



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

June 25, 2018

**H.R. 3500**  
**Ensuring Integrity in the IRS Workforce Act of 2017**

*As ordered reported by the House Committee on Ways and Means on June 21, 2018*

H.R. 3500 would amend federal law to prohibit the Internal Revenue Service (IRS) from re-hiring employees who were fired for misconduct. CBO estimates that implementing H.R. 3500 would not have a significant cost over the next five years because it would not change the agency's current employment procedures. The staff of the Joint Committee on Taxation (JCT) estimate that enacting H.R. 3500 would affect revenues over the 2018-2028 period; therefore, pay-as-you procedures apply. However those effects would be negligible. Enacting the bill would not affect direct spending.

According to the IRS, H.R. 3500 largely would codify the agency's current policies and practices. As recommended by the Treasury Inspector General for Tax Administration, the IRS now considers prior conduct and performance issues in the hiring process.

CBO estimates that enacting H.R. 3500 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

JCT has determined that H.R. 3500 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 reviewed by Theresa Gullo, Assistant Director for Budget Analysis.