CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

November 15, 2018

H.R. 6891
Anti-Deficiency Reform and Enforcement Act of 2018

As ordered reported by the House Committee on Oversight and Government Reform on September 27, 2018

H.R. 6891 would amend the Anti-Deficiency Act, which generally prohibits federal agencies from obligating or expending federal funds in advance of or in excess of an appropriation. Specifically, the bill would require federal inspectors general (IGs) to assess possible unreported antideficiency violations and would provide for stricter penalties for federal employees who knowingly or recklessly violate the act.

The Government Accountability Office reports that about 13 antideficiency violations have been reported in each of the past five years. The bill would provide specific penalties for violations and authorize the payment of cash awards to those providing relevant information. CBO expects those provisions would have an insignificant effect on the budget because penalties for such violations already exist and because any cash awards paid would probably be small.

The federal government has more than 70 IGs, whose offices spend about $2.5 billion a year to detect and deter fraud, waste, and abuse. Using information from selected offices, CBO expects that under H.R. 6891, IGs would conduct additional assessments to detect unreported antideficiency violations. The size and scope of the effort would vary across agencies. CBO expects that, on average, about 12 IGs would assign five employees from each agency for two months a year to look for unreported antideficiency violations. Thus, CBO estimates that implementing H.R. 6891 would cost $4 million over the 2019-2023 period; any spending would be subject to the availability of appropriated funds.

Enacting H.R. 6891 could affect direct spending by some agencies (the Tennessee Valley Authority, for example) that are authorized to use fees, receipts from the sale of goods, and other collections to cover their operating costs; therefore, pay-as-you-go procedures apply. Because most such agencies can adjust the amounts they collect, however, CBO estimates that any net changes in direct spending would not be significant. Enacting the bill would not affect revenues.

CBO estimates that enacting H.R. 6891 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 6891 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.