



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 16, 2013

### **S. 607**

### **Electronic Communications Privacy Act Amendments Act of 2013**

*As reported by the Senate Committee on the Judiciary on April 25, 2013*

S. 607 would amend the Electronic Communications Privacy Act of 1986 (Public Law 99-508) to make several changes to the current laws relating to the privacy of personal electronic communications. The bill also would require the Government Accountability Office (GAO) to prepare a report, by the end of fiscal year 2015, on service providers' disclosure of customer communications to law enforcement agencies.

Based on the cost of similar activities, CBO estimates that it would cost \$1 million to \$2 million from appropriated funds over the 2014-2015 period for GAO to prepare the report required by the bill. CBO estimates that other provisions of the bill would have no significant cost to the federal government. Enacting the legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 607 would impose intergovernmental mandates, as defined in the Unfunded Mandates Reform Act (UMRA), by changing the procedures that governmental agencies must follow when they obtain electronic communications. Because the changes would result in minimal additional spending, CBO estimates that the costs of the intergovernmental mandates would be small and would not exceed the threshold established in UMRA (\$75 million in 2013, adjusted annually for inflation).

S. 607 also would impose a private-sector mandate by requiring providers of electronic communications and remote computing services to inform the government before they notify a customer or subscriber that they have disclosed information to the government. Based on information from industry sources, CBO estimates that the cost of the mandate would fall well below the annual threshold established in UMRA for private-sector mandates (\$150 million in 2013, adjusted annually for inflation).

The CBO staff contacts for this estimate are Mark Grabowicz and Matthew Pickford (for federal costs), Elizabeth Cove Delisle (for the impact on state, local, and tribal governments), and Marin Burnett (for the impact on the private sector). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.