



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

March 12, 2001

H.R. 725

Made in America Information Act

*As ordered reported by the House Committee on Energy and Commerce
on February 28, 2001*

H.R. 725 would require the Department of Commerce to determine if sufficient interest exists among manufacturers to establish a consumer telephone hotline listing products that are made in America. If sufficient interest is found, the bill would authorize the department to enter into a contract to establish a three-year pilot program to operate such a hotline and to charge fees to pay for the cost of the contract subject to future appropriations acts.

CBO estimates that implementing H.R. 725 would not result in any significant net cost to the federal government. Assuming the department finds sufficient interest among manufacturers, CBO estimates that establishing a hotline and database and operating the program over a three-year period would cost the Department of Commerce about \$10 million during the 2002-2005 period. However, the bill also would authorize the Department of Commerce to establish fees to offset the costs of the toll-free hotline, subject to approval in appropriation acts. CBO estimates that the collection of fees would reduce the net budgetary effect of H.R. 725 to an insignificant level.

H.R. 725 could increase governmental receipts because the bill would establish a civil penalty for anyone who knowingly registers a product for the toll-free hotline that is not made in America, as defined by the bill. Consequently, pay-as-you-go procedures would apply. However, CBO estimates that any such receipts would not be significant in any year.

This bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reforms Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Ken Johnson. This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.