



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 19, 2018

### **S. 3484 GREAT Act**

*As ordered reported by the Senate Committee on Homeland Security  
and Governmental Affairs on September 26, 2018*

#### **SUMMARY**

S. 3484 aims to make information about federal grant programs more easily accessible and transparent. The bill would authorize the Office of Management and Budget (OMB) to designate an executive agency to establish data standards for all government reporting on such programs. CBO estimates that implementing S. 3484 would cost \$50 million over the 2019-2023 period, assuming appropriation of the necessary funds.

Enacting S. 3484 could affect direct spending by agencies that are authorized to use receipts from the sale of goods, fees, and other collections to cover operating costs. Therefore, pay-as-you-go procedures apply. Because most agencies can adjust the amounts collected as operating costs change, CBO estimates that any net changes in direct spending by those agencies would be negligible. Enacting the bill would not affect revenues.

CBO estimates that enacting S. 3484 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

S. 3484 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 S. 3484 is shown in the following table. The costs of the legislation fall within all budget functions that contain salaries and expenses for grant programs.

	By Fiscal Year, in Millions of Dollars					2019- 2023
	2019	2020	2021	2022	2023	
<b>INCREASES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Estimated Authorization Level	10	10	10	10	10	50
Estimated Outlays	10	10	10	10	10	50

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that S. 3484 will be enacted near the end of 2018. Estimated outlays are based on historical spending patterns for similar activities.

The federal government uses several databases to monitor and track agency spending. For example, a Department of Health and Human Services (HHS) website, [www.grants.gov](http://www.grants.gov), provides information about federal grants and contracts. Information on federal spending also is available through an OMB website, [www.USAspending.gov](http://www.USAspending.gov), which displays award amounts for all federal contracts, grants, and loans. Information from HHS and OMB indicates that under current law, the federal government has standardized some reporting requirements by grant recipients but that the information is not collected or reported consistently across government programs that award grants.

For this estimate, CBO assumes that HHS would be the lead agency to implement S. 3484. HHS spends about \$10 million to \$12 million annually on its [www.grants.gov](http://www.grants.gov) website, and CBO expects that implementing S. 3484 would involve the same level of effort spread across multiple departments and agencies. Initial tasks would require personnel to develop the data structure and data elements; subsequent work would involve modifying computer systems and training personnel. In total, CBO estimates that implementing S. 3484 would cost \$50 million over the 2019-2023 period, subject to the availability of appropriated funds.

## **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. S. 3484 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 changes in direct spending would be negligible. Enacting the bill would not affect revenues.

## **INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS**

CBO estimates that enacting S. 3484 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

## **MANDATES**

S. 3484 contains no intergovernmental or private-sector mandates as defined in UMRA.

## **PREVIOUS COST ESTIMATE**

On July 23, 2018, CBO transmitted a cost estimate for H.R. 4887, the GREAT Act, as ordered reported by the House Committee on Oversight and Government Reform on February 6, 2018. The two versions of the bill are similar and their estimated costs are the same.

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