



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 28, 2018

S. 2178 **Inspector General Recommendation Transparency Act of 2018**

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on February 14, 2018*

S. 2178 would amend federal law to require all federal inspectors general (IGs) to report on open recommendations (those that they have made that have not been implemented). After conducting audits, investigations, and inspections, IGs typically report their recommendations to their agencies. A recommendation is considered open if the IG determines that the agency has not implemented it. The bill also would require the Council of the Inspectors General on Integrity and Efficiency (CIGIE) to keep a database of open recommendations and make it available through a public website.

The more than 70 federal IGs spend a total of about \$2.5 billion a year to detect and deter fraud, waste, and abuse. In fiscal year 2016, IGs produced over 5,000 audit, investigation, and evaluation reports. CBO is not aware of any comprehensive information on open federal recommendations. Information from CIGIE and some IGs indicates that some agencies track open recommendations, but CBO expects that some additional administrative work would be necessary to report on all open recommendations.

Based on the type and scope of the necessary work, CBO estimates that that implementing the bill would require 15 percent of the time of one employee and cost around \$20,000 per agency each year. That spending would be subject to the availability of appropriated funds and would amount to \$5 million over the 2018-2022 period.

Enacting S. 2178 could affect direct spending by agencies that are not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net increase in spending by those agencies would be negligible. Enacting the bill would not affect revenues.

CBO estimates that enacting S. 2178 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

S. 2178 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.