



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 27, 2005

S. 1399
**Government Reorganization and
Program Performance Improvement Act of 2005**

As introduced on July 14, 2005

SUMMARY

S. 1399 would establish a Sunset Commission to review the performance of all federal agencies and programs within a 10-year period and provide recommendations to the President on program performance, including any programs that should be terminated.

CBO estimates that operating the Sunset Commission would cost \$4 million in 2006 and \$34 million over the 2006-2010 period, assuming appropriation of the necessary amounts. Enacting S. 1399 would not affect direct spending or revenues. Any potential budget savings from terminating agencies or programs would depend on future legislation. S. 1399 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

The estimated budgetary impact of S. 1399 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				
	2006	2007	2008	2009	2010

CHANGES IN SPENDING SUBJECT TO APPROPRIATION

Estimated Authorization Level	5	6	8	8	8
Estimated Outlays	4	6	8	8	8

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted near the start of fiscal year 2006, that the necessary amounts will be provided each year, and that spending will follow historical patterns for similar programs.

S. 1399 would establish a Sunset Commission to review the performance of executive branch agencies or programs at least once every 10 years. The commission would annually prepare a report to the President that includes all the assessments made during the previous 12 months with recommendations and draft legislation for improving or abolishing any federal agencies or programs. Members of the commission would receive travel and per diem expenses while performing services for the commission. In addition, the commission could hire staff or use personnel from other federal agencies. The authority for the Sunset Commission would expire on December 31, 2026.

The cost to conduct a review of all federal agencies and programs could vary depending upon the level of detail, comprehensiveness of the analysis, and amount of new analysis undertaken. Based on information from the Office of Management and Budget about its Program Assessment Rating Tool, the costs to implement the Government Performance and Results Act of 1993, and the costs of similar commissions—such as the National Commission on Terrorist Attacks Upon the United States and the Base Realignment and Closure Commission—CBO estimates that implementing the Sunset Commission would cost \$4 million in 2006 and \$34 million over the 2006-2010 period, assuming the appropriation of the necessary amounts. That amount assumes that the commission would employ a staff of around 45 people.

S. 1399 also would require the Congressional Research Service and the Government Accountability Office to prepare, within six months, an inventory of all executive branch agencies and programs. CBO estimates that preparing an inventory would cost less than \$500,000 in fiscal year 2006.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1399 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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