CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

March 24, 2015

H.R. 195
Election Assistance Commission Termination Act

As reported by the Committee on House Administration on March 4, 2015

SUMMARY

H.R. 195 would eliminate the Election Assistance Commission (EAC) and transfer some of its responsibilities to the Federal Election Commission (FEC). The Office of Management and Budget (OMB) would be responsible for winding down the commission's contracts and agreements. The EAC would terminate within 60 days of the bill's enactment.

CBO estimates that implementing H.R. 195 would reduce spending that is subject to appropriation by $40 million over the 2016-2020 period. Enacting the bill would affect direct spending and revenues because we expect some EAC employees would retire earlier than they otherwise would; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net changes in the deficit would not be significant.

H.R. 195 contains 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.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 195 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					
	2016	2017	2018	2019	2020	2016-2020
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Terminating Election Assistance Commission						
Estimated Authorization Level	-8	-8	-9	-9	-9	-43
Estimated Outlays	-8	-8	-9	-9	-9	-43
Federal Election Commission						
Estimated Authorization Level	*	*	*	*	*	1
Estimated Outlays	*	*	*	*	*	1
Office of Management and Budget						
Estimated Authorization Level	1	1	*	*	0	2
Estimated Outlays	1	1	*	*	0	2
Total Changes						
Estimated Authorization Level	-7	-7	-9	-9	-9	-40
Estimated Outlays	-7	-7	-9	-9	-9	-40

Note: * = less than $500,000.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted late in fiscal year 2015, that amounts not needed after eliminating the EAC would not be appropriated, that the necessary amounts for activities that would be transferred to other agencies would be appropriated near the start of each fiscal year, and that the new spending would follow historical patterns for similar activities.

The EAC advises state and local governments on administering elections and provides grants to states to replace punch-card voting machines and to make other improvements to voting systems. The commission also develops voluntary standards for managing elections, serves as a clearinghouse for information, and reviews procedures for administering federal elections.

Terminating Election Assistance Commission

Eliminating the EAC would reduce the need for appropriated funds in future years. In fiscal year 2015, the commission received an appropriation of $8 million. Assuming appropriations would continue under current law at that level with an adjustment for anticipated inflation, CBO estimates that terminating the EAC would reduce discretionary spending by $43 million over the 2016-2020 period.

Federal Election Commission

H.R. 195 would transfer some of EAC's responsibilities to the FEC. Based on information from the EAC and the FEC, CBO expects that those responsibilities would require the FEC to hire one or two additional employees. CBO estimates that those additional employees would cost nearly $1 million over the next five years, assuming the availability of appropriated funds.

Office of Management and Budget

OMB would be responsible for closing down the EAC and fulfilling the agency's final contracts and agreements. Based on information from the EAC, final responsibilities would involve auditing competitive grant programs, closing the office, and terminating its active contracts. CBO estimates that those activities would cost $2 million over the 2016-2020 period, assuming the appropriation of the necessary amounts.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. Enacting H.R. 195 would affect direct spending and revenues because some EAC employees would retire earlier under the legislation than they otherwise would; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any changes in direct spending and revenues would not be significant in any one year or over the next 10 years because fewer than a dozen of the agency's employees are eligible to retire. Based on information from the EAC, CBO expects most would probably not retire early.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 195 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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