



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 6, 2000

H.R. 809

Federal Protective Service Reform Act of 2000

*As ordered reported by the House Committee on Transportation and Infrastructure
on March 16, 2000*

SUMMARY

H.R. 809 would reorganize the Federal Protective Service (FPS) as a separate operating service of the General Services Administration (GSA). The FPS currently is part of GSA's Public Buildings Service (PBS). The bill also would require that the FPS increase the total number of its police officers to 730, issue guidelines for the contracting of security personnel in GSA-controlled buildings, and provide pay and benefits to its law enforcement personnel that are equal to or greater than those provided by the United States Capitol Police to its officers. The bill would authorize the appropriation of such sums as are necessary to implement its provisions.

CBO estimates that implementing H.R. 809 would increase the FPS's costs by a total of about \$10 million over the 2001-2005 period, assuming appropriation of the necessary amounts. Because enacting the bill could affect direct spending and receipts, pay-as-you-go procedures would apply; however, CBO estimates that any impact on direct spending and receipts would not be significant. H.R. 809 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA), and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 809 is shown in the following table. The costs of this legislation fall within budget function 800 (general government).

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2005
SPENDING SUBJECT TO APPROPRIATION^a						
FPS Spending Under Current Law						
Estimated Authorization Level ^b	247	247	247	247	247	247
Estimated Outlays	244	245	245	245	245	245
Proposed Changes						
Estimated Authorization Level	0	2	2	2	2	2
Estimated Outlays	0	2	2	2	2	2
FPS Spending Under H.R. 809						
Estimated Authorization Level	247	249	249	249	249	249
Estimated Outlays	244	247	247	247	247	247

a. By increasing the amount of a criminal fine, the bill also could affect governmental receipts and direct spending, but CBO estimates that such amounts would not be significant.

b. The 2000 level is the amount appropriated for the FPS for that year. The levels shown for 2001 through 2005 are CBO baseline projections of spending for FPS without discretionary inflation. Although total spending for FPS would be somewhat greater with adjustments for inflation, the incremental cost of the bill would not differ significantly.

BASIS OF ESTIMATE

Subject to the availability of appropriated funds, CBO estimates that implementing H.R. 809 would cost the FPS about \$10 million over the 2001-2005 period, including costs to provide its employees with more generous compensation, hire additional officers, establish it as a separate entity within GSA, and issue regulations. In addition, the bill could affect both governmental receipts and direct spending, but CBO estimates that such amounts would not be significant.

Spending Subject to Appropriation

For purposes of this estimate, CBO assumes that appropriations will be provided near the beginning of each fiscal year and will be sufficient to fund the activities authorized by the bill.

Provide Employees with More Generous Compensation. For calendar year 2001 only, H.R. 809 would require that FPS provide its law enforcement personnel with pay and benefits that are equal to or better than the pay and benefits package provided to officers of

the U.S. Capitol Police. Based on information from GSA, CBO estimates that implementing the provision would increase average compensation costs for each of its roughly 730 officers by \$1,500 to \$2,000, for a total increase in costs of about \$1 million in fiscal year 2001. Because we think it is unlikely that the FPS would reduce the compensation of its officers in 2002 back to its pre-2001 level, we estimate that the provision would also increase FPS personnel costs by between \$1 million and \$1.5 million in each of fiscal years 2002 through 2005.

Establish the FPS as a Separate Operating Service. H.R. 809 would remove the FPS from the PBS and establish it as a separate operating service of GSA. As a result, the FPS would need to hire about 10 additional employees to provide support services, such as personnel and budgeting, that currently are provided centrally by the PBS. CBO estimates that the new support services would cost the FPS about \$500,000 annually over the 2001-2005 period.

Hire Additional Officers. H.R. 809 would require that the FPS increase the number of its full-time officers to at least 730 within one year of its enactment. According to GSA, the FPS, which currently has about 650 officers, is in the process of increasing that number to about 730, in part by converting current security specialists into police officers. As a result, CBO estimates that implementing this provision would have no significant cost for the FPS.

Issue Regulations. Finally, the bill would require the new FPS Commissioner to write regulations and issue separate guidelines for the contracting of security personnel in GSA-controlled buildings. CBO estimates that issuing the regulations and standards would cost the FPS less than \$500,000 in fiscal year 2001.

Direct Spending and Receipts

Section 4 would increase the criminal fine for violations of certain regulations on GSA-controlled property; consequently, the federal government might collect additional fines if the bill is enacted. Collections of such fines are recorded in the budget as governmental receipts (revenues), which are deposited in the Crime Victims Fund and spent in subsequent years. CBO expects that any additional receipts and direct spending resulting from this provision would be less than \$500,000 each year.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act specifies pay-as-you-go procedures for legislation affecting direct spending and receipts. These procedures would

apply to H.R. 809 because it could affect direct spending and receipts, but CBO estimates that the annual amount of such changes would not be significant.

INTERGOVERNMENTAL AND PRIVATE SECTOR IMPACT

H.R. 809 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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