CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

October 14, 2016

H.R. 2669
Anti-Spoofing Act of 2016

As ordered reported by the House Committee on Energy and Commerce on September 21, 2016

Under current law, the Federal Communications Commission (FCC) has the authority to levy penalties and criminal fines against individuals that use fake information about a caller's identification to defraud or harm another. H.R. 2669 would expand that authority to include the use of text messages and would apply the authority to violators outside of the United States if the recipient is within the United States. The bill also would direct the FCC to develop consumer education materials that provide information for consumers on identifying fraudulent caller activities. Finally, H.R. 2669 would direct the Government Accountability Office (GAO) to conduct a study on actions taken by the FCC to combat the provision of inaccurate caller information and identify additional steps that could be taken by the agency.

Based on an analysis of information from the FCC about the agency's current enforcement capabilities, CBO estimates that implementing H.R. 2669 would increase the agency's costs by less than $500,000 to enforce the expanded prohibition and to update current consumer education materials. Moreover, the FCC is authorized to collect fees sufficient to offset the costs of its regulatory activities each year; therefore, CBO estimates that the net effect on discretionary spending would be negligible, assuming appropriation actions consistent with that authority. Based on the costs of similar reports conducted by GAO, CBO estimates that the increased costs to conduct the required study would be insignificant.

H.R. 2669 would broaden the coverage of current laws relating to the use of misleading or inaccurate caller identification information. As a result, the government might be able to pursue cases that it otherwise would not be able to prosecute. Because those prosecuted and convicted under H.R. 2669 could be subject to criminal fines, the federal government might collect additional fines. Criminal fines are recorded as revenues, deposited in the Crime Victims Fund, and later spent without further appropriation action; therefore, pay-as-you-go procedures apply. CBO expects that any additional revenues and subsequent direct spending would not be significant because the legislation would probably affect only a small number of cases.

CBO estimates that enacting H.R. 2669 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 2669 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Stephen Rabent. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.