



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 3, 2016

H.R. 1301 **Amateur Radio Parity Act of 2016**

As ordered reported by the House Committee on Energy and Commerce on July 13, 2016

H.R. 1301 would direct the Federal Communications Commission (FCC) to amend regulations related to the height and dimensions of certain antenna structures. Under the bill, the regulations would be amended to prohibit private land-use restrictions from applying to antennas used for amateur radio communications if the restrictions prevent or impede those communications. The bill also would require any licensee in an amateur radio service to obtain prior approval from a community association before installing an outdoor antenna. In addition, H.R. 1301 would allow community associations to prohibit the installation of antenna or support structures on common property and would permit community associations to establish rules concerning the nature of the installation.

Based on information from the FCC, CBO estimates that implementing H.R. 1301 would cost less than \$500,000 to update agency rules. Moreover, the agency is authorized to collect fees sufficient to offset its regulatory costs each year; therefore, CBO estimates that the net discretionary cost would be negligible, assuming appropriation actions consistent with that authority.

Enacting H.R. 1301 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 1301 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 1301 contains no intergovernmental mandates as defined in Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

The bill contains a private-sector mandate as defined in UMRA because it would limit the application of private land-use restrictions that are inconsistent with the requirements in the bill. The mandate would apply to private entities such as homeowners associations by limiting their ability to apply land-use restrictions on amateur radio communications. Homeowner association rules, mobile home park agreements, condo association bylaws, and deed covenants could be affected by the bill's prohibition. The bill also would impose a private-sector mandate on amateur radio licensees by requiring them to obtain prior

approval from their community association before installing an outdoor antenna. The cost of the mandates would be any costs associated with revising private land-use policies if necessary to comply with the bill, and the cost of notifying community associations of the intent to install an outdoor antenna. Based on an analysis of information about the existing practices of community associations, such costs would probably be small. Therefore, CBO estimates that the aggregate cost of the mandates would fall well below the annual threshold established in UMRA for private-sector mandates (\$154 million in 2016, adjusted annually for inflation).

On February 9, 2016, CBO transmitted a cost estimate for S. 1685, the Amateur Radio Parity Act of 2015, as ordered reported by the Senate Committee on Commerce, Science, and Transportation on November 18, 2015. The two pieces of legislation are similar and CBO's estimates of the budgetary effects are the same.

The CBO staff contacts for this estimate are Stephen Rabent (for federal costs) and Logan Smith (for private-sector mandates). The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.