



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 12, 2015

H.R. 598 **Taxpayers Right-To-Know Act**

*As ordered reported by the House Committee on Oversight and Government Reform
on July 22, 2015*

SUMMARY

H.R. 598 would amend federal law to increase the amount of information about federal programs that the Office of Management and Budget (OMB) provides online. The legislation would require that each federal program be described on OMB's website, including the number of people served by or benefiting from the program, the number of federal employees and contract staff involved, and links to reviews of the program including those by the Government Accountability Office (GAO) and Inspectors General.

Based on information from several agencies, CBO estimates that implementing H.R. 598 would cost \$82 million over the 2016-2020 period, assuming appropriation of the necessary amounts. Enacting H.R. 598 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 make adjustments to the amounts collected based on changes in spending, CBO estimates that any net changes in direct spending would not be significant. Enacting the bill would not affect revenues.

H.R. 598 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. 598 is shown in the following table. The costs of this legislation fall within all budget functions that include spending for administrative activities by federal agencies.

	By Fiscal Year, in Millions of Dollars					2016-2020
	2016	2017	2018	2019	2020	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	0	3	30	30	20	83
Estimated Outlays	0	2	30	30	20	82

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted near the end of fiscal year 2015, that the necessary amounts will be appropriated each year, and that spending will follow historical patterns for administrative activities.

Under current law, agencies regularly produce information on program management, budgets, strategic plans, and annual performance. Under the Government Performance and Results Act (GPRA) agencies are required to describe every program they administer. Under the Digital Accountability and Transparency Act of 2014 (DATA Act) agencies are required to make information on all federal spending more accessible and transparent to the public. Consequently, CBO expects that some of the provisions in H.R. 598 would only slightly modify current practices.

However, the legislation also would expand the definition of a federal program and require OMB to list all the programs, their funding levels, the number of beneficiaries of the programs, and link each program to all related evaluations, assessments, performance reviews, or government reports (including GAO and Inspectors General reports). The *Catalog of Federal Domestic Assistance* lists more than 2,200 federal programs, projects, services, and activities that provide assistance or benefits to the public, although some programs may be listed more than once.

Based on information from OMB and selected agencies about the costs to implement GPRA and the DATA Act, CBO estimates that assembling such information about each government activity that provides benefits or services to the public would cost each of the 26 major agencies about \$1 million a year. We estimate that smaller federal agencies would spend a total of about \$4 million annually. Those costs would not begin until after OMB provided guidance to agencies on identifying programs and developing the necessary information for posting. CBO estimates that OMB would spend \$3 million in 2017 and 2018 to develop that guidance and that agency costs to comply with the bill's requirements would decline soon after the initial reports were developed.

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. 598 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 adjust the amounts collected, CBO estimates that any net changes in direct spending by those agencies would not be significant. Enacting the bill would not affect revenues.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 598 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

PREVIOUS CBO ESTIMATES

On May 22, 2015, CBO transmitted a cost estimate for S. 282, the Taxpayers Right-to-Know Act as ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on May 6, 2015. The two versions of the legislation are identical, and the CBO cost estimates are the same.

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