



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 19, 2007

H.R. 3179

Local Preparedness Acquisition Act

*As ordered reported by the House Committee on Oversight and Government Reform
on November 8, 2007*

H.R. 3179 would allow state, local, and tribal governments to purchase more goods and services at discount prices through federal supply schedules. Under current law, those governments may purchase a variety of information technology through the federal supply schedules. This legislation would expand the cooperative purchasing program to include specified supplies and services for law enforcement, fire fighting, and other security activities.

Under the bill, any purchases of such supplies and services would be an exchange between state, local, and tribal governments and commercial suppliers. However, the General Services Administration (GSA) charges a 0.75 percent fee on all sales to recover the procurement and administrative costs of operating the supply schedule program. Based on information from GSA regarding the current cooperative program with those governments for information technology services and the anticipated demand under the expanded program, CBO estimates that increasing the number of purchases would increase offsetting collections by about \$2 million a year. Because such fees are spent by GSA, the net budgetary impact of the bill would be negligible.

H.R. 3179 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would benefit state, local, and tribal governments. Any costs those entities incur would be incurred voluntarily.

The CBO staff contacts for this estimate are Matthew Pickford (for federal costs), and Elizabeth Cove (for the state and local impact). This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.