



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 31, 2012

### **Intelligence Authorization Act for Fiscal Year 2013**

*As ordered reported by the Senate Select Committee on Intelligence  
on July 25, 2012*

The bill would authorize appropriations for fiscal year 2013 for intelligence activities of the U.S. government. Since CBO does not provide estimates for classified programs, this estimate addresses only the unclassified portions of the bill. On that limited basis, and assuming appropriation of the authorized and estimated amounts, CBO estimates that implementing the unclassified provisions of the bill would cost \$537 million over the 2013-2017 period.

Section 104 would authorize the appropriation of \$542 million for the Intelligence Community Management Account (ICMA), which provides the principal source of funding for the Office of the Director of National Intelligence and resources for coordinating programs, overseeing budgets, and managing the intelligence agencies. Assuming appropriation of those amounts, CBO estimates that section 104 would cost \$537 million over the next five years.

Section 603 would extend for six years the authorization for the Public Interest Declassification Board (PIDB), which is set to expire on December 31, 2012. The PIDB advises the President on the government's standards and procedures for releasing and declassifying information. Based on information from the Information Security Oversight Office of the National Archives, CBO estimates that implementing this provision would cost approximately \$100,000 annually.

Section 201 would authorize the appropriation of \$514 million for the Central Intelligence Agency Retirement and Disability System, which is a retirement and disability system for certain employees of the Central Intelligence Agency. The appropriation would cover various unfunded liabilities of the system and would be considered mandatory. However, because the amount authorized by the bill would be the same as the amount assumed in the CBO baseline for direct spending programs, CBO does not ascribe any additional cost to that provision relative to the baseline.

In addition, enacting the bill would have an insignificant effect on direct spending and revenues; therefore, pay-as-you-go procedures apply. Section 403 would permit the Central Intelligence Agency to retain and spend receipts from the sale of recyclable

materials through the agency's working capital fund, and would result in an insignificant net effect on direct spending. Section 606 would expand the definition of the term "intelligence agency" under the Intelligence Identities Protection Act (Public Law 97-200) and by doing so would expand protections under that law to additional covert agents. Since individuals who disclose the identities of such agents could be subject to criminal fines, the provision could result in additional revenues and outlays from the Crime Victims Fund. However, CBO expects that such cases would be rare and that the net budgetary impact would be negligible.

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

On May 21, 2012, CBO transmitted a cost estimate for H.R. 5743, the Intelligence Authorization Act for 2013, as ordered reported by the House Permanent Select Committee on Intelligence on May 17, 2012. The difference between CBO's estimates of costs for the two bills reflects differences in the bills. In particular, H.R. 5743 would authorize \$531 million for the ICMA and does not contain the extension for the Public Interest Declassification Board that is in the Senate bill.

The CBO staff contact for this estimate is Jason Wheelock. The estimate was approved by Theresa Gullo.