



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 17, 2015

S. 579

Inspector General Empowerment Act of 2015

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on March 4, 2015*

SUMMARY

S. 579 would amend the Inspector General Act of 1978. Specifically, the legislation would authorize the appropriation of \$51 million over the 2016-2021 period for the Council of the Inspectors General on Integrity and Efficiency (CIGIE). In addition, the bill would provide Inspectors General (IGs) with additional investigative authorities and require IGs and the Government Accountability Office (GAO) to submit additional reports to the Congress.

Based on information from selected IGs and assuming appropriation of the authorized and necessary amounts, CBO estimates that implementing S. 579 would cost \$45 million over the 2016-2020 period. Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 579 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 effect of S. 579 is shown in the following table. The costs of this legislation fall within all budget functions that have funding for IGs.

	By Fiscal Year, in Millions of Dollars					2016- 2020
	2016	2017	2018	2019	2020	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION^a						
Council of the Inspectors General on Integrity and Efficiency						
Authorization Level	8	8	8	9	9	42
Estimated Outlays	6	8	8	9	9	40
Other Provisions						
Estimated Authorization Level	2	1	1	1	*	5
Estimated Outlays	2	1	1	1	*	5
Total Changes						
Estimated Authorization Level	10	9	9	10	9	47
Estimated Outlays	8	9	9	10	9	45

Note: * = less than \$500,000.

a. S. 579 also would authorize the appropriation of \$9 million in 2021.

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 579 will be enacted before the end of 2015, that the authorized and necessary amounts will be provided each year, and that spending will follow historical patterns for federal salaries and expenses.

The Inspector General Act of 1978 created independent offices headed by inspectors general who are responsible for conducting and supervising audits and investigations; promoting economy, efficiency, and effectiveness; and preventing and detecting fraud and abuse in government programs and operations. IGs operate in more than 70 departments and larger federal agencies. The federal government spends about \$3 billion annually on IG activities.

Council of the Inspectors General on Integrity and Efficiency

S. 579 would authorize the appropriation of \$51 million over the 2016-2021 period for the CIGIE. The mission of the council is to investigate allegations of misconduct against IGs and to coordinate government activities to prevent fraud in federal operations and programs. The CIGIE receives no specific appropriation but is funded by transfers from the various IGs. In fiscal year 2014, the CIGIE spent about \$6 million. Based on information from selected IGs and the CIGIE regarding their current operations, and assuming the

appropriation of the specified amounts, CBO estimates that implementing this provision would cost \$40 million over the 2016-2020 period and \$11 million thereafter.

Other Provisions

S. 579 would require IGs to submit to the Congress additional reports on their activities. The bill also would provide additional investigative authorities to all IGs, and it would require GAO to submit a report to the Congress. Based on information from IG offices, CBO estimates that implementing those provisions would cost \$5 million over the 2016-2020 period.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 579 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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