



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

January 24, 2012

S. 1160
Department of Energy Administrative Improvement Act of 2011
*As ordered reported by the Senate Committee on Energy and Natural Resources
on December 15, 2011*

SUMMARY

S. 1160 would make several changes related to administrative functions of the Department of Energy (DOE). Assuming appropriation of necessary funds, CBO estimates that implementing S. 1160 would cost \$30 million over the 2012-2017 period. The bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 1160 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 impact of S. 1160 is shown in the following table. The costs of this legislation fall within budget function 270 (energy).

	By Fiscal Year, in Millions of Dollars						2012- 2017
	2012	2013	2014	2015	2016	2017	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION							
Estimated Authorization Level	2	4	6	6	6	6	30
Estimated Outlays	2	4	6	6	6	6	30

BASIS OF ESTIMATE

CBO estimates that increased costs under S. 1160 would stem primarily from a provision that would authorize the Secretary of Energy to hire up to 120 highly skilled individuals and to pay them higher salaries than the Secretary otherwise could offer under current law. According to DOE, that provision would permit the agency to spend an average of about \$50,000 more for compensation and benefits for such individuals. Based on information from DOE about the anticipated use of that authority, CBO estimates that increased costs under this provision would total \$2 million in 2012 and \$30 million over the 2012-2017 period.

S. 1160 also would require DOE to prepare annual reports to the Congress detailing long-term funding needs, expand and make permanent the agency's authority to enter into certain types of transactions, specify procedures related to the disclosure of certain information, and waive a requirement to reduce certain employees' salaries by the amount of any income they receive from federal annuities. Based on information from DOE, CBO estimates that any increased costs under those provisions, which would be subject to appropriation, would total less than \$500,000 annually.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1160 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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