

S. 1294, Broadband Interagency Coordination Act of 2019

As ordered reported by the Senate Committee on Commerce, Science, and Transportation on May 15, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	*	*
Revenues	0	*	*
Deficit Effect	0	*	*
Spending Subject to Appropriation (Outlays)	0	1	n.e.
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold
n.e. = not estimated; * = between -\$500,000 and \$500,000.			

S. 1294 would require the Federal Communication Commission (FCC), Department of Agriculture (USDA), and the National Telecommunications and Information Administration (NTIA) to enter into an interagency agreement to coordinate how federal funding for the deployment of broadband internet technologies is distributed. The agreement would cover data and information sharing among those agencies. As the group’s coordinator, the FCC would be required to seek public comment on the agreement’s effectiveness; it also would be required to evaluate public comments and submit a report to the Congress.

Using information from agencies that would be involved in the agreement, CBO expects that implementing S. 1294 would cost \$1 million over the 2019-2024 period. Costs would stem from creating the agreement, managing and sharing broadband data, and coordinating data sharing requests. Because the FCC is authorized under current law to collect fees sufficient to offset the appropriated costs of its regulatory activities each year, CBO estimates that the net cost to the FCC would be negligible, assuming appropriation actions consistent with that authority. CBO expects that spending by USDA and NTIA would total around \$1 million over the next five years, subject to the availability of appropriated funds.

S. 1294 also would require that the FCC’s High Cost program administered through the Universal Service Fund (USF) share certain information with USDA and NTIA. The High Cost program, designed to expand broadband service in remote and underserved



communities, is funded by revenues collected from telecommunications providers under permanent statutory authority. The revenues are available to be spent on authorized purposes without further appropriation. CBO expects that implementing the data sharing agreement mandated by S. 1294 would have a negligible net effect on USF's revenues and direct spending.

If the FCC increases annual fee collections to offset the costs of implementing provisions in the bill, S. 1294 would increase the cost of an existing private-sector mandate on entities required to pay those fees. Using information from the FCC, CBO estimates that the incremental cost of the mandate would be small—less than \$400,000 annually—and would fall well below the annual threshold established in the Unfunded Mandates Reform Act for private-sector mandates (\$164 million in 2019, adjusted annually for inflation).

The CBO staff contacts for this estimate are David Hughes (for federal costs) and Rachel Austin (for mandates). The estimate was reviewed by Theresa Gullo, Assistant Director for Budget Analysis.