

H.R. 5000, SHARE Act

As ordered reported by the House Committee on Energy and Commerce on November 20, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	47	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold
* = between zero and \$500,000.			

H.R. 5000 would require the National Telecommunications and Information Administration (NTIA), in consultation with the Federal Communications Commission (FCC), to establish a program to demonstrate the potential for federal agencies to share a portion of the electromagnetic spectrum. The bill would authorize the appropriation of \$50 million to conduct that effort. The bill also would require NTIA to propose a strategy for managing spectrum sharing programs, and to update and report on it to the Congress every two years.

CBO assumes the bill will be enacted in fiscal year 2020. Using information from NTIA and based on spending patterns for similar programs, CBO estimates that implementing the new program would cost \$47 million over the 2020-2025 period, assuming appropriation of the authorized amounts. Those funds would be used for the prototyping program, test equipment, and preparing strategy reports to facilitate the sharing of spectrum among federal entities.

Under H.R. 5000, the FCC and NTIA, in consultation with the National Institute of Standards and Technology, would report recommendations to the Congress to expand and improve spectrum sharing techniques in the 3.5 gigahertz band within a year after the conclusion of the first spectrum auction for licenses in that band. CBO anticipates that auction will conclude by 2021 under current law. Using information from the agencies, CBO estimates, that it would cost the FCC and the NTIA \$700,000 each to complete the report in 2022. Such spending would be subject to the availability of appropriated funds. However, because the FCC is authorized to collect regulatory fees in an amount sufficient to offset its



annual appropriation, CBO expects that any increase in net discretionary spending by the FCC would be negligible, assuming appropriation action consistent with that authority.

The costs of the legislation, detailed in Table 1, fall within budget function 370 (commerce and housing credit).

**Table 1.
Estimated Increases in Spending Subject to Appropriation Under H.R. 5000**

	By Fiscal Year, Millions of Dollars						2020-2025
	2020	2021	2022	2023	2024	2025	
Estimated Authorization ^a	50	0	1	0	0	0	51
Estimated Outlays	*	12	21	10	2	2	47

* = between zero and \$500,000.

a. The bill would authorize the appropriation of \$50 million but does not specify the time frame for the authorization. For this estimate, CBO has shown the authorization in 2020.

If the FCC increases annual fee collections to offset the costs of implementing the bill, H.R. 5000 would increase the cost of an existing mandate on private entities required to pay those fees. Using information from the FCC, CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold established in the Unfunded Mandates Reform Act (UMRA) for private-sector mandates (\$168 million in 2020, adjusted annually for inflation).

The bill would not impose intergovernmental mandates as defined in UMRA.

The CBO staff contacts for this estimate are Sofia Guo (for federal costs) and Rachel Austin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.