



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 22, 2013

H.R. 1423

Taxpayers Right-To-Know Act

*As ordered reported by the House Committee on Oversight and Government Reform
on July 24, 2013*

SUMMARY

H.R. 1423 would require government agencies to identify and describe each program they administer, the cost to administer those programs, expenditures for services, the number of program beneficiaries, and the number of federal employees and contract staff involved. Under the bill, that information would be posted on each agency's website. H.R. 1423 would require the Office of Management and Budget (OMB) to submit to the Congress an annual report that identifies duplicative federal programs. Finally, the Government Accountability Office (GAO) would be required to maintain and update a database on duplicative programs.

Based on information from several agencies, CBO estimates that implementing H.R. 1423 would cost around \$100 million over the 2014-2018 period, assuming appropriation of the necessary amounts. Enacting the bill could affect direct spending by agencies not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net increase in spending by those agencies would be negligible. Enacting H.R. 1423 would not affect revenues.

H.R. 1423 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 impact of H.R. 1423 is shown in the following table. The costs of this legislation fall within all budget functions that include spending on administrative activities.

	By Fiscal Year, in Millions of Dollars					2014- 2018
	2014	2015	2016	2017	2018	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	30	30	20	10	10	100
Estimated Outlays	30	30	20	10	10	100

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted near the end of 2013, that the necessary amounts will be appropriated each year, and that spending will follow historical patterns for federal salaries and expenses.

Under current law, agencies regularly produce information on program management, budgets, strategic plans, and annual performance. A recent amendment to the Government Performance and Results Act (GPRA) will require agencies to describe every program they administer. Consequently, CBO expects that some of the provisions in H.R. 1423 would codify or only slightly modify current requirements.

However, the legislation also would require agencies to report the total administrative costs and the total costs of contract services associated with each federal program. Currently, the Catalog of Federal Domestic Assistance (CFDA) lists more than 2,200 programs, projects, services, and activities that provide assistance or benefits to the public.

H.R. 1423 would apply to the CFDA list of programs as well as any other government service, process, grant, contract, cooperative expense, compact, loan, lease, or agency guidance. In addition, the legislation would require OMB and executive-branch agencies to prepare reports that identify federal programs with duplicative overlapping missions, services, and allowable uses of funds. Based on information from OMB and selected agencies about the costs to implement reporting requirements in GPRA and the American Recovery and Reinvestment Act of 2009, CBO estimates that assembling such information at a high level of detail would cost around \$100 million over the 2014-2018 period. That amount includes negligible amounts for GAO to maintain a database of duplicative federal programs.

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. Enacting H.R. 1423 could affect direct spending by agencies not funded through the appropriation process, but CBO estimates that any change in net spending would not be significant in any year. Enacting H.R. 1423 would not affect revenues.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1423 contains no intergovernmental or private-sector mandates as defined in UMRA. Any costs to state and local governments would result from complying with conditions of assistance.

ESTIMATE PREPARED BY:

Federal Costs: Matthew Pickford
Impact on State, Local, and Tribal Governments: Elizabeth Cove Delisle
Impact on the Private Sector: Paige Piper/Bach

ESTIMATE APPROVED BY:

Theresa Gullo
Deputy Assistant Director for Budget Analysis