



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 29, 2015

**H.R. 2329
Ensuring Access to Justice for Claims Against the United States Act**

As ordered reported by the House Committee on the Judiciary on July 8, 2015

SUMMARY

H.R. 2329 would amend the federal judicial code to allow plaintiffs with cases against the United States to file those claims simultaneously in the U.S. Court of Federal Claims (USCFC) as well as in District Court. Under current law, the USCFC is prohibited from having jurisdiction over any claim in which the plaintiff has a pending lawsuit against the United States. By allowing plaintiffs with cases that could qualify in both courts to file those suits at the same time, H.R. 2329 would increase the number of lawsuits against the United States, which would probably result in increased payments out of the Claims and Judgment Fund (a permanent, indefinite appropriation for claims and judgments against the United States).

CBO estimates that enacting H.R. 2329 would increase direct spending by \$600 million over the 2016-2025 period; therefore, pay-as-you-go procedures apply. Enacting the legislation would not affect revenues.

Based on information from the Administrative Office of the U.S. Courts (AOUSC), CBO estimates that implementing H.R. 2329 would not have a significant effect on spending subject to appropriation.

CBO estimates that enacting H.R. 2329 would not increase net direct spending or on-budget deficits by \$5 billion or more in any of the four consecutive 10-year periods beginning in 2026.

H.R. 2329 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effects of H.R. 2329 are shown on the following table. The costs of this legislation fall within budget function 750 (administration of justice).

	By Fiscal Year, in Millions of Dollars											
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-2020	2016-2025
CHANGES IN DIRECT SPENDING												
Payments from Claims and Judgment Fund	0	10	30	40	60	70	90	100	100	100	140	600

BASIS OF ESTIMATE

For this estimate, CBO assumes the bill will be enacted near the end of calendar year 2015 and that spending will follow historical patterns for the affected activities.

H.R. 2329 would amend the federal judicial code to allow for plaintiffs with claims against the United States to file those claims simultaneously in the USCFC and in District Court. Under current law, plaintiffs are able to file suits in both District Court and the USCFC, but such filings must be done in a specific order and within a particular time frame because the USCFC is prohibited from reviewing claims in which the plaintiff has another pending lawsuit against the United States. Thus, if a plaintiff files in more than one court at the same time, the USCFC may be forced to dismiss the claim for that reason regardless of the claim's merit. Because that prohibition makes it difficult to pursue claims in more than one court, most plaintiffs file in only one court.

The legislation would make it easier for plaintiffs to sue the United States in the USCFC where they can be awarded monetary relief for their claims if they prevail. Making it easier to file claims against the United States for monetary awards would probably increase the number of lawsuits against the United States, which would increase the number judgments against the United States. Because of the probable increase in judgments against the United States, CBO estimates that enacting the legislation would result in an increase in direct spending from the Claims and Judgment Fund. Although there is no clear basis for estimating a specific increase in payments out of the Claims and Judgment Fund, CBO has determined that there would be costs. (It is improbable that enacting the bill would decrease direct spending.) To reflect that expected increase in direct spending, CBO estimates that such payments would increase by one percent.

Based on payments from the Claims and Judgment Fund related to claims in USCFC or District Court, a one percent increase in the total amount of claims awarded would increase direct spending by about \$600 million over the 2016-2025 period, CBO estimates. Under the bill, CBO expects that claims and subsequent payments from the Claims and Judgment Fund would increase over time, as attorneys and plaintiffs become aware of an additional way to pursue monetary claims against the federal government, before leveling off in later years.

According to the AOUSC, there would be no significant increase in workload or administrative costs as a result of the legislation.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

CBO Estimate of Pay-As-You-Go Effects for H.R. 2329 as ordered reported by the House Committee on the Judiciary on July 8, 2015

	By Fiscal Year, in Millions of Dollars											2015-	2015-
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2020	2025
NET INCREASE IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	0	10	30	40	60	70	90	100	100	100	140	600

INCREASE IN LONG-TERM DIRECT SPENDING

CBO estimates that enacting H.R. 2329 would not increase net direct spending or on-budget deficits by \$5 billion or more in any of the four consecutive 10-year periods beginning in 2026.

INTERGOVERNMENTAL AND PRIVATE SECTOR IMPACT

H.R. 2329 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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