



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 4, 2016

H.R. 4360 **Official Personnel File Enhancement Act**

*As ordered reported by the House Committee on Oversight and Government Reform
on January 12, 2016, with technical corrections provided to CBO
on February 24, 2016*

H.R. 4360 would require federal agencies to include any findings of a government investigation of misconduct in an employee's personnel file. The legislation specifically applies to employees who leave government service before such an investigation is completed.

Under current law, such investigations end once an employee leaves federal service. Based on information from the Merit System Protection Board and human resource professionals, CBO expects that completing all misconduct investigations and updating personnel files as required under H.R. 4360 would lead to a small increase in administrative costs at federal agencies. Based on information from federal agencies, CBO expects that most costs to conduct investigations of employee misconduct are usually incurred before such employees leave federal service. Based on prior experience and information from federal agencies, CBO also expects that very few former employees would appeal the findings of their completed investigations under H.R. 4360. Thus, CBO estimates that any additional administrative costs to the federal government to implement H.R. 4360 would not be significant.

Enacting H.R. 4360 could affect direct spending by some agencies (such as the Tennessee Valley Authority) because they are authorized to use receipts from the sale of goods, fees, and other collections to cover their operating costs; therefore, pay-as-you-go procedures apply. Because most of those agencies can cover additional costs by making adjustments to the amounts collected, CBO estimates that any net changes in direct spending by those agencies would be negligible. Enacting the bill would not affect revenues.

CBO estimates that enacting H.R. 4360 would not increase direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 4360 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 Matthew Pickford. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.