

118TH CONGRESS
2D SESSION

S. 5420

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 SENATE OF THE UNITED STATES

DECEMBER 4, 2024

Ms. WARREN introduced the following bill; which was read twice and referred to the Committee on the Budget

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 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Wealth inequality is steadily rising in the
2 United States, and, as the disparities between the
3 richest Americans and the poorest Americans widen,
4 White Americans have grown disproportionately
5 wealthier, while the median wealth of Black Ameri-
6 cans has stagnated.

7 (2) In 1968, and with the amounts adjusted for
8 inflation, the median middle-class Black household
9 had \$6,674 in wealth, while the median middle-class
10 White household had \$70,786 in wealth, and in
11 2016, the median middle-class Black household had
12 \$13,024 in wealth compared to \$149,703 for the
13 median White household.

14 (3) As of 2019, the typical White family has 8
15 times the wealth of the typical Black family and 5
16 times the wealth of the typical Hispanic family.

17 (4) As of 2019, White families have the highest
18 level of both median and mean wealth at \$188,200
19 and \$983,400, respectively, while Black and His-
20 panic families have considerably less wealth than
21 White families, with Black families having a median
22 and mean wealth of less than 15 percent of the me-
23 dian and mean wealth of White families, at \$24,100
24 and \$142,500, respectively, and Hispanic families

1 having a median and mean wealth of \$36,100 and
2 \$165,500, respectively.

3 (5) In 2023, the median annual income for
4 households led by Asian Americans was \$112,200,
5 compared with \$89,050 for non-Hispanic White-led
6 households, \$56,490 for Black-led households, and
7 \$65,540 for Hispanic-led households.

8 (6) As of the second quarter of 2024, the me-
9 dian usual weekly earnings for full-time wage and
10 salary workers for White workers were roughly 24
11 percent more than for Black workers and roughly 29
12 percent more than for Hispanic workers.

13 (7) As of the second quarter of 2024, women
14 earned roughly 81 cents for every dollar paid to
15 men, as measured by median usual weekly earnings
16 for full time wage and salary workers, and for every
17 dollar paid to White men, Black women earned
18 roughly 71 cents, and Hispanic women earned
19 roughly 65 cents.

20 (8) Different groups within the Asian American
21 and Pacific Islander community have unique experi-
22 ences with economic discrimination. For example,
23 between 2015 and 2019, Hmong women earned 60
24 cents for every dollar paid to White men.

1 (9) Disparities in wealth between genders are
 2 even more stark. As of 2022, the median net worth
 3 for female-led households was \$58,080, whereas
 4 male-led households had a median net worth of
 5 \$82,200, and a study from 2013 showed that single
 6 Black women and single Hispanic women had a me-
 7 dian wealth averaging less than a penny for every
 8 dollar of wealth owned by single White non-Hispanic
 9 men.

10 (10) Informed and well-designed policies are
 11 needed to curb the growing inequality between
 12 Americans of different races and income levels, and
 13 in order to meet this need, Congress needs access to
 14 standardized, reliable information about the socio-
 15 economic consequences of the legislation it enacts.

16 **SEC. 3. DISTRIBUTION ANALYSIS BY INCOME AND RACE.**

17 (a) CBO ESTIMATES.—Section 402 of the Congres-
 18 sional Budget and Impoundment Control Act of 1974 (2
 19 U.S.C. 653) is amended—

20 (1) in paragraph (2), by striking “and” at the
 21 end;

22 (2) in paragraph (3), by striking the period at
 23 the end and inserting “; and”;

24 (3) by inserting after paragraph (3), and before
 25 the flush text, the following:

1 “(4) for a bill or joint resolution that has a
2 gross budgetary effect of at least 0.1 percent of the
3 gross domestic product of the United States in any
4 fiscal year within the budget window—

5 “(A) a distribution analysis by income
6 showing the transfers that would result in dol-
7 lars and as a percent change in after-tax-and-
8 transfer income for as many years in the budg-
9 et as is necessary to illustrate the anticipated
10 effects; and

11 “(B) a distribution analysis by race show-
12 ing the transfers that would result in dollars
13 and as a percent change in after-tax-and-trans-
14 fer income for as many years in the budget as
15 is necessary to illustrate the anticipated ef-
16 fects.”; and

17 (4) in the flush text following paragraph (4), as
18 added by paragraph (3) of this subsection, by strik-
19 ing “and description” and inserting “description,
20 and analyses”.

21 (b) JCT ESTIMATES.—Section 201(f) of the Con-
22 gressional Budget and Impoundment Control Act of 1974
23 (2 U.S.C. 601(f)) is amended—

1 (1) by inserting “and distribution analyses”
 2 after “revenue estimates” each place the term ap-
 3 pears; and

4 (2) in the last sentence, by striking “The Budg-
 5 et Committees of the Senate and the House” and in-
 6 serting “The Committee on the Budget of the Sen-
 7 ate and the Committee on the Budget of the House
 8 of Representatives”.

9 **SEC. 4. REPORT ON DISTRIBUTION ANALYSIS BY GENDER.**

10 Not later than 1 year after the date of enactment
 11 of this Act, the Director of the Congressional Budget Of-
 12 fice shall—

13 (1) prepare a report describing methods appro-
 14 priate for conducting distribution analyses by gender
 15 for major legislation, including strengths and weak-
 16 nesses of different approaches; and

17 (2) submit such report to the chairs and rank-
 18 ing members of the Committee on Finance of the
 19 Senate and the Committee on Ways and Means of
 20 the House of Representatives.

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