



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

May 16, 2011

H.R. 1657

A bill to amend title 38, United States Code, to revise the enforcement penalties for misrepresentation of a business concern as a small business concern owned and controlled by veterans or as a small business concern owned and controlled by service-disabled veterans

As ordered reported by the House Committee on Veterans' Affairs on May 12, 2011

H.R. 1657 would revise the penalty for businesses that, in their dealings with the Department of Veterans Affairs (VA), misrepresent their status as small business concerns owned and controlled by veterans or service-disabled veterans. Under current law, VA is required to preclude such businesses from contracting with the agency for a period of time determined by the Secretary of Veterans Affairs to be reasonable.

Under H.R. 1657, any small business concern—and all principals involved—found to be misrepresenting their status would be prohibited from contracting with VA for no less than five years. Upon determining that a business misrepresented its status, VA would be required to take action to bar that business within 90 days. Based on information from VA, CBO estimates that implementing H.R. 1657 would have no budgetary impact.

Enacting H.R. 1657 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 1657 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

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