

S. 893, Secure 5G and Beyond Act of 2019

As ordered reported by the Senate Committee on Commerce, Science, and Transportation on July 24, 2019

Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Deficit Effect	0	0	0
Spending Subject to Appropriation (Outlays)	0	1	not estimated
Pay-as-you-go procedures apply?	No	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

S. 893 would require the President, acting through the National Telecommunications and Information Administration (NTIA) and other federal agencies, to develop and submit to the Congress a strategy to ensure the security of 5G and future generations wireless communications systems and infrastructure owned by the United States and its allies. Among various other requirements, the NTIA would have to assess potential security threats to American 5G systems and infrastructure and analyze how competitive American 5G manufacturers and suppliers are globally.

Using information from the NTIA, CBO estimates that implementing S. 893 would cost \$1 million for the interagency group to formulate the strategy. Such spending would be subject to the availability of appropriated funds. CBO expects that NTIA would coordinate the interagency group and complete the strategy in 2020. The Federal Communications Commission (FCC) would incur insignificant costs to help formulate the strategy. However, 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.

If the FCC increases annual fee collections to offset the costs of implementing provisions in the bill, S. 893 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 and would fall well below the annual threshold established in the Unfunded Mandates Reform Act (UMRA) for private-sector mandates (\$164 million in 2019, adjusted annually for inflation).



The bill contains no intergovernmental mandates as defined in UMRA.

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