



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

January 17, 2014

### **H.R. 3345 SUSPEND Act**

*As ordered reported by the House Committee on Oversight and Government Reform  
on October 29, 2013*

#### **SUMMARY**

H.R. 3345 would consolidate most federal efforts to suspend and debar individuals or organizations from receiving federal grants and contracts into a single office at the General Services Administration. In general, grantees or vendors may be prohibited or suspended from receiving federal funds because they have engaged in dishonest, unethical, or illegal conduct or are unable to perform their responsibilities. The bill also would establish an Interagency Suspension and Debarment Committee to coordinate activities, and authorize creation of a web-based management system to track all federal suspension and debarment cases. Finally, H.R. 3345 would authorize the appropriation of \$2 million annually over the 2015-2021 period for these activities.

Assuming appropriation of the authorized amounts and based on information from GSA, CBO estimates that implementing H.R. 3345 would cost \$10 million over the 2015-2019 period (and an additional \$4 million after 2019). Enacting the bill could affect direct spending by agencies not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net change in spending by those agencies would be negligible. Enacting the bill would not affect revenues.

H.R. 3345 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

For this estimate, CBO assumes that the bill will be enacted in fiscal year 2014 and that the authorized amounts will be appropriated for each year. Estimated outlays are based on information from GSA and historical spending patterns of similar programs.

The estimated budgetary impact of H.R. 3345 is shown on the following table. The cost of this legislation falls within budget function 800 (general government).

	By Fiscal Year, in Millions of Dollars						2014-2019
	2014	2015	2016	2017	2018	2019	
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>							
Authorization Level	0	2	2	2	2	2	10
Estimated Outlays	0	2	2	2	2	2	10

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

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

H.R. 3345 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

### **ESTIMATE PREPARED BY:**

Federal Costs: Matthew Pickford  
 Impact on State, Local, and Tribal Governments: Melissa Merrell  
 Impact on the Private Sector: Paige Piper/Bach

### **ESTIMATE APPROVED BY:**

Theresa Gullo  
 Deputy Assistant Director for Budget Analysis