S. 2427, FAIR Contributions Act
As ordered reported by the Senate Committee on Commerce, Science and Transportation on May 11, 2022

By Fiscal Year, Millions of Dollars	2022	2022-2027	2022-2032
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	*	not estimated

		Mandate Effects	
Statutory pay-as-you-go procedures apply?	**No**		
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2033?	**No**	Contains intergovernmental mandate?	**No**
		Contains private-sector mandate?	**Yes, Under Threshold**

* = between zero and $500,000.

S. 2427 would require the Federal Communications Commission (FCC) to study and report to the Congress on the feasibility and effects of assessing fees that would be credited to the Universal Service Fund on broadband providers and entities providing online content or services. Under current law, only telecommunications carriers pay those fees.

Using information from the FCC, CBO estimates that the study would cost $1 million over the 2022-2023 period. However, because the FCC is authorized to collect fees each year sufficient to offset the appropriated costs of its regulatory activities, 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 the bill, S. 2427 would increase the cost of an existing private-sector mandate on entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small and fall well below the threshold established in the Unfunded Mandates Reform Act (UMRA) for private-sector mandates ($184 million in 2022, adjusted annually for inflation).

S. 2427 contains no intergovernmental mandates as defined in UMRA.

The CBO staff contacts for this estimate are David Hughes (for the FCC) and Fiona Forrester (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.