2012

H.R. 406

**A bill to amend the Federal Election Campaign Act of 1971
to permit candidates for election for federal office
to designate an individual who will be authorized to disburse funds
of the authorized campaign committees of the candidate
in the event of the death of the candidate**

As ordered reported by the Committee on House Administration on July 19, 2012

H.R. 406 would amend federal law to allow a candidate for federal office the option of granting an individual the responsibility of disbursing campaign funds in the event of the candidate's death. Under current law, that role lies with the campaign treasurer. Under the bill, the Federal Election Commission (FEC) would be responsible for regulating such designations and registering information filed by candidates.

Based on information from the FEC, CBO estimates that implementing H.R. 406 would cost the FEC about \$500,000 in 2013, subject to the availability of appropriated funds. That amount includes one-time, computer-related expenses as well as the cost of issuing new regulations. In future years, the legislation would increase general administrative costs of the FEC, but we estimate that those costs would be insignificant.

Enacting H.R. 406 could affect federal revenues by increasing collections of fines for violations of campaign finance law; therefore, pay-as-you go procedures apply. Such collections are recorded in the budget as revenues and, in certain cases, may be spent without further appropriation. CBO estimates that any additional revenues and direct spending under H.R. 406 would be insignificant because of the small number of anticipated violations.

The legislation contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.