



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

December 18, 2017

H.R. 4174 **Foundations for Evidence-Based Policymaking Act of 2017**

As passed by the U.S. House of Representatives on November 15, 2017

SUMMARY

H.R. 4174 would amend federal law to change how the federal government manages and uses the information it collects. Specifically the legislation would:

- Require agencies to develop plans for identifying and addressing policy questions relevant to their programs;
- Direct agencies to publish all the data they collect in an open format and to maintain comprehensive data inventories; and
- Require agencies to establish and coordinate confidentiality and disclosure policies with other government agencies.

CBO estimates that implementing H.R. 4174 would cost \$75 million (less than \$1 million per federal agency) over the 2018-2022 period, assuming appropriation of the necessary funds. Enacting the legislation also could affect direct spending by agencies not funded through annual appropriations and would impose new fines, which are recorded as revenues; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any changes in direct spending and revenues would not be significant.

CBO estimates that enacting H.R. 4174 would not significantly increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 4174 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of H.R. 4174 is shown in the following table. The costs of this legislation fall within budget function 800 (general government) and most other budget functions that contain salaries and expenses.

	By Fiscal Year, in Millions of Dollars					2018-
	2018	2019	2020	2021	2022	2022
INCREASES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	13	14	14	16	18	75
Estimated Outlays	13	14	14	16	18	75

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted near the start of calendar year 2018 and that spending will follow historical patterns for similar activities.

CBO is unaware of any comprehensive information on laws, regulations, and policies related to the collection, protection, and sharing of federal data. The federal website www.data.gov lists more than 200,000 data sets representing 10 million data resources. In general, H.R. 4174 would aim to create data collections that are useful to those researching policy questions and to ensure that more federal data sets are available to the public.

CBO expects that complying with the legislation's provisions would increase the administrative expenses of federal agencies. Implementing, H.R. 4174 would require every federal agency to employ a chief evaluation officer and a chief data officer, to create and staff two interagency councils, and to create an advisory committee. In addition, every agency would be directed to release more data to the public while ensuring the confidentiality of that information. Based on the number of staff assigned to federal officials in similar positions, CBO expects that the chief evaluation officer and the chief data officer each would need three new employees to fulfill the requirements of the legislation. In total each of the 26 major agencies would need eight additional employees at an average annual cost of \$120,000 for each employee.

Information from the Office of Management and Budget and CBO's discussions with selected agencies suggest that about half of the necessary work required by H.R. 4174 is already being performed at major agencies. Accounting for the work already being done, CBO estimates that enacting H.R. 4174 would cost about \$15 million annually, or less than \$1 million per major agency for staffing.

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. H.R. 4174 could affect direct spending by agencies that are not funded through annual appropriations and could increase revenues from fines. CBO estimates, however, that any net increase in spending by those agencies would be negligible and the increases in fines would not be significant.

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting H.R. 4174 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

MANDATES

H.R. 4174 contains no intergovernmental or private-sector mandates as defined in UMRA.

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