



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 31, 2015

S. 1868 **Quarterly Financial Reporting Reauthorization Act of 2015**

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on July 29, 2015*

S. 1868 would extend the authority for the Department of Commerce to conduct the quarterly financial report program through 2030. Under that program, which will expire at the end of fiscal year 2015, the Census Bureau collects and publishes statistics on the financial condition of U.S. businesses. S. 1868 also would direct the Secretary of Commerce to review the data security procedures in place at the Bureau of the Census, and submit a report to the Congress within 90 days of enactment summarizing the findings from that review.

Information from the Census Bureau indicates that the quarterly financial report program costs about \$5 million a year and that costs to prepare the report on data security would be negligible. Therefore, CBO estimates that implementing the bill would cost about \$25 million over the 2016-2020 period, assuming appropriation of the estimated amounts. Enacting S. 1868 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 1868 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

The quarterly financial report program, which the bill would extend, requires certain companies to provide survey information on their business and financial data to the Census Bureau. Extending this requirement would be a private-sector mandate on those companies. Based on information from the Census Bureau, CBO estimates that the direct cost to comply with the mandate would fall well below the annual threshold established by UMRA for private-sector mandates (\$154 million in 2015, adjusted annually for inflation).

On July 29, 2015, CBO transmitted a cost estimate for H.R. 3116, the Quarterly Financial Report Reauthorization Act, as ordered reported by the House Committee on Oversight and Government Reform on July 23, 2015. The bills are similar and CBO's estimate of the budgetary effects are the same.

The CBO staff contacts for this estimate are Susan Willie (for federal costs) and Paige Piper/Bach (for private-sector mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.