



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

June 30, 2016

**H.R. 5388
Support for Rapid Innovation Act of 2016**

*As ordered reported by the House Committee on Homeland Security
on June 8, 2016*

Current law permits the Department of Homeland Security (DHS) to waive the requirements of the Federal Acquisition Regulation (procedures that guide federal procurement actions) for certain research and development projects. That authority (known as “other transaction authority”) enables the department to increase its use of small contractors for research and development activities and is scheduled to expire on September 30, 2016. H.R. 5388 would extend it for four years.

Based on information from DHS about the department’s research and development plans, CBO estimates that implementing H.R. 5388 would not significantly affect DHS spending for those activities. In recent years DHS has spent around \$0.7 billion annually on research and development activities. Enacting the legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 5388 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 5388 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 Mark Grabowicz. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.