



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

July 10, 2008

**H.R. 4806
Reducing Over-Classification Act of 2008**

*As ordered reported by the House Committee on Homeland Security
on June 26, 2008*

H.R. 4806 would make several amendments to the Homeland Security Act of 2002 designed to expand the amount of homeland security and intelligence information that the Department of Homeland Security (DHS) shares with state and local governments, law enforcement agencies, emergency response providers, and private-sector organizations. This information sharing would be accomplished by minimizing the number of documents DHS determines to be classified, and providing classified intelligence products in an unclassified format when such intelligence products would benefit those entities. The bill also would require periodic auditing of classified information to assess compliance with classification policies and training for DHS employees on those new requirements.

H.R. 4806 also would require DHS to assess technologies that would allow the department to track the classification and sharing of classified documents, and develop a plan for implementing such technologies. Since the bill would not require DHS to deploy such technologies, this estimate does not include implementation costs. However, based on information from DHS and the Office of the Director of National Intelligence, CBO anticipates that such costs could be significant.

DHS would incur small incremental costs related to the periodic auditing of classified documents and the additional training that would be required by the bill. Since DHS already conducts compliance reviews to determine whether documents are properly classified and has an annual training program for its employees, CBO anticipates that the cost of implementing H.R. 4806 would be less than \$500,000 a year, assuming the availability of appropriated funds. Enacting the legislation would not affect direct spending or revenues.

H.R. 4806 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

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