

117TH CONGRESS 1ST SESSION

H. R. 5018

To amend the Congressional Budget and Impoundment Control Act of 1974 by requiring a distribution analysis of a bill or resolution under certain circumstances, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

August 13, 2021

Mr. Khanna (for himself, Mr. Phillips, Mr. Carson, Mr. Grijalva, Ms. Jackson Lee, Ms. Norton, Mr. McGovern, Mr. Jones, Mr. Raskin, Ms. Jayapal, Ms. Bush, and Mrs. Watson Coleman) introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committees on Rules, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Congressional Budget and Impoundment Control Act of 1974 by requiring a distribution analysis of a bill or resolution under certain circumstances, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Fiscal Analysis by In-
- 5 come and Race Scoring Act" or the "FAIR Scoring Act".

SEC. 2. FINDINGS.

2	Congress	finda	tha	\mathbf{f}_{α}	arin o.
_	Congress	mus	une	TOHC	wing:

- 1) Wealth inequality is steadily rising in the
 United States. As the disparities between the richest
 Americans and the poorest Americans widen, White
 Americans have grown disproportionately wealthier,
 while the median wealth of Black Americans has
 stagnated.
 - (2) In 1968, and with the amounts adjusted for inflation, the median middle-class Black household had \$6,674 in wealth, while the median middle-class White household had \$70,786 in wealth. In 2016, the typical middle-class Black household had \$13,024 in wealth compared to \$149,703 for the median White household.
 - (3) As of 2019, the typical White family has eight times the wealth of the typical Black family and five times the wealth of the typical Hispanic family.
 - (4) As of 2019, White families have the highest level of both median wealth: \$188,200. Black families' median and mean wealth is less than 15 percent that of White families, at \$24,100. Hispanic families' median and mean wealth is \$36,100.
- (5) As of 2019, families who are Asian, American Indian, Alaska Native, Native Hawaiian, or Pa-

- cific Islander have lower wealth than White families,
 but higher wealth than Black and Hispanic families.
 - (6) The family income gap between Black and White Americans today remains at almost exactly the level it was in the 1960s.
 - (7) In 2016, the median annual income for Asian American adults was \$51,288, compared with \$47,958 for White Americans, \$31,082 for African Americans, and \$30,400 for Hispanic Americans.
 - (8) As of the last quarter of 2019, the median White worker made 28 percent more than the typical Black worker and more than 35 percent more than the median Latinx worker.
 - (9) On average, women are paid 82 cents for every dollar paid to men. For every dollar paid to White men, Black women are paid 63 cents, Native American women are paid 60 cents, and Latinas are paid 55 cents.
 - (10) Asian American and Pacific Islander (AAPI) women make 85 cents for every dollar paid to White men, and different groups within America's AAPI community have unique experiences with economic discrimination. For example, between 2015 and 2019, Hmong women earned 60 cents for every dollar paid to White men.

- even more stark. As of 2013, the average wealth for working single women was \$3,210, whereas the single working man had a median wealth of \$10,150. Single Black women had a median wealth of \$200, and single Hispanic women had a median wealth of \$100: less than a penny for every dollar of wealth owned by single White non-Hispanic men.
 - (12) The COVID-19 pandemic has exacerbated existing inequalities in America. Many longstanding economic conditions, such as lower levels of income and wealth and higher levels of housing and food insecurity, leave individuals of color, particularly women of color and Black women, with less cushion, making them more vulnerable during the COVID-19 economic crisis.
 - (13) Informed and well-designed policies are needed to curb the growing inequality between Americans of different races and income levels. In order to meet this need, Congress needs access to standardized, reliable information about the socioeconomic consequences of the legislation it enacts.

$1 \;\;$ Sec. 3. distribution analysis by income and race.

2	(a) CBO Estimates.—Section 402 of the Congres-
3	sional Budget and Impoundment Control Act of 1974 (2
4	U.S.C. 653) is amended—
5	(1) in paragraph (2), by striking "and" at the
6	end;
7	(2) in paragraph (3), by striking the period at
8	the end and inserting "; and";
9	(3) by adding after paragraph (3) the following:
10	"(4) for a bill or joint resolution that has a
11	gross budgetary effect of at least 0.1 percent of the
12	gross domestic product of the United States in any
13	fiscal year within the budget window—
14	"(A) a distribution analysis by income
15	showing the transfers that would result in dol-
16	lars and as a percent change in after-tax-and-
17	transfer income for as many years in the budg-
18	et as is necessary to illustrate the anticipated
19	effects; and
20	"(B) a distribution analysis by race show-
21	ing the transfers that would result in dollars
22	and as a percent change in after-tax-and-trans-
23	fer income for as many years in the budget as
24	is necessary to illustrate the anticipated ef-
25	fects."; and

- 1 (4) in the text following paragraph (4) (as
- 2 added by paragraph (3) of this subsection) by strik-
- 3 ing "and description" and inserting "description,
- 4 and analyses".
- 5 (b) JCT ESTIMATES.—Section 201(f) of the Con-
- 6 gressional Budget and Impoundment Control Act of 1974
- 7 (2 U.S.C. 601(f)) is amended to read as follows:
- 8 "(f) Revenue Legislation.—For the purposes of
- 9 revenue legislation which is income, estate and gift, excise,
- 10 and payroll taxes (i.e., Social Security), considered or en-
- 11 acted in any session of Congress, the Congressional Budg-
- 12 et Office shall use exclusively during that session of Con-
- 13 gress revenue estimates and distribution analyses provided
- 14 to it by the Joint Committee on Taxation. During that
- 15 session of Congress such revenue estimates and distribu-
- 16 tion analyses shall be transmitted by the Congressional
- 17 Budget Office to any committee of the House of Rep-
- 18 resentatives or the Senate requesting such estimates, and
- 19 shall be used by such Committees in determining such es-
- 20 timates. The Budget Committees of the Senate and House
- 21 shall determine all estimates with respect to scoring points
- 22 of order and with respect to the execution of the purposes
- 23 of this Act.".

1 SEC. 4. REPORT ON DISTRIBUTION ANALYSIS BY GENDER.

- 2 Not later than 1 year after the date of enactment
- 3 of this Act, the Director of the Congressional Budget Of-
- 4 fice shall—
- 5 (1) prepare a report describing methods appro-6 priate for the conduct of distribution analyses by 7 gender for major legislation, including strengths and
- 8 weaknesses of different approaches; and
- 9 (2) submit such report to the chairs and rank10 ing members of the Committee on Finance of the
 11 Senate and the Committee on Ways and Means of
 12 the House of Representatives.

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