



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 1, 2001

H.R. 1007

James Guelff and Chris McCurley Body Armor Act of 2001

As ordered reported by the House Committee on the Judiciary on July 24, 2001

CBO estimates that implementing H.R. 1007 would not result in any significant cost to the federal government. Because enactment of H.R. 1007 could affect direct spending and receipts, pay-as-you-go procedures would apply to the bill. However, CBO estimates that any impact on direct spending and receipts would not be significant.

H.R. 1007 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. The legislation would impose a private-sector mandate as defined by UMRA. CBO estimates that the direct cost of the mandate would fall well below the annual threshold established by UMRA for private-sector mandates (\$113 million in 2001, adjusted annually for inflation).

H.R. 1007 would make it a federal crime for most violent felons to purchase or possess body armor. The bill would direct the U.S. Sentencing Commission to consider increasing the recommended prison sentence for certain offenses involving the use of body armor. In addition, H.R. 1007 would permit federal agencies to donate surplus body armor to state or local law enforcement agencies.

Because H.R. 1007 would establish a new federal crime, the government would be able to pursue cases that it otherwise would not be able to prosecute. Based on information from the U.S. Sentencing Commission, CBO estimates that the bill's provisions would probably affect fewer than 10 cases each year. Because H.R. 1007 would apply to such a small number of offenders, any increase in costs for law enforcement, court proceedings, or prison operations would not be significant. Any such costs would be subject to the availability of appropriated funds.

Because those prosecuted and convicted under H.R. 1007 could be subject to criminal fines, the federal government might collect additional fines if the legislation is enacted. Collections of such fines are recorded in the budget as governmental receipts (revenues), which are deposited in the Crime Victims Fund and later spent. CBO expects that any additional

receipts and direct spending would be negligible because of the small number of cases involved.

Under current law, federal agencies transfer body armor that is surplus to the needs of the federal government to the General Services Administration, which then donates the property to state and local agencies. Permitting federal law enforcement agencies to donate surplus body armor directly to state and local agencies would not affect the federal budget.

H.R. 1007 would impose a private-sector mandate as defined by UMRA on persons who have been convicted of certain violent felony offenses. The legislation would require such persons to obtain prior written certification from their employer indicating that their purchase, use, and possession of body armor are necessary for the safe performance of lawful business activity. The cost to obtain a written certification would be minimal. CBO estimates, therefore, that the direct cost of the mandate would fall well below the annual threshold established by UMRA for private-sector mandates (\$113 million in 2001, adjusted annually for inflation).

On May 15, 2001, CBO transmitted a cost estimate for S. 166, the James Guelff and Chris McCurley Body Armor Act of 2001, as passed by the Senate on May 14, 2001. The two pieces of legislation are identical, as are the cost estimates.

The CBO staff contacts for this estimate are Mark Grabowicz (for federal costs), and Paige Piper/Bach (for the private-sector impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.