



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

August 9, 2006

**S. 2590**  
**Federal Funding Accountability and Transparency Act of 2006**  
*As reported by the Senate Committee on Homeland Security and  
Governmental Affairs on August 2, 2006*

**SUMMARY**

S. 2590 would direct the Office of Management and Budget (OMB) to oversee the creation of a single comprehensive searchable Web site that would include information on all federal grants, contracts, and other funding awarded to public and private organizations.

CBO estimates that implementing S. 2590 would cost \$4 million in 2007 and about \$15 million over the 2007-2011 period, assuming appropriation of the necessary amounts. Enacting the legislation would not affect direct spending or revenues. S. 2590 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA); any costs to state, local, or tribal governments would result from complying with the conditions for receiving federal assistance.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of S. 2590 is shown in the following table. The cost of this legislation falls within budget function 800 (general government).

	By Fiscal Year, in Millions of Dollars				
	2007	2008	2009	2010	2011
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Authorization Level	5	5	2	2	2
Estimated Outlays	4	5	2	2	2

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that the bill will be enacted near the start of fiscal year 2007, that the necessary funds will be provided for each year, and that spending will follow historical patterns for similar programs.

The federal government has many databases to monitor and report on federal spending. Three of the major government databases are the U.S. Census Bureau's Federal Assistance Award Data System (FAADS), the General Services Administration's Federal Procurement Data System (FPDS), and the U.S. Department of Health and Human Services' Web site, [www.Grants.gov](http://www.Grants.gov). FAADS contains information supplied by most federal agencies regarding most types of federal spending except contracts. FPDS includes information provided by federal agencies regarding federal contracts. Grants.gov is a Web site that can be used to apply for many federal grants. FAADS, FPDS, and Grants.gov do not comprise a comprehensive information source of all federal spending and reportedly are not timely nor easily queried for information.

S. 2590 would expand the current federal databases related to government spending to establish a single comprehensive database of federal spending that would be available through a public Web site listing all entities receiving federal funds, including the name of each entity with a unique identifier, information on the award, the amount of the award, the location of the entity, and the purpose of the funding by January 1, 2008. In addition, under the bill, OMB would initiate an 18-month pilot program beginning in July 2007 to identify spending by subcontractors and subgrantees. That information would be incorporated into the comprehensive federal spending database.

According to OMB, the government currently collects all the information needed to create a comprehensive database on federal spending. Using that information, CBO estimates that updating and expanding the government's current data collection efforts and adding a search engine through a Web site to create a single comprehensive database would cost nearly \$10 million over the 2007-2008 period. In addition, CBO estimates that OMB would need \$2 million annually to update and maintain the database after it is established. Thus, we estimate that the creation of a single comprehensive searchable database would cost about \$15 million over the 2007-2011 period, assuming appropriation of the necessary amounts.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 2590 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would require state, local, and tribal governments to provide OMB with information on how they spend money received from the federal government. Such requirements could be

costly to intergovernmental entities, but any costs would result from complying with conditions for federal assistance.

**ESTIMATE PREPARED BY:**

Federal Costs: Matthew Pickford

Impact on State, Local, and Tribal Governments: Sarah Puro

Impact on the Private Sector: Carla-Marie Ulerie

**ESTIMATE APPROVED BY:**

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis