



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 4, 2018

H.R. 6391 **Merit Systems Protection Board Reauthorization Act of 2018**

*As ordered reported by the House Committee on Oversight and Government Reform
on July 17, 2018*

SUMMARY

H.R. 6391 would authorize appropriations for the Merit Systems Protection Board (MSPB) for fiscal years 2019 through 2023. The bill also would amend several of the laws governing the MSPB, including requiring employees to pay a filing fee when making MSPB appeals.

CBO estimates that implementing this legislation would cost \$231 million over the 2019-2023 period, assuming appropriation of the authorized amounts.

Enacting H.R. 6391 also would increase revenues by \$10 million over the 2019-2028 period; therefore, pay-as-you-go procedures apply. H.R. 6391 would not affect direct spending.

CBO estimates that enacting H.R. 6391 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 6391 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 effects of H.R. 6391 are shown in the following table. The costs of the legislation fall within budget function 800 (general government).

	By Fiscal Year, in Millions of Dollars						2019- 2023
	2018	2019	2020	2021	2022	2023	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
Authorization Level	0	47	47	47	47	47	235
Estimated Outlays	0	43	47	47	47	47	231

CBO estimates that H.R. 6391 also would increase revenues by \$1 million annually over the 2019-2028 period.

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 6391 will be enacted near the end of fiscal year 2018 and that the authorized amounts will be appropriated each year. Estimated outlays are based on historical spending patterns for the agency.

Spending Subject to Appropriation

The MSPB is an independent quasi-judicial agency that protects the federal merit system from partisan and other prohibited personnel practices and protects federal employees against abuses by agency managers.

Section 2 would authorize the appropriation of \$47 million annually for MSBP operations from 2019 through 2023. That amount comprises a specific authorization of \$44.49 million and a transfer of \$2.35 million from the appropriation for the Civil Service Retirement and Disability Fund. In 2018, the MSBP received an appropriation of a similar amount. CBO estimates that continuing activities at that level would cost \$231 million over the 2019-2023 period.

Revenues

Under H.R. 6391, the MSPB would collect fees from federal employees who appeal an adverse action by the Board, with exemptions for certain employees. An adverse action against an employee includes removal, demotion, or suspension. The fee would be 50 percent of the \$350 fee required to file a civil action in a United States District Court, or \$175. Information from the MSBP indicates that 5,000 to 6,000 adverse actions are filed annually. Thus, CBO estimates that enacting the provision would increase revenues by about \$1 million each year.

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. The net changes in revenues that are subject to those pay-as-you-go procedures are shown in the following table.

CBO Estimate of Pay-As-You-Go Effects for H.R. 6391, as ordered reported by the House Committee on Oversight and Government Reform on July 17, 2018

	By Fiscal Year, in Millions of Dollars											2018-	2018-
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2023	2028
NET DECREASE IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-5	-10

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting H.R. 6391 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

MANDATES

H.R. 6391 contains no intergovernmental or private-sector mandates as defined in UMRA.

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