



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

March 27, 1998

S. 1619

A bill to direct the Federal Communications Commission to study systems for filtering or blocking matter on the Internet, to require the installation of such a system on computers in schools and libraries with Internet access, and for other purposes

As ordered reported by the Senate Committee on Commerce, Science, and Transportation on March 12, 1998.

CBO estimates that enacting this bill would have no significant effect on the federal budget. Enacting S.1619 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply to the bill.

S. 1619 would amend the Communications Act of 1934 to require that schools and libraries that seek assistance from the Universal Service Fund for telecommunications expenses certify to the Federal Communications Commission (FCC) that they have selected and will install a system to filter or block Internet material that is inappropriate for minors. Based on information from the FCC, we estimate that processing these certifications would have a negligible impact on the FCC's administrative costs.

S. 1619 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA). In order for schools and libraries to qualify for assistance from the Universal Service Fund for telecommunications expenses, they would be required to block access to Internet sites that contain matter deemed inappropriate for minors. Software to block or filter such access is readily available for between \$30 and \$40; consequently, the budgetary impact on individual schools or libraries would be minimal. Total costs nationwide would be uncertain. Because the requirement would be a condition of participation in a voluntary federal program, however, it would not be a mandate as defined by UMRA.

The CBO staff contacts are Kim Cawley (for federal costs), and Leo Lex (for the state and local impact). This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.