



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

March 6, 2014

H.R. 3676
Prohibiting In-Flight Voice Communications on Mobile Wireless Devices
Act of 2013

*As ordered reported by the House Committee on Transportation and Infrastructure
on February 11, 2014*

H.R. 3676 would direct the Secretary of Transportation to issue regulations that prohibit air passengers from talking on cellular phones during domestic flights. The prohibition would not apply to members of the flight crew, flight attendants, or federal law enforcement agents who are on duty.

CBO estimates that enacting H.R. 3676 would have no significant impact on the federal budget. Based on information from the Department of Transportation, we expect that promulgating the proposed regulations would cost less than \$500,000, assuming the availability of appropriated funds. H.R. 3676 would not affect direct spending or revenues; pay-as-you-go procedures do not apply.

H.R. 3676 would impose a private-sector mandate, as defined in the Unfunded Mandates Reform Act (UMRA), by prohibiting airline passengers from talking on cellular phones during a domestic flight. Under current law, airlines may choose to allow passengers to make voice calls over an in-flight Internet service (for example Skype), but in-flight voice calls on cellular phones are prohibited by the Federal Communications Commission (FCC). The FCC recently issued a proposed rule that would allow airlines to permit passengers to use cellular phones during a flight. If the FCC adopts the rule, the bill would impose a mandate by prohibiting passengers from engaging in all voice calls during a flight; if the FCC does not adopt the rule, only the prohibition on voice calls over an in-flight Internet service would constitute a mandate. In either case, CBO expects that the cost of the mandate would be small and fall below the annual threshold established in UMRA for private-sector mandates (\$152 million in 2014, adjusted annually for inflation).

The Department of Transportation (DOT) has issued a notice that it is also considering a ban on all in-flight voice calls by passengers as an unfair practice to consumers. If DOT, in the absence of the bill, determines to ban such calls, the bill would impose no private-sector mandates.

H.R. 3676 contains no intergovernmental mandates as defined in UMRA and would impose no cost on state, local, or tribal governments.

The CBO staff contacts for this estimate are Megan Carroll (for federal costs) and Amy Petz (for the private-sector impact). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.