



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 23, 2010

S. 3806 **SECURE Facilities Act of 2010**

*As ordered reported by the Senate Committee on Homeland Security and
Governmental Affairs on September 29, 2010*

SUMMARY

S. 3806 would modify provisions of law that govern security at federal facilities, as well as activities of the Federal Protective Service (FPS) and the Interagency Security Committee. CBO estimates that implementing S. 3806 would increase federal spending by \$252 million over the 2011-2015 period, assuming appropriation of the necessary funds.

In addition, CBO estimates that enacting S. 3806 would increase revenues by \$4 million over the 2011-2020 period. Because the legislation would affect revenues, pay-as-you-go procedures apply. Enacting the bill also would increase direct spending, but CBO estimates that such spending would not occur until after 2020.

S. 3806 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 S. 3806 is shown in the following table. The costs of this legislation fall within budget functions 800 (general government) and all functions that include government agencies that use the services of the FPS.

	By Fiscal Year, in Millions of Dollars					2011-2015
	2011	2012	2013	2014	2015	2015
CHANGES IN SPENDING SUBJECT TO APPROPRIATION^a						
Federal Protective Service						
Estimated Authorization Level	32	36	34	38	38	179
Estimated Outlays	32	36	34	38	38	179
FPS Retirement Contributions						
Estimated Authorization Level	3	11	11	11	11	47
Estimated Outlays	3	11	11	11	11	47
Other Provisions						
Estimated Authorization Level	6	6	5	5	5	27
Estimated Outlays	6	6	5	5	5	27
Total Changes						
Estimated Authorization Level	41	53	50	54	54	252
Estimated Outlays	41	53	50	54	54	252

Notes: FPS = Federal Protective Service.
Amounts may not sum to totals because of rounding.

a. In addition, CBO estimates that enacting S. 3806 would increase revenue collections by \$2 million over the 2011-2015 period and by \$4 million over the 2011-2020 period.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted in calendar year 2010, that the necessary amounts will be appropriated near the start of each fiscal year, and that spending will follow historical patterns for similar activities.

Spending Subject to Appropriation

We estimate that implementing S. 3806 would cost \$252 million over the 2011-2015 period. Key components of that estimate are described below.

Federal Protective Service. The FPS is a federal agency that provides integrated security and law enforcement services to federally owned and leased properties. Using a fee-based system to charge federal agencies for their services, FPS currently employs 1,225 federal staff (including 900 security officers, criminal investigators, police officers, and support personnel) and contracts with 15,000 other guards to secure more than 9,000 buildings.

The bill would specify staffing levels for law enforcement and administrative personnel at the FPS over the 2011-2014 period and establish permanent minimum staffing levels. The legislation also would standardize the oversight and training of FPS's contract guards, increase the number of canine teams used for infrastructure security, and establish a pilot program for the use of advanced imaging technology at federal buildings.

Based on information from the Department of Homeland Security (DHS) about the cost of similar efforts by other agencies, CBO estimates that implementing S. 3806 would increase spending by the FPS and other federal agencies by about \$180 million over the 2011-2015 period. Those amounts would cover the costs of hiring new employees, purchasing security equipment, providing training for agency staff and contract officers, and overseeing those activities.

FPS Retirement Contributions. Under S. 3806, FPS officers would be considered law enforcement officers for retirement purposes. That change, which would apply only to officers hired after enactment of S. 3806, would provide greater retirement benefits to eligible employees after 20 years of service. CBO estimates that any increases in federal spending for retirement benefits (which would be considered direct spending) would not occur until after 2020. In the near term, however, CBO estimates that funding future retirement benefits would require larger annual contributions from both FPS and affected employees. Assuming appropriation of the necessary amounts, CBO estimates that increased contributions from FPS would total about \$50 million over the 2011-2015 period. (Increased contributions from employees are discussed below under the section on revenues.)

Other Provisions. Under an existing executive order, the Interagency Security Committee (ISC) sets certain parameters related to security for all federal buildings. The legislation would codify and expand the committee's size and responsibilities and create an appeal process for affected agencies. S. 3806 also would require DHS to report on the FPS's personnel needs, use of contract guards, and overall funding requirements. Based on information from the FPS and the ISC about the cost of similar activities and reports, CBO estimates that implementing all of those provisions would cost about \$5 million annually over the 2011-2015 period.

Revenues

CBO estimates that enacting S. 3806 would increase revenues by \$4 million over the 2011-2020 period because the bill would designate FPS officers hired after enactment as law enforcement officers for retirement purposes. As discussed above, eligible employees would be required to make higher contributions to retirement accounts, which would be recorded as revenues.

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 S. 3806 would increase revenues from employee contributions to retirement accounts by less than \$500,000 annually from 2011 through 2019 and by \$1 million in 2020. The 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 S. 3806 as ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on September 29, 2010

	By Fiscal Year, in Millions of Dollars											2011-	2011-
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		2015	2020
NET INCREASE OR DECREASE (-) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	0	0	0	0	0	0	0	0	-1		-2	-4

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 3806 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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