



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

July 5, 2012

**H.R. 459
Federal Reserve Transparency Act of 2012**

*As ordered reported by the House Committee on Oversight and Government Reform
on June 27, 2012*

H.R. 459 would direct the Government Accountability Office (GAO) to prepare audits of the Board of Governors of the Federal Reserve System and the Federal Reserve banks. The first audit would cover all of the activities of the Federal Reserve, and the second would review loan files of foreclosed homeowners.

The costs to conduct such audits and reports could vary depending on the level of detail included and the comprehensiveness of the audits. Based on information from GAO regarding the level of effort required for its previous audit of the Federal Reserve that was required by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203), CBO estimates that implementing H.R. 459 would cost \$5 million over the 2013-2014 period. That cost would cover around 15 full-time and part-time GAO employees plus administrative expenses necessary to prepare the two audits required under the bill.

Enacting H.R. 459 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 4155 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 Matthew Pickford. The estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.