



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 19, 2013

H.R. 258 **Stolen Valor Act of 2013**

As ordered reported by the House Committee on the Judiciary on March 14, 2013

CBO estimates that implementing H.R. 258 would have no significant cost to the federal government. Enacting the bill could affect direct spending and revenues; therefore, pay-as-you-go procedures apply. However, CBO estimates that any effects would be insignificant for each year.

H.R. 258 would make changes to the current federal offenses relating to fraudulent claims about military service. As a result, the government might be able to pursue cases that it otherwise would not be able to prosecute. CBO expects that H.R. 258 would apply to a relatively small number of additional offenders, however, so 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. 258 could be subject to civil and criminal fines, the federal government might collect additional fines if the legislation is enacted. Civil and criminal fines are recorded as revenues. Criminal fines are deposited in the Crime Victims Fund and later spent. CBO expects that any additional revenues and direct spending would not be significant because relatively few cases would likely be affected.

H.R. 258 contains no intergovernmental mandates, as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments. The bill contains a private-sector mandate as defined in UMRA by prohibiting individuals from claiming to have received a military medal or decoration with intent to obtain money, property, or other tangible benefits. CBO estimates that the cost of the mandate to such individuals would fall below the annual threshold established in UMRA (\$150 million in 2013, adjusted annually for inflation).

The CBO staff contacts for this estimate are Mark Grabowicz (for federal costs) and Elizabeth Bass (for the private-sector impact). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.