

S. 3905, Preventing Organizational Conflicts of Interest in Federal Acquisition Act

As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on May 25, 2022

By Fiscal Year, Millions of Dollars	2022	2022-2027	2022-2032
Direct Spending (Outlays)	0	*	*
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	*	*
Spending Subject to Appropriation (Outlays)	0	1	not estimated
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2033?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

S. 3905 would require the Federal Acquisition Regulatory (FAR) Council to update its definition of organizational conflicts of interest and provide federal agencies with language designed to mitigate such conflicts in their solicitation proposals and contracts.

CBO expects that the FAR Council would need to add new regulatory language and create specific guidance for some agencies. Based on the cost of similar activities, CBO estimates that implementing the bill would cost about \$1 million over the 2023-2027 period to update the Federal Acquisition Regulation and for federal agencies to comply with those changes.

Enacting the bill could affect direct spending by some agencies that are allowed to use fees, receipts from the sale of goods, and other collections to cover operating costs. CBO estimates that any net changes in direct spending by those agencies would be negligible because most of them can adjust amounts collected to reflect changes in operating costs.

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