



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 11, 2012

S. 2170 **Hatch Act Modernization Act of 2012**

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on June 29, 2012*

S. 2170 would amend the Hatch Act, which covers the political activities of public employees. The legislation would remove some restrictions on the political activities of most District of Columbia government employees and many other state and local officials. In addition, S. 2170 would establish civil penalties for federal employees that violate the Hatch Act.

Under current law, state and local government employees are prohibited from running for a partisan political office if their employment relates to an activity at least partly financed with federal funds. Under S. 2170, many state and local employees, including those from the District of Columbia, could run for partisan office. Based on information from the Office of Special Counsel, CBO estimates that implementing those provisions would have no significant impact on the federal budget.

Because enacting S. 2170 could increase revenues from civil fines that could be imposed on federal employees who violate the Hatch Act, pay-as-you-go procedures apply. However, CBO expects that any additional revenues collected would not be significant in any year. Enacting the bill would not affect direct spending.

S. 2170 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 Peter H. Fontaine, Assistant Director for Budget Analysis.