



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

March 20, 2015

**H.R. 1162
Science Prize Competitions Act**

*As ordered reported by the House Committee on Science, Space, and Technology
on March 4, 2015*

Under current law, heads of federal agencies may hold prize competitions as an incentive for scientific and technological innovation. H.R. 1162 would clarify that agencies may partner with both nonprofit and for-profit entities in the private sector to support the competitions and require that notification of the competitions be publicly available on a government website.

The bill also would allow agencies that sponsor prize competitions to waive a requirement that participants in such competitions obtain liability insurance to protect the government against claims by third party entities, making the federal government potentially responsible for paying the cost of successful claims. Because those claims would probably be paid from the Treasury's Judgment Fund (a permanent, indefinite appropriation for claims and judgments against the United States), enacting the bill could affect direct spending; therefore, pay-as-you-go procedures apply. However, based on information from some agencies that conduct competitions, CBO anticipates that any such cases would be rare and that any effect on direct spending would be insignificant.

H.R. 1162 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 Marin Burnett. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.