CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

July 28, 1998

S. 2228
Advisory Committee Termination and Streamlining Act of 1998

As ordered reported by the Senate Committee on Governmental Affairs on July 15, 1998

S. 2228 would terminate—within three years of its enactment—advisory committees established or authorized by statute. The bill would exempt those committees whose purposes are to conduct peer reviews of federal grant or research applications, provide advice and recommendations relating to the academic certification of federal institutions, or address critical needs relating to health, safety, national security, or other concerns certified by the President.

According to the General Services Administration (GSA), which is responsible for overseeing and reporting on the Federal Advisory Committee Act, there were 963 advisory committees in fiscal year 1997, with reported costs totaling about $178 million for that year. S. 2228 would apply only to the 652 committees established or authorized by statute, but many of these would be exempted from the termination requirement. For instance, 235 of the committees are within the Department of Health and Human Services (HHS), and CBO expects that most or all of them would fall under the exemption provided for health concerns. Further, according to data reported by federal agencies to GSA, about 100 of the 652 statutory committees are no longer active; thus, eliminating these committees would result in no savings. Depending on the extent to which the President would use the authority to exempt committees in addition to those specified in the legislation, it appears the bill would probably apply to between 250 and 300 active committees.

While the average cost for all advisory committees was $185,000 in 1997, CBO estimates that the average cost for the 250 to 300 committees that would be affected by S. 2228 was about $75,000. (Committees likely to be exempted under the bill, such as the HHS committees, tend to have costs that are much higher than the average.) Assuming that costs would grow with inflation over the next several years, CBO estimates that enacting S. 2228 could save between $20 million and $25 million a year beginning in fiscal year 2002, if appropriations are reduced accordingly. Savings could be significantly lower if the President makes broad use of the authority granted under the legislation to exempt committees dealing with other areas of concern.

Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. In addition, S. 2228 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, and tribal governments.

The CBO contact for this estimate is John R. Righter. The estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.