



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

August 23, 2013

S. 1276
Security Clearance Oversight and Reform Enhancement Act

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on July 31, 2013*

S. 1276 would permit activities of the Office of Personnel Management's (OPM) Office of the Inspector General (IG) to receive funding through the OPM Revolving Fund. The bill also would set a limit on the funds available. Under current law, the OPM Revolving Fund provides about \$2 billion a year for a variety of functions, including background investigations to determine an individual's suitability for a security clearance, but the IG is not permitted to use those funds to audit and provide oversight of the fund's finances.

Based on information from the OPM IG, CBO estimates that implementing this legislation would enable the IG to begin auditing the OPM Revolving Fund at a cost of \$13 million over the 2014-2018 period, assuming appropriation of the necessary funds. Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 1276 would impose 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.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.