



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 14, 2009

### **H.R. 2392** **Government Information Transparency Act**

*As ordered reported by the House Committee on Oversight and Government Reform  
on June 4, 2009*

This legislation would require the Office of Management and Budget (OMB) to adopt a single standard within the federal government for reporting financial and business information. Such information is currently collected and reported by government agencies using a variety of technologies, accounting standards, and formats. Generally, H.R. 2392 would expand the ongoing efforts of OMB, the Financial Management Service, and the General Services Administration to standardize federal agencies' business processes, financial data, and financial reporting through the use of common standards.

Based on the experiences of the Securities and Exchange Commission and the Federal Deposit Insurance Corporation, CBO estimates that, subject to the availability of appropriated funds, standardizing financial reporting definitions across federal agencies would cost about \$5 million over the 2010-2012 period for salaries and expenses and smaller amounts in subsequent years for ongoing maintenance and agencywide coordination. In addition, individual agencies would need to modify their current computer systems and train employees to use the new financial reporting procedures and systems. Such costs could total up to a few million dollars per agency, depending on the agency's current financial reporting system and how the final standard would be developed and implemented by OMB.

The use of a single data standard for reporting financial information could reduce certain administrative costs, but because developing and implementing new standards would take some time, CBO expects that any such savings would be small over the next five years.

The legislation also would affect direct spending by agencies not funded through annual appropriations, such as the Tennessee Valley Authority and the U.S. Postal Service, but CBO estimates that any net increase in spending by those agencies would not be significant.

The legislation contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

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