



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

December 10, 2009

H.R. 3845 **USA PATRIOT Amendments Act of 2009**

As ordered reported by the House Committee on the Judiciary on November 5, 2009

CBO estimates that implementing H.R. 3845 would cost about \$9 million over the 2010-2014 period and less than \$500,000 annually in subsequent years, assuming the availability of appropriated funds. Enacting the bill could affect direct spending and revenues, but CBO estimates that any such effects would not be significant.

CBO has determined that the provisions of H.R. 3845 are either excluded from review for mandates under the Unfunded Mandates Reform Act because they are necessary for national security or contain no mandates as defined by that act.

The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001 (Public Law 107-56) and the USA PATRIOT Improvement and Reauthorization Act of 2005 (Public Law 109-177) expanded the powers of federal law enforcement and intelligence agencies to investigate and prosecute terrorist acts. H.R. 3845 would extend for four years certain provisions of those acts that will otherwise expire on December 31, 2009. In addition, the bill would modify the laws relating to certain investigations of potential terrorist activity and require the Department of Justice (DOJ) to prepare additional reports and audits relating to those investigations.

H.R. 3845 would require the DOJ Inspector General, by December 31, 2014, to conduct audits of the department's use of certain investigative powers during the 2007-2013 period. Based on information from DOJ, we expect that the department would need to hire about 10 people to carry out those audits. CBO estimates that auditing effort would cost about \$1 million in fiscal year 2010, about \$2 million annually over the 2011-2014 period, and less than \$500,000 annually thereafter for DOJ to complete the audits and reports required by the bill. Such spending would be subject to the availability of appropriated funds.

Because those prosecuted and convicted under H.R. 3845 could be subject to civil and criminal fines, the federal government might collect additional fines if the legislation is enacted. Collections of civil fines are recorded in the budget as revenues. Criminal fines are recorded as revenues, deposited in the Crime Victims Fund, and later spent. CBO expects that any additional revenues and direct spending would not be significant because of the small number of cases likely to be affected.

On October 23, 2009, CBO transmitted a cost estimate for S. 1692, the USA PATRIOT Act Sunset Extension Act of 2009, as reported by the Senate Committee on the Judiciary on October 13, 2009. That bill would require fewer DOJ audits and CBO estimated that implementing S. 1692 would cost about \$5 million over the 2010-2012 period and less than \$500,000 annually in subsequent years, assuming the availability of appropriated funds.

The CBO staff contact for this estimate is Mark Grabowicz. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.