



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 1, 2017

H.R. 634

Election Assistance Commission Termination Act

As ordered reported by the Committee on House Administration on February 7, 2017

SUMMARY

H.R. 634 would eliminate the Election Assistance Commission (EAC) and transfer some of its responsibilities to the Federal Election Commission (FEC). The Office of Management and Budget (OMB) would be responsible for winding down the EAC's contracts and agreements, and the commission would terminate within 60 days of the bill's enactment.

CBO estimates that implementing H.R. 634 would reduce discretionary costs by \$40 million over the 2018-2022 period, assuming future appropriations are lower by the estimated amounts. Enacting the bill would affect direct spending because we expect some EAC employees would retire earlier than they otherwise would; therefore, pay-as-you-go procedures apply. CBO estimates, however, that on net those changes would not be significant. Enacting the bill would not affect revenues.

CBO estimates that enacting H.R. 634 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 634 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 634 is shown in the following table. The costs of this legislation fall within budget function 800 (general government).

	By Fiscal Year, in Millions of Dollars					2018-
	2018	2019	2020	2021	2022	2022
INCREASES OR DECREASES (-) IN SPENDING SUBJECT TO APPROPRIATION						
Election Assistance Commission						
Estimated Authorization Level	-8	-8	-9	-9	-9	-43
Estimated Outlays	-8	-8	-9	-9	-9	-43
Federal Election Commission						
Estimated Authorization Level	*	*	*	*	*	1
Estimated Outlays	*	*	*	*	*	1
Office of Management and Budget						
Estimated Authorization Level	1	1	*	*	0	2
Estimated Outlays	1	1	*	*	0	2
Total Changes						
Estimated Authorization Level	-7	-7	-9	-9	-9	-40
Estimated Outlays	-7	-7	-9	-9	-9	-40

Note: * = between zero and \$500,000; components may not sum to totals because of rounding.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted late in fiscal year 2017, that amounts not needed for the EAC would not be appropriated, and that the necessary amounts for activities that would be transferred to other agencies would be available each fiscal year.

The EAC advises state and local governments on administering elections and provides grants to states to replace punch-card voting machines and to make other improvements to voting systems. The commission also develops voluntary standards for managing elections, serves as a clearinghouse for information, and reviews procedures for administering federal elections.

Election Assistance Commission

Terminating the EAC would reduce the need for appropriated funds in future years. In fiscal year 2017, the commission has not yet received a full year appropriation, but the current appropriation (on an annualized basis) is \$8 million. Assuming appropriations would continue under current law at that level with annual increases for anticipated inflation, CBO estimates that terminating the EAC would reduce discretionary spending for its operations by \$43 million over the 2018-2022 period.

Federal Election Commission

H.R. 634 would transfer some of the EAC's responsibilities to the FEC. Based on an analysis of information from the EAC and the FEC, CBO expects that those responsibilities would require the FEC to hire one or two additional employees. CBO estimates that those additional employees would cost about \$1 million over the 2018-2022 period.

Office of Management and Budget

OMB would be responsible for closing down the EAC and fulfilling the agency's final contracts and agreements. Based on information from the EAC, final responsibilities would involve auditing competitive grant programs, closing the office, and terminating its active contracts. Based on information from the EAC, CBO estimates that those activities would cost \$2 million over the 2018-2022 period.

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 H.R. 634 would affect direct spending because some EAC employees would retire earlier under the legislation than they otherwise would; therefore, pay-as-you-go procedures apply. However, based on information from the EAC on the number of people eligible to retire (fewer than 10) and their average salary and tenure, CBO estimates that on net the changes in direct spending would not be significant in any year or over the 10-year period.

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting H.R. 634 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 634 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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